The Ability Center

May 15th, 2025

Senate Medicaid Committee on HB 96 Operating Budget

Testimony of The Ability Center of Greater Toledo

Thank you to Chair Romanchuk, Vice Chair Huffman, Ranking Member Liston, and members of the Senate Medicaid committee for the opportunity to testify. My name is Dr. Jules Patalita and I am a Disability Rights Advocate for The Ability Center in Greater Toledo. We are a Center for Independent Living that has worked for the last century towards our mission, to make our community the most disability friendly in the nation by increasing independence for people with disabilities, discovering true passions, and changing the community's perception of disability. In fulfillment of that mission, I come today for two reasons: to oppose the "Trigger Language" mechanic that would end Medicaid Expansion, and to support the amendment to create the legislative Long-term Care Workforce Study Commission.

I would like to start by addressing the fundamental issues with the Trigger Language and the negative impact it would have on Ohioans. A point of misunderstanding about the Medicaid expansion is that it is actually a form of work incentive. It is a recorded fact by many organizations that having health coverage makes one more likely to be working part- or full-time, and this applies to both the disabled and nondisabled population. For many in this category, living under 138% of the FPL, this expansion could be their only means of receiving health insurance while working. If choosing between working without benefits, or applying for unemployment and other social services, many will choose not to work and rely on the state.

Ending Medicaid expansion is nothing short of a work disincentive for hundreds of thousands. The main concern with the end of the federal match is the economic toll it would have on the state, but consider the impact this could have on the employment of almost 800,000 people. Income tax, sales tax, all of the ways that working Ohioans contribute to the state economy

suddenly vanish and are replaced by a large population that will have a greater need than ever, a need that the state of Ohio will then be more responsible for fulfilling. We have always seen Medicaid expansion as an incentive to work, and that is the way that the program functions for millions of Americans. If Ohio truly is an Employment First state, as declared by Gov. DeWine, then the state needs to find ways of extending work incentives like the Medicaid expansion program.

Perhaps the single biggest criticism of the Trigger Law is the sheer number of people impacted by its execution. The Ohio Department of Medicaid's data shows that almost 770,000 people are currently covered under the Medicaid expansion, all of which could immediately lose coverage if the federal match changes.[i] The Center for Community Solutions estimates that by 2029, 858,000 Ohioans will have lost access to health care.[ii] In 2025 alone, more than 25% of Ohioans using Medicaid will immediately have their coverage taken from them.[iii] One out of every four people using the program will suddenly lose their only source of health protection. Almost 7% of our state's citizens could lose their insurance overnight. For more perspective, CCS has mapped out at least 10,000 constituents using Medicaid Expansion in every Senate District in Ohio, with some districts reaching almost 45,000 users in that area alone.[iv] This seismic level shift in coverage and protection will shutter our economy far worse than just the financial cost of the program. I will not be the only person to say this, but it bears repeating until its meaning is fully grasped: Ohioans will be less healthy and independent if Ohio loses Medicaid expansion.[v] It is not an estimate or a prediction, it is the only logical outcome.

Another fundamental problem with the Trigger Law is the manner in which the harm it causes will almost purposely target the most vulnerable citizens of the state. Look at who is using Medicaid expansion today: single mothers, those with disabilities, senior citizens working part-time, students, children. The 138% FPL mark for Medicaid expansion is only $15,000 for a single person, or just under $40,000 for a family of four. These are incomes levels where families are struggling to make ends meet, and often this low-income will be indicative of positions where employers will not be supplying health insurance.

One specific group this will impact greatest are those who provide direct care services for those under Medicaid waivers, those with disabilities who rely on care specialists to be able to live outside of hospitals and institutions. National studied showed that 43% of direct care works utilize Medicaid for health care, many of which utilize Group VIII Medicaid Expansion.[vi] That could mean that two out of every five direct care workers in Ohio would be affected by the Trigger Law, in an industry where the term "direct care crisis" has been used for decades to describe the lack of home-and-community care. Ending the Medicaid expansion will not only harm those relying on its coverage, it will have a ripple effect that threatens to harm the care of those need Medicaid to survive. Medicaid expansion is the only form of protection for many Ohioans, and the three years we lived through a pandemic showed our country how vital these protections are to keeping ourselves and our loved ones safe. As much as the state needs to stay within its budget, and as expensive as it would become for Ohio to take the weight of the Medicaid expansion from the federal government, an immediate end to these benefits will only harm the most vulnerable citizens of our state.

One of the biggest critiques of the Trigger Law is the wording that coverage would end "immediately." What happens to the mother who buys medication for her child hours after the Trigger Law takes effect? She'll be forced to, without any notice, pay the full cost of the prescription, and one can only imagine how this scenario will impact the hundreds of thousands of Ohioans who rely on this coverage. I have heard other agencies suggesting a roll-back of coverage, or making it a permissive shift away from the expansion services. Any of these are a better solution than, without warning, completely negating the coverage of close to 1,000,000 of our citizens. I understand the impact that funding Medicaid expansion would have on the state budget, but there must be a more effective, and humane, solution to the problem than to end it immediately.

The entire conversation around the Trigger Law and Medicaid expansion seems to come down to numbers. This many millions of dollars, that many billions of dollars. Here are the numbers that I hope are most important to the House Committee today. One out of every four Ohioans on Medicaid suddenly losing coverage. Seven percent of the state losing their health insurance. Ten thousand constituents of every Senate District in Ohio having their health coverage taken.

Zero, the amount of warning that Ohio citizens could receive before the only way they have to pay for their children's medication is stripped away. Finally, an unknown number, somewhere between one and 800,000. The number of people in Ohio that will lose health coverage if the Trigger Law is pulled in its current form. I pray that the committee can find a way to balance the economic needs of our state against the cost.

Next, I will explain why The Ability Center and other members of the disability community are supportive of the creation of the Long-term Care Workforce Study Commission. I spoke on the direct care crisis in my previous point on Medicaid Expansion. This term stems from the fact that, for decades now, this vital industry has been shrinking, losing care providers faster than they can be recruited. Home- and Community-based Services have been proven to be more cost-effective than facility-based care, and exponentially improves the independence and quality of life of Ohioans.[vii]

ODM data from February of this year counts over 106,000 people using Medicaid waivers to receive HCBS, just short of 9% of the total population of the state.[viii] This industry is responsible for the independence of one in every 10 Ohioans, yet the DODD reported a 56% turnover rate among providers at the end of 2022.[ix] In the last budget, Ohio attempted to address this by raising the rate of Medicaid reimbursement, hoping to provider wages and support this workforce. I conducted a study throughout 2024, surveying care agency representatives and sitting for focus groups with direct care providers. What we found was that this reimbursement increase failed in impactfully increasing wages, but more important was the realization that wages were only one of several issues these providers face. Wages lower than entry-level positions such as food service and retail, combined with a widespread lack of benefits, see the current care industry in Ohio barely healthier than before the increase.

Wages are a clear contributor to the direct care crisis. In our study, we found that 73% of providers had only received a single wage increase throughout their tenure in the position, with most of those as a result of the Medicaid reimbursement increase. Yet we found this to not be enough to bring rates to where they eventually need to go, as one national organization found that the median wage for home health and personal care aides in Ohio had only increased $2

from 2014 to 2023.[x] A $2 increase over the course of almost a decade is why most entry level positions in food and retail services have higher pay than the average direct care provider, and why these industries are often one of the main competitors for care agencies looking to solve staff shortages.[xi] Why do the work of a care provider, known for being taxing physically and emotionally, when you could be paid better for less strenuous labor elsewhere?

Another pressing issue is the systematic lack of benefits provided to direct care providers in Ohio. A report by DODD found that most agencies do not provide insurance to their providers, with small, medium, and large agencies answering "No" at 78%, 81%, and 54% respectively.[xii] The size of the agency clearly matters in this case, but most agencies are not giving health benefits to the people responsible for the long-term care of our citizens. A national study found that 43% of care providers must use Medicaid or other public coverage options, with almost 20% being totally uninsured.[xiii] We also found that travel reimbursement is shockingly low, only offered on a consistent basis to 27% of our participants. We spoke to several participants who drive hours a day, at their own cost, to provide care to those in need. There is a great divide in the amount of HCBS available in rural areas compared to urban, and this lack of travel reimbursement is one of the biggest factors in this issue, with Midwest studies confirming that additional steps must be taken to ensure care is accessible for rural communities in our area.[xiv] In our own study, we found that 73% of providers did not receive health insurance from their agencies, 62% had no travel reimbursement, and 49% received no benefits at all for this difficult labor. Unfortunately, while there were signs that the Medicaid Reimbursement rate assisted agencies in increases pay wages, we found no evidence of benefits being offered as a result of this change.

During our study, we found that 50% of care providers had heard about a worker shortage, while a staggering 95% of care agency representatives agreed that a shortage was taking place. From wages that linger behind even fast food and retail positions, to a healthcare workforce where more than 60% of provider agencies do not provide access to health insurance, our findings paint a grim picture for an industry that is so vital to the daily lives of almost one in 10 citizens of our state. This has been a national crisis for decades. Ohio is not alone in our struggles to solve the issue of a skills-based workforce with an average turnover rate of 56%.[xv]

The multiple causes of the crisis make it difficult to recommend any one specific action to address it, as a combination of wages, benefits, and an overall lack of tenured workers all see high turnover rates that most negatively impact those relying on home and community care. A bipartisan taskforce would be able to fully explore the causes and solutions to the worker shortage and make recommendations for the state of Ohio to move forward. We firmly believe that this is the best course of action if Ohio wants to make concrete steps towards providing an adequate amount of home care for the 106,000 Ohioans relying on these daily services.

Sincerely,

The Ability Center of Greater Toledo

Jules Patalita

Disability Rights Advocate

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