

Chairwoman Schmidt, Vice Chair Deeter and Ranking Member Somani,

Thank you for the opportunity to testify before you today. My name is Alex Foster, and I am the Senior Vice President of Operations for Trilogy Management Services and a resident of Dublin.

At Trilogy, we manage over 130 integrated senior care communities across the Midwest, providing skilled nursing, senior living, and memory care. In Ohio alone, we manage 31 campuses with over 1,800 licensed skilled nursing beds and more than 3,400 dedicated employees.

Our commitment to clinical excellence is reflected in our outcomes. Our Ohio campuses hold an average CMS quality rating of 4.8 out of 5 stars and an overall CMS Five-Star rating of 4.12, which are both well above state and national averages. These results have yielded national recognition, as just last year Trilogy led the nation with 46 Quality Awards from the American Health Care Association, including 14 for our Ohio campuses.

Our success is driven by investments in people and clinical programs. Trilogy is proud to be “agency-free,” meaning we exclusively use staff trained to our own service standards. The cost savings from avoiding expensive staffing agencies is reinvested into our workforce development and employee retention programs. Ultimately, we know that our frontline employees drive clinical performance, so we prioritize their growth and satisfaction.

While we are proud of our achievements, none of our success would be possible without significant financial investment and support from American Healthcare REIT (AHR), a publicly traded Real Estate Investment Trust. Trilogy’s relationship with AHR goes beyond the traditional triple net lease between a REIT and a third-party manager. Under our RIDEA structure, Trilogy and AHR are aligned on long term clinical and financial performance of each of our campuses, which ensures sustainability.

Unfortunately, House Bill 96 includes language that, if passed, would prohibit the Ohio Department of Health from licensing new skilled nursing facilities that lease their real estate from REITs. This unprecedented restriction would effectively halt new development at a time when demand for nursing care is expected to surge due to the aging baby boomer population.

In just the last five years alone, AHR has invested well over 100 million dollars constructing 10 brand new Trilogy managed campuses in Ohio. These investments created more than 1,200 full-time campus jobs as well as supported countless direct and indirect jobs in these communities. These 10 campuses also added 544 skilled nursing beds in areas of need. While AHR and Trilogy are committed to further growth in Ohio, the provision in House Bill 96 could ultimately restrict us from building or acquiring new campuses in the state. REITs play a critical role supplying capital for constructing new and renovating older facilities, without that investment Ohio could face significant access to care issues in the near to long term and will see its current network of facilities crumble absent new investment. Trilogy and AHR’s relationship is a shining example of how REITs can help deliver on clinical excellence in skilled nursing, and Ohio should be inviting more investment, rather than slamming the door shut.

For these reasons, we respectfully ask for your support in opposing this portion of House Bill 96.

Thank you for your time and consideration.