**Testimony on Am. Sub. H.B. 166**

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Chairman Dolan, Ranking Member Sykes, and Members of the Senate Finance Committee, thank you for allowing me again to provide testimony today on Amended Substitute House Bill 166. My name is Joe Russell and I am the Executive Director at the Ohio Council for Home Care and Hospice (OCHCH). We represent over 600 agencies across the state include some in all of your districts. I am testifying today on a few different subjects within the home care and hospice arenas.

The first issue is skilled home health rates. Ohio’s Medicaid home health reimbursement rates are less today than they were in 1998. Ohio has the lowest rates in the mid-west and are near the bottom of the list for all states despite being in the top-five states with aging populations that need long-term care. The House and Senate have both increased all home and community-based provider rates in the budget, yet have left stagnant the skilled home health rates. I’m here today to ask you to support the same 5% increase given to PASSPORT and Assisting Living Waiver providers to that of skilled home health rates.

I cannot stress how critical it is that we begin investing in home health. Our agencies lose money on every Medicaid patient they admit. Home health agencies have continued to provide these services out of a sense of community obligation, but shear economic factors are forcing our members to drop Medicaid patients altogether. Agencies are not admitting patients, they are discharging patients, and they are letting their Medicaid agreements lapse because they can’t cover the cost of providing care.

In fact, we learned this week that a member of ours that testified in the House, who was a long-time employee of an agency in Mansfield, was let-go due to a restructuring of the company. Why did they restructure? Because they are on pace to lose $14 million on Medicaid this year and need to retool to accept more Medicare patients. This sort of issue will only continue to get worse without help from the General Assembly. As such, we humbly ask the Senate to increase our Medicaid home health rates by 5%.

The second issue deals with Medicaid managed care policies. The House included language that would both address regulatory compliance issues with pre-authorization at the start of home care service as well as reigning in aggressive recoupment policies by the managed care plans. Both of these issues are disrupting the function of the Medicaid managed care system and impacting patient care by forcing them into a more expensive institutional environment. We appreciated the work that has been done with the plans and ODM to resolve these issues, but after two-years of discussions these issues are still prevalent. As such, we humbly ask that the pre-authorization and recoupment language is restored back to the “As Passed by the House” version of the bill.

The third issue seeks to reduce bureaucratic red-tape that impacts hospice programs and skilled nursing facilities. Currently, hospice programs get reimbursed directly from ODM for room and board for hospice patients inside SNFs. It’s very difficult to manage this because the rates constantly change and every relationship between a SNF and hospice program has a different contract. This also delays payments to SNFs. Our solution is simply to allow SNFs to be reimbursed directly for room and board as remove the hospice programs as the pass-through entity. There is broad stakeholder support, as well as broad bi-partisan and bi-cameral support for this change. While this would take some time as ODM works with CMS to make the change, ultimately this will reduce red tape and it will create regulatory and administrative efficiencies that will ultimately benefit hospice patients. We humbly ask that this amendment be included in the budget.

Thank you again for allowing me to testify. On behalf of OCHCH I want to thank you for all the work on this budget and we thank you for your consideration of our priorities. I am happy to answer any questions you may have at this time. Thank you!