



Testimony for the Ohio Senate Finance Subcommittee on Health and Medicaid
Rick Marshall, President/CEO

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Chairman Hackett, Vice Chair Huffman, and members of the Finance Subcommittee on Health and Medicaid, thank you for the opportunity to provide testimony on the House Bill 166. My name is Rick Marshall and I am President and CEO of Genacross Lutheran Services. Genacross is based in Toledo and has been serving the needs of individuals in northwest Ohio for nearly 160 years. We were founded by a Lutheran pastor in 1860 as an organization that provided care for orphans. In the early 1900's we added services for seniors. Today we serve all generations, but maintain a focus on serving at-risk youth and the senior population. With regards to seniors, Genacross provides a full continuum of care which includes independent living, assisted living, long-term care, skilled nursing, adult day services, and home health. Genacross is proud of our commitment to serve lower income individuals through affordable housing as well as Medicaid recipients in our nursing homes and assisted living communities. It is our assisted living services and the Medicaid Assisted Living Waiver program that I would like to speak with you about today.

The Assisted Living Waiver program was created twelve years ago to provide care to a lower income population in need of that service. Since its inception, much has changed in the healthcare landscape in Ohio. We are seeing rising acuity across all care settings as individuals are provided services in the least restrictive environment possible. Individuals that were previously served in a nursing home are now often served in assisted living. Most of the residents that we serve under the Assisted Living Waiver program require care at the highest tier of assistance that we provide. In addition, we are seeing a growing population with dementia, which is projected continue to grow by over one-third within the next decade. Individuals with dementia are often best served in assisted living, which provides for more socialization activities specifically designed to engage those who are experiencing cognitive decline. It is also a more cost efficient model. Our proposal would realign payment rates for the Assisted Living Waiver to more appropriately reflect the cost of providing the services.

Genacross has extensive experience serving the Assisted Living Waiver population. We currently operate 171 assisted living units across four communities. Our current census of individuals under the Assisted Living Waiver is 63. Genacross loses anywhere from \$35 -\$77 per day or \$900,000 annually in service to the Waiver population. We make up for the a portion of the losses in charitable contributions from our local community and member congregations. However, due to inadequate reimbursement levels, Genacross is forced to limit the number of individuals we can serve under the Waiver.

Genacross has a long-standing commitment to not discharge anyone for the inability to pay. What this means is that we first honor this commitment to those residents we serve, helping them to transition to the Assisted Living Waiver when their resources are exhausted. In 2018, we saw 8 of our residents make this transition. While we are continuing to serve the individuals, it further limits the number of Assisted Living Waiver participants we are able to admit directly to our communities.

As a result, we maintain a waiting list for entry into our communities, which currently has 15 individuals. However, the Area Office on Aging maintains a much longer list and refers to Genacross and other providers as we have openings. Individuals are often unable to wait for admittance and end up in a nursing home setting at a much higher cost to the Medicaid program. While we would like to expand our services to this vulnerable population, we simply cannot bear more losses than what we currently are absorbing.

The Assisted Living Waiver program is a vital one that allows Genacross and other providers to serve individuals in an appropriate setting and prevent unnecessary admission to a nursing home at a much higher cost. However, the payment rates for the services need updating to better reflect the cost of providing services to this frail population. I strongly encourage you to build on the work undertaken in the House, and support the amendment which would increase reimbursement for this important program.

Thank you for your time and consideration, and I am happy to answer any questions you may have