

HB 96 Interested Party Testimony Kim King, President Home Care Network Ohio House Finance Committee Chair Brian Stewart March 13<sup>th</sup>, 2025

Chairman Stewart, Vice Chair Dovilla, Ranking member Sweeney and members of the Ohio House Finance Committee, thank you for the opportunity to testify today.

## Survey

The total revenue generated by our HCBS sample is \$12,234,251.00, based on a sample of 260,126 visits across Ohio. The average revenue per visit, calculated from a patient sample of 5,834 spanning an 11-month timeframe (January to November 2024), is \$145.13. However, the net revenue per visit ranges from -\$169 to \$6.

Notably, only **one in 13 companies** is currently profitable while providing care for Ohio's Medicaid population. With the upcoming implementation of **Electronic Visit Verification (EVV) edits**, the expansion of managed care, and additional program changes, the already limited 7.7% of Medicaid agencies that remain profitable face an increasingly uncertain future.

## Rates

The Ohio healthcare industry is experiencing significant challenges. While the most recent budget provided the first substantial rate increase in decades, the rising costs of inflation, workforce shortages, and inadequate home care service rates continue to threaten the viability of providers.

As Ohio's population ages, more individuals prefer to remain in their homes. However, the current reimbursement system dictates which providers can survive, potentially forcing essential home care services out of the state. Without continued political support to sustain home care services, Ohio risks severe workforce shortages and reduced access to care for its most vulnerable citizens.

Other healthcare sectors have successfully secured rate increases through legislative action. If home care rates are not increased in parallel, Ohio risks significant declines in access to care. We urge the committee to consider raising HCBS rates in alignment with Ohio's budget increases—10.2% in FY2026 and 7.2% in FY2027—to ensure that providers can maintain a sustainable workforce.

## **Electronic Visit Verification (EVV)**

Before any funds from the upcoming budget are allocated, we must acknowledge a critical issue: the current EVV system risks deterring providers from participating in Ohio's Medicaid program. This is an urgent matter.



Since 2015, providers have worked closely with the state to implement EVV successfully. Prior to COVID-19, we engaged in direct discussions with providers, leading to a **50% improvement in compliance within five months**. We also deployed a full-time trainer to conduct statewide in-person training sessions.

Today, however, providers **do not** have the same level of collaboration or support. Instead of direct engagement, Ohio Medicaid now relies on limited email updates and "office hours" that fail to provide adequate guidance for Tier 2 and Tier 3 support issues.

Additional concerns include:

- Sandata has been acquired, and HHA Exchange has downsized its Tier 1 support team.
- Two of Ohio's top Tier 3 support specialists, **Carolyn Osprom and Mike Amborski**, are no longer with the company.
- The Ohio Department of Medicaid (ODM) has lost the key personnel who **designed**, **implemented**, and **managed EVV**, leaving providers without the expertise necessary for problem-solving and system improvements.

As a result, providers are being forced to comply with a **system that lacks effective communication, troubleshooting resources, and provider engagement**. Without immediate intervention, these issues could result in serious disruptions to home care services across Ohio.

## Conclusion

The current environment is unsustainable. At best, the home care industry is facing extreme challenges—at worst, we are in a prolonged state of crisis.

Over the past 26 months, Ohio's home care providers have endured compounding obstacles, including:

- 2021: Licensing Regulations Created excessive administrative burdens, disrupting home care operations.
- 2022: Provider Network Management (PNM) Required extensive administrative oversight, straining provider resources.
- **Ongoing: Gainwell Implementation (Florida)** Resulted in late and missed payments, forcing agencies to extend credit lines to maintain operations.
- **2025 Re-Credentialing** Medicaid credentialing denials, caused by medical directors failing to recredential, have created additional barriers beyond provider control.

We urge this committee to take immediate action to increase HCBS reimbursement rates, address the failures of EVV implementation, and ensure that home care services remain viable for Ohio's most vulnerable populations.

Thank you for your time and consideration. I am happy to answer any questions you may have.