

**Before the House Finance Committee  
Testimony on Substitute House Bill 96**

**April 3, 2025**

Good morning, Chair Stewart, Vice-Chair Dovilla, Ranking Member Sweeney, and members of the committee. I am Pete Van Runkle, representing the Ohio Health Care Association. We are the largest statewide membership organization for long-term services and supports providers, with more than 1,200 members, including more than 600 skilled nursing facilities (SNFs).

I'm here today to testify about Ohio's incentive for private rooms in SNFs and a provision in the substitute version of House Bill 96 that surprised and concerned us.

I imagine every member of this committee, in the event they needed skilled nursing care, would prefer to live and receive care (which often is intimate in nature) in a single-occupancy room. I know I would. Private rooms enhance quality of life for seniors who need to live in a SNF because of the level of care that they need. They have more privacy and dignity, more control over their environment, and a better space for family and friends to visit.

Private rooms also are highly beneficial from a quality of care standpoint, as they provide greater protection from communicable diseases of all types. Seniors with debilitating medical conditions are more susceptible to communicable diseases and more likely to have negative outcomes when they become ill. Not sharing a room with another resident cuts out a key source of infection.

In the last budget bill, House Bill 33, the General Assembly and Governor DeWine recognized and supported these benefits by creating a first-in-the-nation initiative that provides Medicaid incentive payments for private rooms approved by the Department of Medicaid. These add-on payments to the regular SNF rate are \$30 for a private room with a private bathroom and \$20 for a private room with a shared bathroom. The clear intent was to encourage additional private rooms in Ohio's SNFs.

The legislation was very successful in furthering this intent. The private room incentive began December 18, 2024, after it was approved by the Centers for Medicare and Medicaid Services (CMS). Around 28,000 beds – a third of the statewide total – now are in approved private rooms. SNF operators created many of them by converting double-occupancy rooms. The incentive spurred them to make significant investments by permanently giving up licensed beds and renovating existing space, as well as newly-constructed facilities or additions with private rooms.

Today, thousands of Ohioans are benefiting from the policy decision the legislature and the Governor made two years ago to add private rooms and open them to Medicaid residents through the incentive payments. Close to two-thirds of all SNF residents are on Medicaid.

In enacting HB 33, the legislature set a dollar cap on incentive payments that translates into a limit on the number of private rooms that can be approved. To set the limit, the statute assumes that 50% of the days in private rooms are used by Medicaid residents. At the time, no one knew how many private rooms would be approved or what the Medicaid utilization would be. Now that Ohio has a few months of experience with the program, it appears likely that the cap will be breached at some time in the next biennium. As currently written, ODM would have to cut off approval of additional private rooms.

To avoid this result and ensure more Ohioans can continue receiving the benefits of private rooms, we recommended this committee amend HB 96 to remove the cap.

Unfortunately, a different amendment in the substitute bill creates confusion about the future of the private room incentive. The amendment removes the existing cap but replaces it with a limit of 5,000 private rooms. This number is far below the level of currently approved and operating private rooms, let alone the number of rooms (between 30,000 and 31,000) that would fit under the existing \$160 million statutory cap with 50% Medicaid utilization. A lower cap could lead to thousands of residents being moved out of their private rooms and would harm providers who gave up licensed beds and made significant capital expenditures in reliance on the number of private rooms authorized by HB 33. In sum, it would be a cut of around \$135 million per year to Ohio SNFs.

We strongly encourage the committee either to clarify in the omnibus amendment that the 5,000 rooms is a limit on additional private rooms beyond the currently approved level or set a maximum number of private rooms at 30,000. We believe either of these approaches would ensure that the originally intended number of Ohioans receive the benefits of private rooms while preventing potentially unlimited fiscal exposure.

Thank you for your attention to this topic, which is extremely important for Ohio's SNFs and their residents. I would be happy to answer any questions you may have at this time. I also am available to meet in person or communicate via email ([pvanrunkle@ohca.org](mailto:pvanrunkle@ohca.org)) or phone (614-361-5169) regarding these issues.