



**Testimony of National Church Residences
Terry Spitznagel, Senior Vice President
Senate Finance Subcommittee on Health & Medicaid
Sub HB 166**

Chairman Hackett, Vice Chair Huffman, Ranking Member Thomas, and members of the Senate Finance Subcommittee on Health and Medicaid, thank you for the opportunity to testify today on behalf of National Church Residences and LeadingAge Ohio. I am Terry Spitznagel, Senior Vice President of National Church Residences' Home and Community Services Division. National Church Residences is an Ohio-based, nonprofit leader in integrating housing, health care and supportive services, serving seniors of all income levels and their families. In addition to being the nation's largest nonprofit provider of affordable senior housing, we also provide home health care, adult day health, assisted living, skilled nursing, rehabilitation, outpatient therapy, and hospice. We employ roughly 3,500 people nationwide. Today I am here to talk to you about two programs: the Enhanced Community Living (ECL) program and PASSPORT waiver aide services. Adequate reimbursement for these programs is not only critical to enable vulnerable older Ohioans to remain living in their communities, but also has far-reaching workforce implications.

ENHANCED COMMUNITY LIVING (ECL)

The ECL program was first launched back in 2010 in response to data showing that seniors living in subsidized affordable housing have more chronic conditions, run a higher risk of hospitalization, and have overall higher healthcare costs than the average older person. On its surface, this data was troubling; however, it led to the development of the ECL program, an innovative solution specifically targeting Medicaid-eligible residents of affordable senior housing with a new service delivery model designed for that congregate housing setting.

This program allows us to station one aide at one affordable housing site, and that aide is essentially on call to help clients with intermittent or unplanned care needs throughout the day. In addition, clients get daily wellness checks and increased chronic disease management with the help of a registered nurse. This program keeps residents healthy and stable at home for longer, reduces more costly episodes of care, and allows us better care for our clients more efficiently, with fewer staff resources. We believe that this program could be a key component of the effort to reduce Medicaid spending for some of our most vulnerable older Ohioans. While we are currently operating ECL in Southern Ohio and hope to expand to Central Ohio, reimbursement is currently too low to support expansion and threatens viability of the program overall. For this reason, we are so grateful that the Ohio House provided for an increase in funding for this program in its budget bill, and would ask the Ohio Senate to do the same.

PASSPORT WAIVER

Perhaps the most important home care waiver to Ohio's aging population is PASSPORT.

Eligible PASSPORT recipients are age 60 or older, financially eligible for Medicaid institutional care, frail enough to require a nursing home level of care, and able to remain safely at home with the consent of their physician. PASSPORT services include things like assistance with bathing, grooming, dressing, eating or feeding, mobility, and toileting. Our Aides are part of a team of home and community-based staff who are typically the first line of defense in identifying whether clients have additional needs, such as skilled home care services, or an immediate nurse visit in order to prevent a trip to the Emergency Room or hospitalization.

There is a staggering disparity between the cost of providing these services and the current reimbursement rates. **National Church Residences loses \$5 per hour of PASSPORT services provided.** And because of the workforce challenges facing providers today, that gap will continue to grow aggressively in coming years. These losses are simply unsustainable, even for mission-driven nonprofit organizations. As a result, most quality, nonprofit providers across the state are discontinuing these services because they simply can't sustain the losses. This means that an increasing number of frail and elderly Ohioans will go without the care they need to remain living safely at home. While we appreciate the 2.7% rate increase included in the House Budget, it is simply not enough to ensure that quality providers are able to staff and operate PASSPORT services. For these reasons, we respectfully urge you to further increase funding for this critically-needed program.

WORKFORCE IMPACT

The rates established in this Medicaid budget will most certainly affect National Church Residences' ability to continue doing this necessary work across the continuum of care, by either making or breaking our ability to secure and maintain the workforce we need to fulfill our mission. We, along with our fellow providers, are plagued with caregiver shortages and high turnover rates. We struggle to find qualified applicants, and then struggle to keep them as they leave for other higher paying and less-demanding non-health care positions. **We are caught in the worst kind of Catch 22: if we pay the competitive wages necessary to attract and retain workforce, we cannot afford to continue operating these service lines; if we do not, we cannot keep the staff necessary to continue providing these services.**

Furthermore, caring for vulnerable and frail elderly is hard and taxing work, and as an employer we are competing with retail and fast food restaurants for staff. This critical shortage will only get more acute as the senior demographic continues to grow exponentially in the coming years. The people caring for our most vulnerable older Ohioans should not themselves have to live in poverty by virtue of their service to this noble mission. More competitive reimbursement for Medicaid services will allow providers like National Church Residences to pay the wages necessary to attract and retain high-caliber talent in an increasingly competitive labor market, and will also ensure that those workers themselves don't have to depend on public

benefits for survival.

CONCLUSION

Additional investments now in home & community-based services like Enhanced Community Living and PASSPORT will undoubtedly yield better health outcomes, long term savings, and quality of life for our elders in addition to workforce development. Such investments are necessary in order to allow quality, nonprofit providers to continue operating and to attract, retain, and fairly compensate the workforce required to do this challenging but critical work. For these reasons, I urge you to pass a budget that makes these additional investments in Medicaid home and community-based services.

Thank you for your time today, and I welcome any questions.

Terry Spitznagel
Senior Vice President, Home & Community Service