

HB 96 Interested Party Testimony
Mike Vallee
Your Choice Health Care Group
Ohio Senate Medicaid Committee
Chairman Mark Romanchuk
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Chairman Romanchuk, Vice Chair Huffman, Ranking Member Liston, and members of the Committee, thank you for the opportunity to speak with you today. My name is Mike Vallee, and I've spent more than 25 years working in Ohio's home and community-based care system. Over the course of my career, I've worked alongside nurses, aides, therapists, families, and most importantly, the individuals who rely on us to help them live safely and with dignity in their homes. I'm here today because we are at a critical point in this system's future. Without timely and meaningful action, we risk permanent damage to the very services so many Ohioans depend on.

The Medicaid reimbursement rates that providers rely on haven't kept pace with the real costs of care—not even close. Agencies are being asked to deliver high-quality, highly regulated care using reimbursement structures that are decades out of date. The expectations and needs of the people we serve have grown significantly, but the rates have not. In 2025, we're still trying to operate under rates built for the 1990s. That just doesn't work.

This funding gap is having a direct and dangerous impact on the workforce. Providers can't recruit or retain qualified professionals when they can't offer wages that are even remotely competitive. Therapists and nurses are leaving the field, and we're seeing fewer people enter it. Agencies are turning away referrals—not because they don't want to serve more people, but because they don't have the staff to do it. That means more Ohioans are going without the care they need in their homes.

To make matters worse, we're facing increasing instability in the payment systems themselves. The transition from MITS to PNM and CPS has been riddled with issues, and providers are still dealing with unresolved problems tied to EVV. What used to be a fairly stable cash flow process is now unpredictable at best, and chaotic at worst. Providers are delivering care they aren't sure they'll be paid for, and that uncertainty is putting strain on even the most resilient organizations.

We've appreciated the General Assembly's support for direct care workers in the form of wage increases in 2024. That made a real difference. But other essential staff—like nurses and therapists—have seen no such adjustment. These are the professionals who keep people out of institutions and hospitals. They deserve the same level of investment.

I also want to speak about self-directed care. I believe in the model. Done right, it empowers individuals and offers flexibility. But the way it's currently structured in Ohio is creating more problems than it's solving. We're now paying more for these services—sometimes over \$2 more per hour—but without seeing better outcomes. And instead of growing the workforce, we're just shifting it from agency-based roles to self-directed ones. The pool of caregivers isn't expanding—it's being reallocated, often inefficiently.

On top of that, there are serious concerns about oversight and fairness. Some entities involved in administering self-directed programs are acting as both gatekeepers and financial beneficiaries. They decide service hours, process claims, and collect administrative fees, often directly from consumers. That creates an uneven playing field, where one part of the system is heavily regulated and another is allowed to operate with far less transparency. That's not how we build a fair and balanced system.

This is what it looks like on the ground: referrals turned away, care delayed, staff burned out, families forced into crisis decisions. These are not hypotheticals—they're happening right now, in communities across the state.

So what's the ask? It's simple and achievable. Modernize Medicaid reimbursement rates across the board. Give providers stability in how and when they get paid. Invest in all parts of the workforce, not just one. And implement self-directed care in a way that complements the system, not undermines it. We don't need a radical overhaul—we need common-sense action that reflects today's realities.

We all want the same outcome: for Ohioans to receive quality care, in the setting that makes the most sense for them, delivered by professionals who are respected and supported. But we can't get there without real change. If we fail to act, the system we rely on will continue to deteriorate—slowly, then suddenly.

Thank you again for your time and your attention to this issue. I'm happy to answer any questions you may have and appreciate your commitment to strengthening the future of care in Ohio.