



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

TESTIMONY BEFORE
THE OHIO HOUSE OF REPRESENTATIVES
FINANCE COMMITTEE

March 11, 2021

Presented by
Gary Cook, CEO
Direction Home Akron Canton Area Agency on Aging

Chair Oelslager, Vice Chair Plummer and Ranking Member Crawley, and members of the Committee, thank you for the opportunity to testify today on H.B. 110, the state budget bill. My name is Gary Cook and I am the CEO of Direction Home Akron Canton Area Agency on Aging and Disabilities. Our agency is located in Uniontown and serves individuals of all ages in Portage, Stark, Summit & Wayne 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 right now with vaccine outreach and coordination. Although 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. **One thing is certain, home is where older Ohioans want to be now more than ever.**

There's a saying that goes something like this: Show me where you spend your money and I'll show you what your priorities are. 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, 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 our state grows older, and even more so because of the pandemic. This is not a new development; we have appeared before the General Assembly, and met with you and your predecessors, over the last several years, to bring attention to this situation.

For years, our agencies 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 the 40 years we have been promoting home and community-based care.

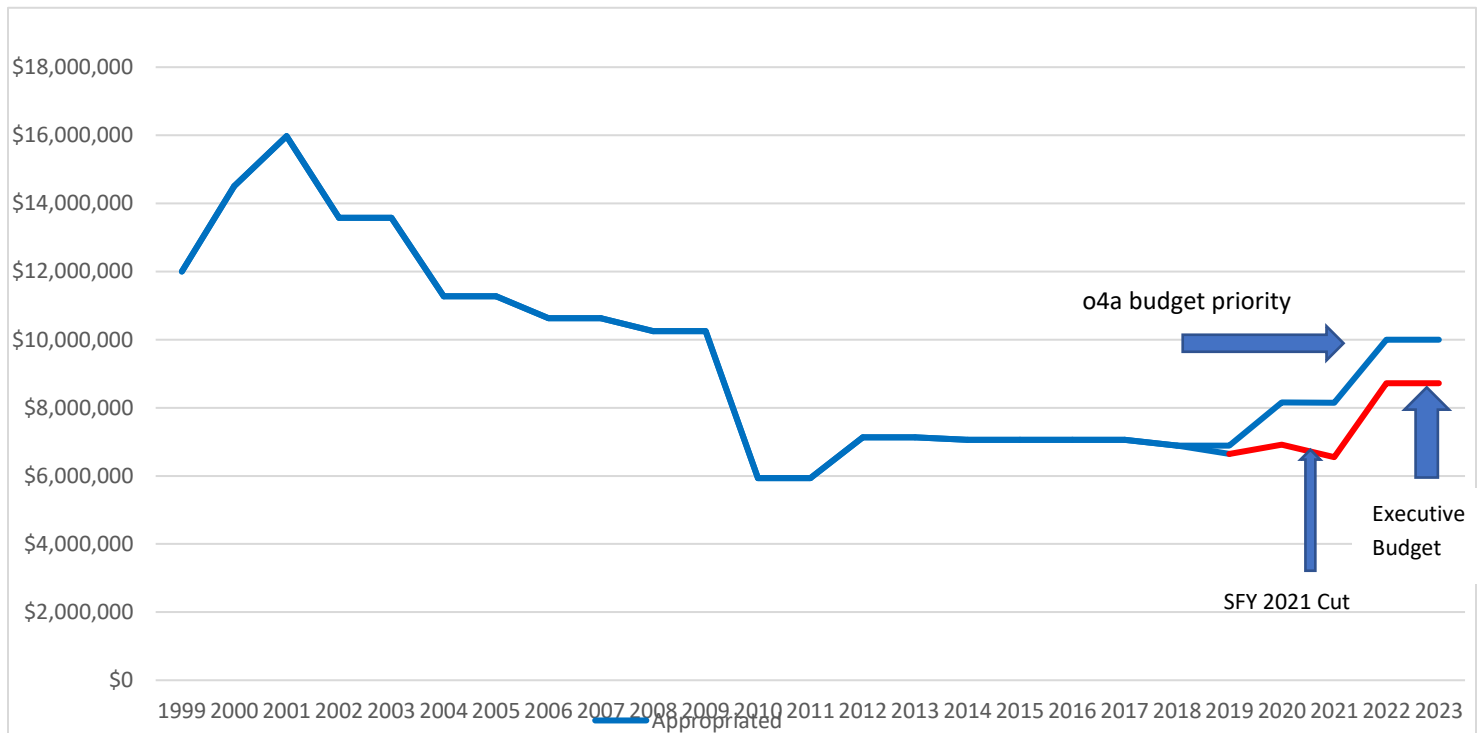
What is the state paying for? Right now, 11,000 unused nursing home beds, for one thing. Consistent rate increases for nursing homes. Capitation rate and increases for managed care plans. Meanwhile, home and community-based providers occasionally receive one-time, small rate increases that do not provide systemic long-term solutions.

We are appreciative of the modest one-time increases being proposed in HB 110 but they only delay the inevitable if we don't act now. They are a patch, not a solution. 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, or going without care, and the possible outcomes will inevitably be an increase in nursing facility 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 to at least \$10 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)



We work with public and private partners to provide the right supports to promote independence and healthy aging, and enable all of us to stay connected and engaged as we age.

Transportation, meals, housing assistance, personal care, and other types of support mitigate social isolation by connecting us to our communities as we age.

We leverage federal, state and local resources so that we have the flexibility to ensure our communities' local needs and preferences are taken into consideration and that the resulting local delivery system is tailored to our communities. State funding through the Senior Community Services line item allows the state to draw down federal Older Americans Act dollars, and provides 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.

HB 110 provides for a small increase to the Senior Community Services line item compared to the appropriated amount from the last budget; additionally, a part of this funding will be used by the Department of Aging to continue the expansion of the federal Senior Farmers Market Nutrition program. As a result, we expect the amount provided to the Area Agencies on Aging to remain unchanged from the previous budgets despite the increasing need.

This line item was recently cut because of the state's economic condition, but fortunately we received one-time federal COVID relief funding to fill the gap and meet the immediate need caused by the pandemic. One time relief funding, however, 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 and be the "best state in the country in which to age."

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 February, we now have 533 people waiting for personal care in the Medicaid waiver programs, including PASSPORT, MyCare, and Ohio Home 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 laid bare 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 submitted to the Health and Human Services Subcommittee, 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 5% increases in the Medicaid reimbursement rate for each year for home care services. This proposal will be a good start to meeting the immediate need and putting home and community-based services on the right path for the future. We ask for your support of this proposal.

These are not unusual stories. This is reality right now. We need to act. 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: House Finance Health and Human Services Subcommittee
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: March 1, 2021

The above organizations testified as a panel before you on February 24, 2021 on HB 110. We are joining 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:

- 5% increase in each year of the biennium 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 testified to the full committee that the Administration's proposal allocated \$43.8 million in state share for the 4% rate increase. This proposal would add \$42.8 million state share to this sum 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 Care and PASSPORT.