Proponent Testimony – House Bill 96 Victoria Gresh, Ohio Assisted Living Association (OALA) House Children and Human Services Committee May 13, 2025

Chair Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the Senate Health Committee, thank you for the opportunity to provide written testimony on House Bill 96. I am Victoria Gresh, the Executive Director of the Ohio Assisted Living Association (OALA). For more than 30 years, OALA has served as a leading voice for the Assisted Living industry in the state, today representing approximately 77% of Ohio's Residential Care Facilities (RCFs).

Maintain and Consider Future Growth of the Assisted Living Waiver Program.

OALA would like to first thank the General Assembly, the Department of Aging, and the Department of Medicaid for their support in implementing a substantial increase in the Assisted Living Waiver (ALW) program in the previous Operating Budget¹. This increase has brought the reimbursement rate closer to the market value of our services².

Prior to FY2024, Ohio's AL Waiver reimbursement rate had remained largely stagnant since its inception in 2006. This, despite the vast growth in the cost and quality support of the population being served. As you know, Ohio is the seventh most populous state, but its population is projected to decline by nearly 6% over the next 30 years—yet the population composition of the state is shifting older: by 2030, more than one in four Ohioans will be age 60 and older.³

While OALA's membership consists of both private pay and Waiver providers, nearly 40% of OALA Members now accept the AL Waiver.

Data from the Ohio Department of Medicaid shows the number of AL Waiver residents from July 2023, prior to the Waiver increase, to January 2025 grew 8.5% from 3,136 to 3,692, and the number of AL providers increased 9% from 353 to 388⁴.

The benefits to our residents and families are numerous, including increased access to services, increased options of care communities, and the ability to age in place. Our providers, in turn, can provide care to a diverse population that reflects their community and maintain a consistent census that encourages stability and long-term relationships with the residents and their families.

Going forward, our members will continue to be challenged by the rising demand and increased cost of care for the older population we support. We seek consideration of a

¹ Effective January 1, 2024 Base assisted living service rate: \$130/day. Memory care assisted living service rate: \$155/day. Effective July 1, 2024 Critical access rate: \$145/day (OAC 5160-1-06.5)

² The average cost to provide AL services is \$177 per day (Genworth Cost of Care Survey, 2023).

³ Miami University Scripps Gerontology Center, "Ohio Population Research:" miamiohio.edu

⁴ Ohio Department of Aging, Medicaid Waiver Program Data: www.aging.ohio.gov

mechanism for regular review of provider payment rates to ensure they reflect the real cost of care and grow in step with the climbing cost of providing services, including rising operational costs, recruiting and retaining support staff, facilitating investments in technology and training, and enhancing the range of services offered to residents.

Personal Needs Allowance (PNA)

Finally, OALA would like to acknowledge the Administration's support of residents by increasing the Personal Needs Allowance (PNA) from \$50 to \$100. While the House did decrease this by \$25 to \$75, we would appreciate the Senate's consideration to return this increase to \$100 while ensuring the following are reflected in the budget language:

- 1. That this increase applies equally across all congregate care settings (IICF/IID, SNFs, ALs)
- 2. That there is no cost shift on to providers when the PNA is increased.

PNA ensures that seniors can maintain a degree of financial independence and dignity, afford items and services that enhance their comfort and self-esteem, and engage in social and recreational activities, which are vital for mental and emotional health.

Conclusion

On behalf of OALA's membership and the residents, families, and communities we assist, we are grateful for the continued support our industry has received from the General Assembly. We look forward to a sustained partnership in providing exceptional care and services to our most vulnerable population through a strategic assessment of reimbursement rates essential for the growth and sustainability of our Assisted Living communities.

Respectfully submitted,

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Executive Director