



Ohio Association of Area Agencies on Aging
Advocacy. Action. Answers on Aging.

TESTIMONY BEFORE
OHIO SENATE HEALTHCOMMITTEE

May 5, 2021

Presented by
Duana Patton, CEO
Ohio District 5 Area Agency on Aging

Chair Huffman, Vice Chair Antani and Ranking Member Antonio, and members of the Committee, thank you for the opportunity to testify today on H.B. 110, the state budget bill. My name is Duana Patton and I am the CEO of Ohio District 5 Area Agency on Aging. Our agency is located in Ontario in Richland County and serves individuals of all ages in Ashland, Crawford, Huron, Knox, Marion, Morrow, Richland, Seneca and Wyandot counties. I am speaking today on behalf of Ohio's 12 Area Agencies on Aging and the people we serve.

Ohio's Area Agencies on Aging and the people we serve have been at the center of this pandemic. We have been quick to respond to meet the needs of older Ohioans, through additional services, enhanced case management, and efforts to combat social isolation. We have adapted our own operations as well, and are busier than ever, including with vaccine outreach and coordination. Although our state funds were cut, we are fortunate that **one-time** federal COVID relief funds, in the short term, have helped many older Ohioans stay safe and healthy in their homes and communities during this pandemic with special purpose funds for nutrition, transportation, and COVID related assistance. **One thing is certain, home is where older Ohioans want to be now more than ever.**

Ohio's system is set up for a continuum of care, from home to assisted living to full skilled nursing care. Within that continuum, however, only one type of care is an entitlement in the Medicaid program – meaning that under federal law it must be offered – and that is nursing home care. Additionally, nursing home care is the only type of care to consistently receive rate increases.

Meanwhile, people want to age in place at home and in their communities. We have made great strides in serving people where they want to be. However, home and community-based services for older Ohioans and people with disabilities have been underfunded for years. The funding for HCBS has not come close to meeting the demand or the actual cost to serve. The demand for home and community-based services continues to grow as Ohioans grow older, and even more so because of the pandemic. This is not a new development; we have appeared before the General Assembly over the last several years, to bring attention to this situation.

For years, Area Agencies on Aging and the providers we work with have done the best we can with the resources available. We have done a lot with a little. We have actually saved the state money – an estimated \$12 billion in more than 20 years of promoting home and community-based care.

Ohio Rebalancing Facility and Community Services

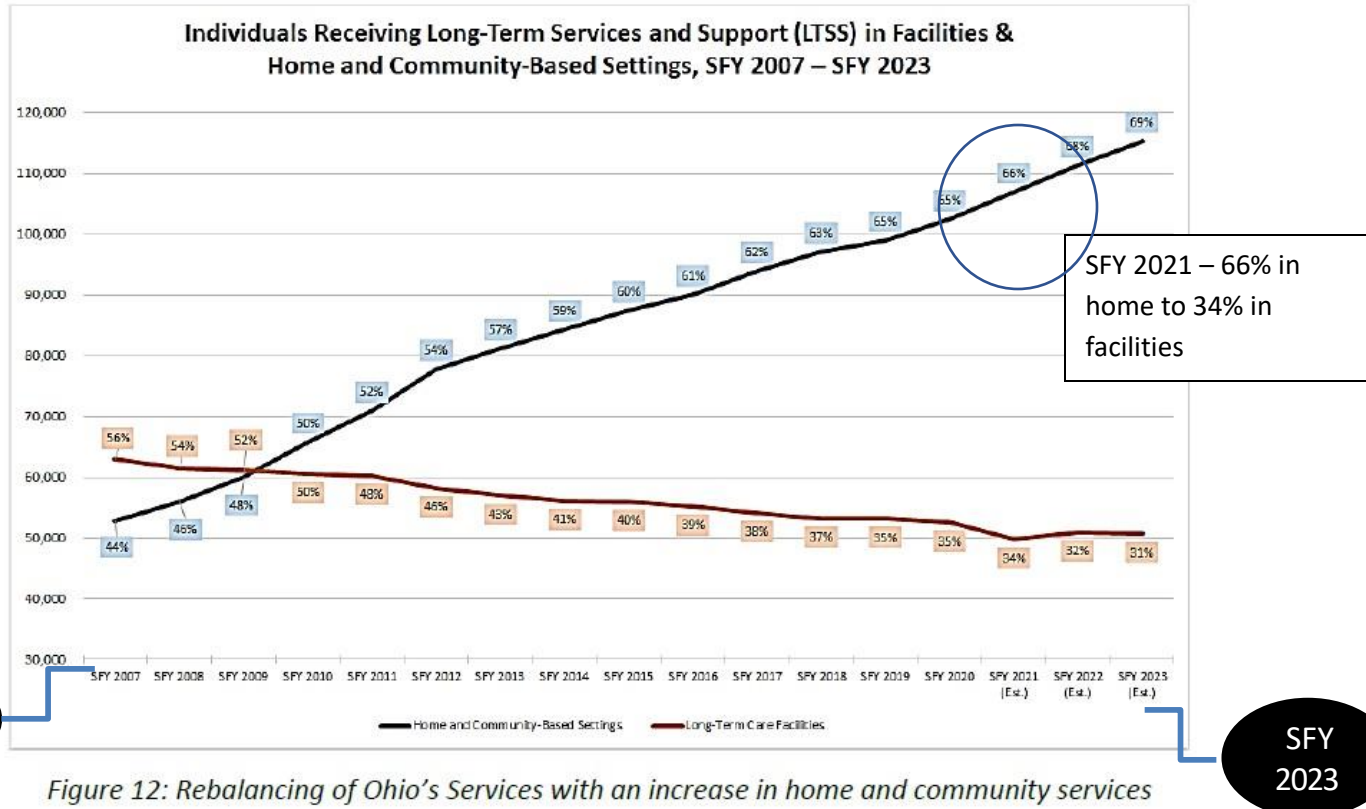


Figure 12: Rebalancing of Ohio's Services with an increase in home and community services

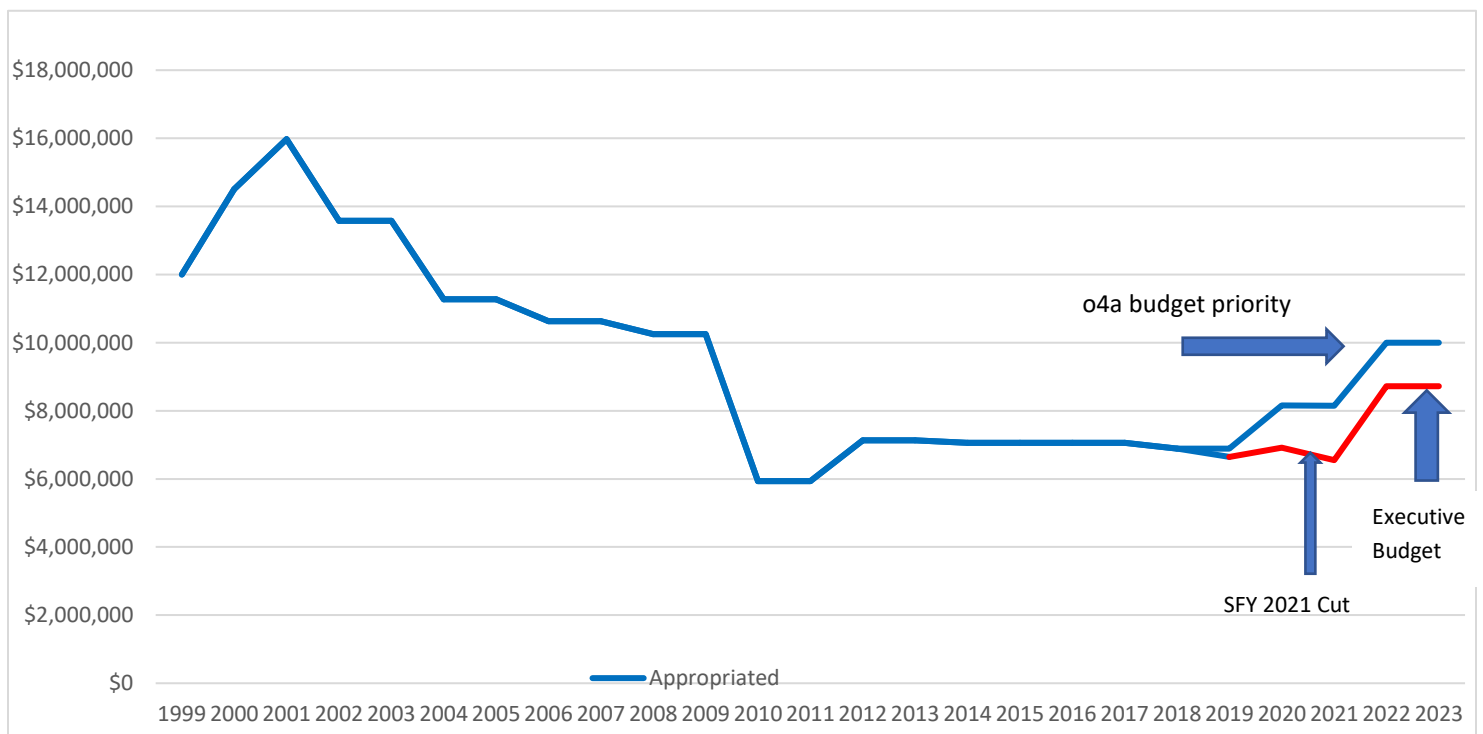
What is the state paying for? Right now, an estimated 22,000 unused nursing home beds. Automatic, rebased nursing home rate increases for nursing homes. Capitation rate adjustments for managed care plans. Meanwhile, home and community-based providers occasionally receive one-time, small rate increases that do little to address the capacity of the system to continue to meet the need.

We have a choice to support people where they want to be, in the most cost-effective settings, in a way that provides equal access to these services. Right now, however, people are essentially on a waiting list for in-home services, or going without care, and the possible

outcomes will inevitably be an increase in nursing facility or hospital care and increased risk of elder abuse, neglect or exploitation. The state must invest in care supporting older Ohioans and people with disabilities equitably (at home, in assisted living, in nursing facilities) so that **home is a real option for all Ohioans.**

There are two ways we can start to do that now.

First, we ask that the state increase funding by approximately \$1.3 million per SFY for non-Medicaid services for older Ohioans such as meals, transportation, and personal care services so they can remain safe and healthy in their homes and communities. Funding should be provided to the AAAs without carve outs to meet local community needs. (*Senior Community Services ALI 490-411*)

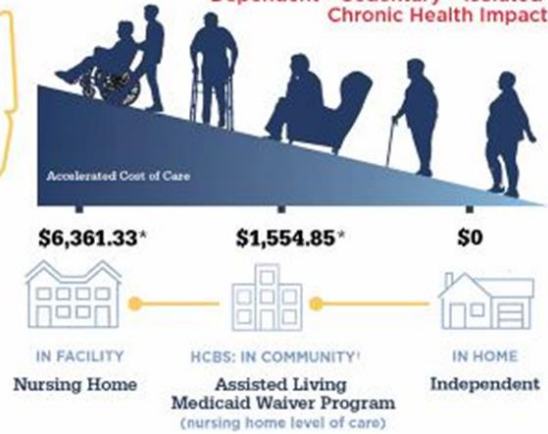


All Ohioans live longer, healthier lives with dignity and autonomy, when disparities are eliminated.

Independent • Active • Social
Health Focused • Community Programs



Dependent • Sedentary • Isolated
Chronic Health Impact



Factors that Impact Health



Community Conditions
Financial Stability
Quality and Affordable Housing
Transportation Access



Healthy Living
Quality Nutrition
Physical Activity



Access to Care
Health-care Coverage/Affordability
Home and Community-based Supports
Workforce and Caregiver Capacity

*Home and Community-Based Services (HCBS) cost calculations are based on monthly averages for Medicaid waiver services/case management and Older Americans Act program services. Monthly averages for HCBS programs do not include housing costs. Nursing Home monthly estimate based on 2020 nursing facility Medicaid rate.

*The HCBS programs are regionally managed by Ohio's Area Agencies on Aging/PASSPORT Administrative Agencies and delivered by local aging service providers.

I want to highlight an infographic from the Department of Aging that I have included in my testimony. It shows the continuum of care provided in Ohio. On the left side is where the Area Agencies on Aging are. Local Aging Services, like the Senior Community Services program and other federal and local programs that are administered by the Area Agencies on Aging, provide low cost, less intensive services that amount on average to about \$66.99 a month to support older Ohioans in their homes and communities. This is what we are talking about with the Senior Community Services program: flexible minimal dollars to meet the needs of people in our communities.

State funding through the Senior Community Services line item allows the state to draw down federal Older Americans Act dollars and provide low cost and less intensive interventions for individuals 60 and older who do not yet need Medicaid.

Senior Community Services funding allows the Area Agencies on Aging to:

- delay and divert from enrollment in Medicaid,
- address determinants of long-term poverty (Housing, Nutrition, Transportation, etc.),
- enhance health and wellness programming,
- support family caregivers,
- include high risk and diverse populations; and
- Maximize new and existing Medicare benefits.

I want to clear up some recent misconceptions about this program. It has been stated by some House members that Area Agencies on Aging are receiving a 33% increase in this line item. In SFYs 2020 and 2021 this line item was cut by the Administration to balance the 2021 budget. As a result the actual expenditures reflect a 33% cut from the original appropriations in the budget. If you look at the actual expenditures in SFY 2021 compared to the request for SFY 2022, there is an increase of 33%, which is actually restoring the funding that was cut. It is not a 33% increase in funding but a restoration from a 33% cut to the budget.

Additionally, as the last biennium, \$1.5 million of this funding each year will be used by the Department of Aging to continue the expansion of the federal Senior Farmers Market Nutrition program. As a result, the amount provided to the Area Agencies on Aging to be distributed in their regions will be the same as the previous budgets despite the increasing need.

One time relief funding cannot make up for the longstanding need for resources to support the many services that older Ohioans rely on to remain at home and engaged with our communities. We all want dignity, self-determination, and quality of life as we age, and these services are critically important if we want to meet that goal.

Second, we ask that the state provide a greater increase in Medicaid reimbursement rates for PASSPORT and MyCare home care, Assisted Living, and other services for older

Ohioans and people with disabilities so they can remain safe and healthy in their homes and communities and so that care at home is treated equally as an option to nursing home care. Services are not available for everyone who needs them and providers cannot afford to help those most in need. (ALI 651525 Medicaid Health Care Services)

This cannot be understated: we have a workforce shortage. We cannot find aides for all who need them right now. A poll our association recently conducted revealed more than 2000 individuals enrolled in waiver programs going without personal care services. This number continues to grow. **In my agency, as of May 1st, we had about 150 people waiting for personal care.**

Providers are facing low rates, staffing shortages and economic forces that combine to make the business model unsustainable to continue. This situation has been true for several years but has been exposed because of the pandemic. We refer to our home care workers as unsung heroes – they do this work with low pay and little support, because of their compassion and commitment for their fellow Ohioans. They have been essential workers on the front lines.

All of the waiver services, from adult day services to home delivered meals to transportation, are facing challenges with the cost to serve and low reimbursement rates and we support increases in these services.

Furthermore, I have included with this testimony a copy of a joint proposal that we have shared with the members of this committee as well as the Senate Finance Committee, along with our colleagues in aging services, the Ohio Health Care Association, Leading Age Ohio, Ohio Council for Home Care and Hospice and Ohio Assisted Living Association that advocates for a 1% increase in state fiscal year 2022 to the Governor's proposed, and the House passed version

of the budget for the Medicaid reimbursement rate for home care services, and a 5% increase in state fiscal year 2023.

We have a 32% vacancy rate in nursing homes right now, and an estimated 22,000 empty beds that the state is paying for. I want to direct you back to the infographic from the Department of Aging on page 5. On the left, the graphic shows that the average cost of care for in home services in PASSPORT is \$1225 per month. This is for someone who is at a nursing facility level of care, meaning that they are eligible to receive care in a nursing facility. Nursing facility care is estimated to cost \$6361 per month. When over 90% of people want to age in place in their homes and the cost is 1/6th of the cost of institutional care, we should be putting all our efforts into making this system work. Instead, we have over 2000 people at home right now, where they want to be, in the most cost-effective setting, going without care. They are going without care because providers cannot afford to offer competitive wages to other service industries, as well as cover other expenses, and are ultimately dropping out of the program for higher rates.

We ask for your support of these proposals as a commitment to prioritizing home and community-based services so that **home is a real option**. Older Ohioans and people with disabilities should be able to thrive and grow older in their homes and communities. We must do better for them, and for all of us who may need help at some point in our own lives.

Thank you for the opportunity to testify. I am happy to take any questions.

Investment in Home and Community Based Services To Align With Nursing Facility Care

TO: Senate Finance and Health Committees
FR: LeadingAge Ohio
Ohio Assisted Living Association
Ohio Association of Area Agencies on Aging
Ohio Council on Home Care and Hospice
Ohio Health Care Association
DATE: May 3, 2021

The above organizations testified as a panel before the House Finance Health and Human Services Subcommittee on February 24, 2021 on HB 110. We have joined together to ask Ohio lawmakers to take action in the state budget to bring parity to the level of investment for older Ohioans and Ohioans with disabilities who are served in their homes and communities.

Home and community-based Medicaid waiver programs are cost-effective options for older Ohioans and Ohioans with disabilities to live healthy, engaged, secure lives in their homes and communities. It is where most people want to be. However, our members are experiencing significant challenges in finding personal care aides to provide services in these programs. Providers are dropping out as a result and they are not easily replaced. They face low rates, staffing shortages and economic forces that combine to make the business model unsustainable for them to continue.

Ohio's system is set up for a continuum of care, with the provision of cost effective services at home to assisted living waiver options to full skilled nursing care. However, without the ability to provide personal care services in the community settings because of a lack of providers, eligible participants are turned away or disenrolled, or to immediately go to the full skilled nursing care when that is not necessarily what they need or want.

We support the following:

- An additional 1% increase for 2022 (added to the 4% increase proposed by the Administration and included in the House-passed HB 110), and 5% in 2023 for community nursing and aide services in the ODM and ODA-administered waivers, including assisted living, and state plan services,¹ to address the historic underfunding of HCBS and to assist in recovery from the damage caused by COVID-19. Director Corcoran has testified that the Administration's proposal (included in the House-passed HB 110) allocates \$43.8 million in state share for the 4% rate increase. This proposal would add \$42.9 million state share to this sum in the biennium to help ensure older Ohioans and people with disabilities can receive the services they need in the settings of their choice.
- Annual review of provider rates and workforce shortage to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available to those who are eligible for community nursing and aide services in the ODM and ODA administered waivers, assisted living, and state plan services.

¹ The specific services include: Private duty nursing, state plan nursing, home health aide, personal care for MyCare, PASSPORT, and Ohio Home Care; home care attendant for MyCare and Ohio Home Care; homemaker services for PASSPORT; assisted living in MyCare; assisted living waiver (ODA); waiver nursing for PASSPORT, Ohio Home Care, MyCare and Individual options waivers. We also support increases in waiver meals for MyCare, Ohio Home Caer and PASSPORT.