Ohio | Department of Aging

John Kasich, Governor
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Ohio Department of Aging
Biennial Budget Testimony
Before the

OHIO SENATE FINANCE COMMITTEE

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Introduction

Good day Chairman Widener, Vice Chair Jones, Ranking Member Skindell, and members of the Senate Finance Committee. Thank you for the opportunity to be here with you again this afternoon representing the Ohio Department of Aging. The Department's mission is to promote choice, independence and quality of life for aging Ohioans wherever they call home. Keeping people healthy and independent for as long as possible is good, not only for families, but for our state taxpayers as well.

Earlier today, the Health Transformation Team explained the policies behind the budget that are intended to change our existing health system from one where the services are disconnected and not aligned to one that is coordinated and cost-effective. We know that doing the same things--albeit a bit differently-- will not fix the problems in our system, nor will doing the same things more efficiently prepare us for the increased demand we anticipate. As you heard this morning, the solution requires bold new approaches—to payment, to care delivery, to elder engagement and to the active dissemination of evidence-based best practices.

Specifically, the Health Transformation budget and the portions that pertain directly to the Department of Aging reflect two key changes in focus – a move from risk prevention to health promotion and from traditional care to person-centered, individualized care, regardless of the setting. This cost-effective approach addresses the needs of care recipients and their families, the providers of services and supports, and our taxpayers. The approach also prepares us for the future surge in demand resulting from the aging of our population.

Because of the scope of the change necessary the budget process gives us the opportunity to re-examine all aspects of our delivery system—Medicaid and non-Medicaid funded alike. This afternoon I want to share with you more about the Department of Aging's programs that do not rely on Medicaid funding, but are an integral component of our State's movement toward a more responsive delivery system that is based on person-directed values and practices.

Ombudsman Program (line items 690-410, 490-612, 490-609, 490-620)

A fundamental pillar of person-centered care already exists in the Department of Aging with our State Long-term Care Ombudsman Program. Recognized as one of the best in the country, the Ombudsman's office serves as the voice of Ohio consumers by advocating for quality for individuals receiving home care, assisted living and nursing home care. With 80 paid staff around the state and approximately 400 volunteers, ombudsmen resolve 9,000 complaints annually to ensure our elders are treated with dignity and respect. They also help Ohioans select long-term care providers, offer information about benefits and consumer rights, and make regular visits to nursing homes.

Ombudsmen empower consumers, their families and providers to expect excellence. They work to make sure the rights of long-term care residents are upheld, including participating in activities they have enjoyed throughout their lives, such as gardening, reading or having a choice in the meals they eat. For many of Ohio's long-term care consumers, our state's ombudsmen are the only connection they have to an individual outside of their nursing home.

The ombudsman program is supported through GRF line item 490-410 as well as federal Title VII funds and bed fees paid by all licensed facility-based providers. With GRF funding supported at 90 percent of current funding levels, we are using this as an opportunity to creatively change the long-term care culture while staying true to the program's core focus of ensuring our elders' voices are heard on how they are treated. To meet this change without reducing quality, we have partnered with AARP to recruit more volunteers to make visits and will revamp our volunteer certification program to empower them to take on a deeper role in consumer complaint handling.

We are equipping local ombudsmen with the skills to approach problems with an eye on the root cause, allowing them to work as partners with long-term care providers – from nursing homes to home care – to implement and sustain person-centered practices solutions.

We will also devote the Ombudsman Support Fund (line item 490-620) to train and fund regional ombudsman programs to work with specific nursing home staff to implement and sustain person-centered care. We know there is a desire for this interaction at many nursing homes across the state. In fact, just last week we met with staff at a family-owned nursing home provider here in Columbus who approached us, eager to learn more about shifting their culture to emphasize a person-directed philosophy and excited about the possibilities.

The Ohio Department of Aging is also empowering our own staff so they can promote person-centered care. Recently, as part of a national project, we began informal discussions with staff about cultural change in nursing homes. Through these informal meetings, we are educating staff about how nursing homes are changing to better meet the needs of our elders and encouraging Ohioans to consider their own future plans since we all have a high likelihood of needing such support. About 70 percent of people over age 65 require some long-term care. Similar meetings for the general public, coordinated by Ohio's Person-Centered Care Coalition, are also occurring around the state.

While our ombudsman office also serves as the voice of home care consumers, they rarely hear from this important segment. Of the approximate 9,000 complaints the office received last year, fewer than 250 of these came from home care consumers. To increase their

outreach to home care consumers, our ombudsman office is serving as the state coordinator for "Consumers of Quality Care, No Matter Where," an initiative of the National Consumer Voice for Quality Long-term Care. Funded by the Atlantic Philanthropies and The SCAN Foundation, this project aims to focus on issues faced by home care residents and build a strong consumer network to advocate for quality care in these settings. Our state's aging network is part of this initiative, including representatives from the home care industry.

Long-term Care Consumer Guide (line item 490-613)

Another important tool that provides our elders and their families with vast and crucial resources when choosing a nursing home that best meets their needs is the Long-term Care Consumer Guide. Funded through a fee paid by nursing home and residential care facilities, this web-based guide offers an array of information on every nursing home and residential care facility in Ohio, including quality measures, deficiencies cited by the Ohio Department of Health and the results of family and resident satisfaction surveys conducted by ODA. We are requesting a fee increase of $250 per facility per year to ensure that we are able to continue this important information-gathering activity.

The resident satisfaction surveys tell us what life is like in nursing homes and residential care facilities. Higher satisfaction of residents helps nursing homes achieve higher occupancy levels, and studies have shown that nursing homes engaging in person-centered care also have higher occupancy. The Consumer Guide is also an important tool that our ombudsmen use to advise consumers on what to look for when selecting a long-term care facility.

Older Americans Act and Related Programs (line items 490-618, 490-612, 490-411, 490-414)

The largest portion of our non-Medicaid funded programs comes through the federal Older Americans Act. As the federally-designated State Unit on Aging for Ohio, ODA is charged with administering programs designed to provide our elders with supports that allow them to continue to thrive as their abilities and life's circumstances change. This section begins with programs that relate to GRF and state funding and closes with an evidence-based program that does not have direct bearing on today's budget, but will have a positive impact on future budgets.

The Older Americans Act provides over $50 million to deliver services designed to assist elders in maintaining their physical health and manage chronic conditions. This funding helps mitigate the effects of declining physical health and functioning allowing them to continue to live independently in their own homes and communities. In 2010, these dollars were used to serve over 240,000 elder Ohioans and their caregivers. Services, including congregate and home delivered meals, transportation, disease prevention and wellness, and supportive services, provide added supports for community and social involvement. Senior Community Services (line 490-411) funds are used to augment the federal dollars and to meet federal

matching funds requirements. The newest subtitle of the Older Americans Act is the National Family Caregiver Support Program. Coupled with Alzheimer's Respite funds, the two programs provide caregivers with education, support and needed respite services.

Some of the funding from the Alzheimer's Respite line (490-414) has been shifted to Senior Community Services to enable us to meet the Older Americans Act 15 percent nonfederal match requirement. Taken together, the proposed increase to Senior Community Services and the decrease to Alzheimer's Respite lines net out to a 10 percent reduction. This was done to ensure that area agencies on aging have enough flexibility to meet the match requirement. This shift does not eliminate ODA's present commitment to Ohio's seven Alzheimer's Association chapters that a portion of these funds be used for core services.

In addition to the 15 percent state match requirement, Ohio must also meet its federal maintenance of effort (MOE) state funding requirement, based on an average of the previous three years' state funding contributions. Ohio should be able to meet its MOE requirement based on the House-passed version of the budget.

As I mentioned a moment ago, a new and promising Older Americans Act funded program focuses on chronic disease and diabetes self-management. We know it will be of interest to you because, according to the Scripps Gerontology Center, programs like this one can reduce reliance by our elders on Medicaid-funded services and supports. If we can reduce the reliance on these supports by one percent per year between now and 2020, Ohio will avoid $700 million per year in Medicaid-funded long term services and supports.

That is why we recently expanded Healthy U, one of our chronic disease and diabetes self-management programs, from pilot to statewide status. Lay leaders teach people how best to manage and minimize the impact of their chronic diseases. Currently, over 90 workshops are scheduled. Treatment of chronic diseases such as heart disease and diabetes is one of the highest costs to both public and private health care systems. This program's success has led to partnerships with Ohio's public employee retirement systems and several managed care organizations to expand these evidence-based programs to their members.

<u>National Senior Service Corps (line item 490-506)</u>

Civic engagement is another important part of healthy aging. Senior Corps subsidy funds provide a very small amount through this line item to support three federal volunteer programs in Ohio: RSVP, Foster Grandparents and Senior Companions. As with other ODA GRF line items, funding is reduced by 10 percent. To more effectively use these funds, we working with the Corporation for National and Community Service's Ohio office to target Senior Corps projects that support specific senior focus areas.

Residential State Supplement (line item 490-412)

One other budget-related change to note is the transfer of the Residential State Supplement (RSS) program. The income supplement allows low income Ohioans to live in group settings. The Department has chosen to transfer the responsibility of this program to the Ohio Department of Mental Health (ODMH) because 75 percent of RSS recipients are under the age of 60 and have a primary mental health diagnosis. ODA and ODMH staff are currently working together to ensure a successful transition for all RSS consumers, including those over 60 without a mental health diagnosis.

Conclusion

In supporting the policies and changes presented to you today, each of you has the opportunity to make fundamental changes now that will be felt long after the upcoming biennium. Let me explain. Between 2007 and 2020, our state's total population is projected to increase by five percent while the cohort over age 60 is expected to increase by a full 34 percent. By recalibrating our system now, we are taking an important step toward creating a responsive, sustainable system that meets the needs of our elders, providers and taxpayers while the growth is manageable. If we cannot embrace these necessary changes now while meeting increased demands currently facing us, the system will not be able to accommodate the real demands it will see in the next eight years.

Thank you for letting me share our vision with you today. I welcome the opportunity to work with you during the months and years ahead, as we continue to care for and about our state's elders in the most responsive and cost-effective manner.

I would be more than happy to respond to any questions.