



**OHIO ASSISTED
LIVING ASSOCIATION**

Testimony to the Senate Finance and Appropriations Committee

Jean B. Thompson, OALA Executive Director

June 13, 2017

Chairman Oelslager, Vice-Chair Manning, Ranking Member Skindell, and members of the Committee

My name is Jean Thompson, Director of the Ohio Assisted Living Association, representing over 475 licensed residential care facilities or Assisted Living communities as they are commonly called. Thank you for this opportunity to testify again on Sub. HB 49 as you prepare the Omnibus Amendment.

First, we are appreciative of some of the changes the House made in the budget bill; *removal of the unnecessary and expensive new proposed fines by ODH, and maintenance of the Residential Care Facility licensure in the Assisted Living Medicaid Waiver* as well as an important modification by the Senate, *removal of the prohibition on an increase in the Assisted Living Medicaid Waiver rate during the budget biennium.*

We strongly support these changes and hope they will continue to be maintained by the Senate.

Our major concern and request now is that language be reinserted from the Governor's as introduced budget providing 13 million dollars in state funds to increase the Assisted Living Medicaid Waiver reimbursement.

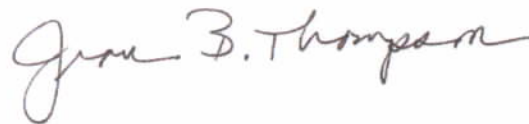
The ALW, a program currently serving 5,000 Ohioans, **saves Ohio taxpayers money by caring for these nursing home eligible individuals in a lower cost setting.** These individuals, who for varied reasons cannot continue to be cared for at home; either because their needs cannot be scheduled or there is no support person for them, would otherwise be served in nursing homes. Unfortunately, **Assisted Living providers cannot afford to participate or to increase their participation in this valuable cost saving program, as the program has not received an increase in reimbursement since its inception in 2006.** *All costs have risen since 2006.* The program will not be possible without an increase soon.

On the **attached chart** we have highlighted the disparity in our reimbursement rate compared to other Medicaid programs. We are not suggesting that these other programs are receiving too much, but rather that we are not receiving enough. In the *as introduced* budget bill, the Ohio Departments of Medicaid and Aging, indicated that ALW rates would be increased during the biennium, allocating a small amount, approximately 13 million dollars state funds or

approximately 34 million dollars with the federal match because they see the potential cost savings of this program and the importance of maintaining access to it.

Designing Ohio's budget is a complex and difficult task, particularly given the current revenue constraints. Even in tight times, with these restraints, **we ask for this small increase because this program saves money.** Assisted Living is a Home and Community Based service, along with others, that can help Ohio deal with our aging population's needs in a cost effective manner.

We ask you to make an investment in the AL waiver program in this budget.

A handwritten signature in cursive script that reads "Jean B. Thompson".

Jean B. Thompson
Executive Director

Ohio Assisted Living Association

1335 Dublin Road, Suite 206A

Columbus, OH 43215

614-481-1950

jthompson@ohioassistedliving.org



OHIO ASSISTED LIVING ASSOCIATION

A cost comparison of Medicaid programs providing similar services to the Assisted Living Waiver program.

MEDICAID Reimbursement		
Assisted Living Waiver Service	24 hours per day service package	Tier 1 \$49.98/day* Tier 2 \$60.00/day Tier 3 \$69.98/day
Certified Adult Day Services	4-8 hours (Transportation & additional services billed separately)	Enhanced \$49.39** Intensive \$64.84
PASSPORT Personal Care Service	4 hours	\$71.84 (\$17.96/hr)**
Shared Living	Occasional Continuous	Level I: \$77.20/day*** Level II: \$113.90/day
Nursing Home	24 hours per day	\$ 177.31/day ****

Source: *OAC 5101:3-1-06.5 Appendix A

**ODM proposed rate – effective January 2017

***Ohio waiver application to CMS

**** Ohio Department of Medicaid-(July 2016 rate increase not included)

OALA has prepared this comparison to highlight the Medicaid reimbursement rates for programs with similar services to the Assisted Living Waiver (ALW), being provided to older adults in Ohio. The other programs are not “overpaid”, but this chart shows that ***the reimbursement for the ALW falls way below that for comparable programs.*** It is also important to note that both PASSPORT and Adult Day services are *scheduled* services, and in the Assisted Living setting, a complete package of services are provided as needed, 24 hours per day.