

**Health and Human Services Subcommittee  
House Bill 110  
February 24, 2021**

Good afternoon, Chair Roemer, Ranking Member West, and members of the subcommittee. I am Pete Van Runkle from the Ohio Health Care Association. OHCA represents providers of assisted living, home care, hospice, intellectual and developmental disabilities, and skilled nursing services. We appreciate the opportunity to appear before you today to discuss the Department of Aging budget on behalf of our members who provide home and community-based services (HCBS).

OHCA appreciates and supports the eloquent testimony of Director McElroy on the Department of Aging's priorities and the impact of COVID-19 on older Ohioans. Our members know only too well that older people are much more susceptible to the ravages of the virus than younger people. As Director McElroy demonstrated, extremely high percentages of COVID-19 hospitalizations and deaths are among the 60+ population.

We would like to highlight the caregivers who serve those older Ohioans when they need health and personal care services. Specifically, we refer to providers in Ohio's HCBS waiver programs for older adults - PASSPORT, the Assisted Living Waiver, and the MyCare Ohio Waiver – as well as agencies that deliver home health care under the state Medicaid plan. In addition, the Ohio Home Care Waiver covers people under 60 who need care because of disabling conditions.

Pre-COVID, these providers struggled with historically low Medicaid reimbursement rates that made it difficult to cover their costs and exacerbated the staffing crisis that affects all of long-term services and supports. They simply were unable to pay enough to attract staff to this demanding work. In some cases, agencies had to stop taking Medicaid consumers because of the low reimbursement. This is dramatic in assisted living, where hundreds of Ohio assisted living communities do not take Medicaid residents and many others limit the number they will accept, often only serving individuals who already resided in the community for a period of time. As a result, access to assisted living and to home care for lower-income seniors is limited.

Then COVID-19 hit. As in all of health care, the impact on HCBS has been profound. In assisted living, occupancy declined as new admissions dried up because of fear of COVID-19. In home

care, fewer people want an outside caregiver coming into their home. In both cases, older Ohioans went without to avoid exposure to COVID-19 and its devastating consequences. For providers, this meant less revenue at a time when they also were incurring increased costs for measures such as personal protective equipment, COVID-19 testing, and higher wages to compensate for the risk of encountering COVID.

Coupled with already-low Medicaid rates, these factors put extreme stress on a vital industry that provides an array of care options for people who do not need the level of service a skilled nursing center.

In the last budget, the General Assembly began to take steps to address this long-standing problem by appropriating funding for a 5.1% rate increase for selected HCBS providers, including PASSPORT and assisted living. Unfortunately, when spread among more waiver providers, this increase was reduced to 3.25% and did not take effect until 6-9 months after the legislation passed. State plan home health services were not covered at all.

In the Executive Budget, we appreciate and support the DeWine Administration's proposed 4% increase for nursing and aide services delivered by waiver and home health providers. We respectfully request this subcommittee and the legislature as a whole to move beyond this starting point to fund a 5% increase in each year of the biennium to address the historic underfunding of HCBS and to assist in recovery from the damage caused by COVID-19. Director Corcoran testified to the full committee that the Administration's proposal allocated \$43.8 million in state share for the 4% rate increase. Our proposal would add \$42.8 million state share to this sum to help ensure older Ohioans can receive the services they need in the settings of their choice.

We appreciate your consideration of our ideas to strengthen the HCBS delivery system and to help it recover from the pandemic.

Thank you for your attention. I would be happy to answer any questions from the subcommittee.