July 30, 2020

The Honorable Marvin Abney
Chairman, Committee on Finance
Rhode Island House of Representatives
82 Smith Street, Room 35
Providence, RI 02903

Re: Include House Bill No. 7924, Support Funding for Medicaid Home Care in SFY21 Article 14

Dear Chairman Abney,

My name is Cheryl Illiano. I am a resident of Wakefield and a constituent of Representative Carol Hagan McEntee and Senator V. Susan Sosnowski.

Please consider including the language within House Oversight Committee Chairwoman Patricia Serpa's House Bill No. 7924 in Article 14, Medical Assistance of the 2021 state budget to provide for much-needed financial support and relief to home care providers and hospice providers delivering care to our state's most vulnerable homebound Medicaid beneficiaries. The bill provides for the implementation of the annual inflation factor to cover the rising costs to deliver healthcare services, such as medical equipment and supplies, workers' compensation and professional liability insurances and federal, state and municipal taxes. This annual inflation factor, set at 5.9% based on the "New England Consumer Price Index card as determined by the United States Department of Labor for medical care", will also support the state's goal toward rebalancing long-term services and supports financing for home and community-based services (HCBS) by allowing Medicaid-contracted home care hospice providers to continue to offer more competitive wages for licensed nurse assistants (CNAs) toward starting wages higher than $15.00 per hour and more competitive wages for skilled professionals, such as nurses and therapists, compared to their facility-based peers.

In addition, the bill's language targets specific financial issues impacting our ability to meet Governor Raimondo's Healthcare Workforce Transformation goals and Long-Term Care Resiliency Plan benchmarks. Specifically, we are seeking a 10% rate increase to incentivize our frontline workers to travel to towns identified by the Department of Health as difficult to adequately staff because our workforce does not want to travel far at their current wages. In addition, we are seeking a 10% rate increase to incentivize more nurses to pursue enhanced training and skills to deliver care to our highest acuity patients that are difficult to staff and cause frequent hospitalizations charged to the Medicaid Program because of instability in staffing these cases. Lastly, we are seeking to incentivize our CNAs to stay working for their current patients and accept new cases instead of leaving to become independent providers (IPs) where they are making comparable pay, travel less, utilize less skills and have zero nursing oversight.

Included in this bill is our need to have Medicaid fee-for-service rates set as the price floor for other state-funded programs, such as Medicaid managed care through the commercial insurance carriers, the PACE program, and the co-pay and respite programs funded through the Office of Healthy Aging. By ensuring that providers are not reimbursed for services below the fee-for-service rates, we can continue to provide wage growth for our frontline workers and expand the availability of our workforce by incentivizing them to provide care during currently difficult to cover shifts and move toward meeting the state's long-term care finance rebalancing goals.

Please include this bill's language within SFY21 Article 14. Thank you for your continuous support of Medicaid home care and hospice.

Sincerely,

Cheryl A. Illiano

Cheryl Illiano
550 Big Water Rd. Wakefield, RI 02879
401-662-0508

cc: House Finance Committee Members