

HB 96 Interested Party Testimony
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Ohio Senate Medicaid Committee
Chairman Mark Romanchuk
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Chairman Romanchuk, Vice Chair Huffman, Ranking Member Liston and members of the Ohio Senate Medicaid Committee, thank you for the opportunity to testify today.

My name is Lisa Von Lehmden, and I serve as the Executive Director of the Ohio Council for Home Care and Hospice (OCHCH), representing home health and hospice providers across the state. I come before you with a strong and urgent message regarding hospice room & board, reimbursement rates, and the ongoing challenges associated with Electronic Visit Verification (EVV).

Today, I respectfully bring forward urgent concerns shared across the home and community-based services (HCBS) sector. My testimony addresses **three core issues**:

1. The **need for Hospice Room and Board Payment Rate adjustment**;
2. The **critical failures of the Electronic Visit Verification (EVV) system and the immediate need to delink EVV from claims adjudication**; and
3. The **need for fair and sustainable Medicaid reimbursement rates** that match the scope of administrative requirements and allow us to plan for a future of high-quality, in-home care.

Hospice: Room and Board payment adjustment

For over 20 years, Ohio hospices have been burdened by a flawed reimbursement policy that pays only 95% of the Medicaid per diem for room and board in skilled nursing facilities (SNFs), while many hospices pay SNFs the full 100%, forcing cuts to patient care.

This underpayment discourages SNF-based hospice care despite its critical value, especially during the COVID-19 pandemic when hospice staff served as essential partners to overstretched SNF teams. The staffing shortage continues long after the pandemic, and hospice team members are a key piece to providing increased quality of care for SNF residents.

Hospice care in SNFs is highly specialized, requiring compliance with dual regulations and deep collaboration. Full reimbursement is essential to sustaining access, strengthening partnerships, and delivering high-quality, cost-effective care to Ohio's most vulnerable residents.

To address this issue we request consideration to require the Directors of the Ohio Department of Medicaid (ODM) and the Ohio Department of Aging (ODA) to adopt rules for updating provider rates for services under the Assisted Living Program, PASSPORT Program, Ohio Home Care Waiver, and state plan home health and private duty nursing services, with a 2% rate increase beginning January 1, 2026. ODM must make retainer payments equal to 100% of the unit's daily rate to assisted living providers during a resident's absence and adopt rules by January 1, 2026,

to reimburse Medicaid hospice providers an additional per diem amount equal to 100% of the facility's room and board rate for eligible hospice patients. The bill also increases Medicaid Program Support funding by \$300,000 (state and federal shares) in FY 2027. Additionally, it increases Medicaid Health Care Services funding by \$18.6 million in FY 2026 and \$39.5 million in FY 2027.

EVV: A Broken System with Real-World Consequences

We cannot talk about sustainability in home care without addressing the **profound and persistent failures of Ohio's EVV system**. The state's chosen vendor, **Sandata**, has demonstrated a systemic inability to support providers. Their platform is riddled with technical failures, lacks timely support for users, and routinely **jeopardizes providers' ability to comply with Medicaid requirements through no fault of their own**.

These are not isolated incidents. Today, you will hear from agency leaders like **Kim King and Mike Vallee**, who represent hundreds of agencies that have documented:

- Frequent **system downtime which causes failed verifications**;
- Inconsistent training and **lack of real-time technical support**;
- **Mismatch between Sandata's performance and the Ohio Department of Medicaid's expectations**.

Despite this, ODM has moved forward with a policy that ties **claims payment directly to EVV compliance**, escalating the crisis. **Representative Jean Schmidt recognized this flaw and supported an amendment to delink EVV from claims until the system is functional**. We applaud her leadership and urge the Senate to affirm this approach. Until the EVV system works reliably, it is both unfair and administratively irresponsible to punish providers by withholding payment for services that were delivered in good faith.

Reimbursement: Addressing Rates and Administrative Complexity

Let's be clear: **rate instability and underinvestment in HCBS are driving workforce shortages and jeopardizing access to care**. The administrative burden placed on providers—including EVV, quality reporting, care coordination requirements, and prior authorizations—continues to grow, yet reimbursement has not kept pace.

We are calling for the following reforms:

- **Annual, standardized rate review** based on accurate cost data and aligned with inflationary trends. This will allow providers to plan and scale care responsibly.
- **Immediate rate adjustments for nursing services**, which were left behind in the last budget cycle while other direct care services saw increases.

- **Equity in rate-setting**, ensuring home care workers—especially nurses—are not paid *less* for doing *more* compared to institutional settings.

This is not just about fairness. This is about preserving Ohio's HCBS infrastructure. Without adequate rates, providers will continue to **exit the market, deny new referrals, or shrink their footprint**—leaving medically fragile individuals with nowhere to go.

Self-Directed Care: Thoughtful Integration, Not Rapid Expansion

Finally, we encourage this committee to take a **measured approach to the expansion of self-directed care**. While this model offers flexibility for families, it must not come at the expense of agency-based services or without proper oversight and accountability. The rollout must include:

- Safeguards to **ensure quality of care and avoid exploitation or fraud**;
- Workforce protections and training for self-directed caregivers;
- A **balanced approach** that recognizes the continued value of agency-directed care, especially for individuals with higher acuity or complex coordination needs.

Conclusion: A Call for Leadership and Accountability

Chairman and members of the committee, Ohio's HCBS system is in crisis. **Our members want to succeed—they want to deliver high-quality, person-centered care in the home—but they cannot do so when the system itself creates insurmountable barriers.**

We are asking for your leadership on the following priorities:

1. **Adopt the \$2 million workforce investment** to strengthen the nursing pipeline into home care.
2. **Pass legislation or include language to prohibit adjudication of claims based on EVV compliance** until the system is proven functional.
3. **Establish annual, data-driven rate reviews** and address the immediate underfunding of nursing services in HCBS.
4. **Support a responsible rollout of self-directed care** that complements—not competes with—agency-based services.

We stand ready to partner with the Ohio Senate to create a future where HCBS is strong, sustainable, and ready to care for Ohioans across all settings.

Thank you for your time and attention. I welcome your questions.