



April 24, 2024

To: Chairman Marvin Abney

Members, House Finance Committee

Statement Re H7225, Article 9, Governor's Amendment #1

The Senior Agenda Coalition of Rhode Island is a non-profit organization working to improve the quality of life of older Rhode Islanders and support policies that help them to remain living at home which most of them prefer when care is needed. Home care is not only what seniors prefer; it can be less costly for state government. The latest RI Annual Medicaid report shows the home and community services PMPM expenditure for older persons as \$3,497 vs. \$4,995 for nursing homes.

Previously, we provided testimony in which we stated we were pleased to see the Governor's budget included some funds to implement the Social and Human Services rate review study's recommendations we were concerned that Section 5 of the Article provides only one-third of the funding needed to implement the recommendations. We believe funding just one-third of OHIC recommended increases would not significantly improve worker shortages thus helping improve access to needed care and services. The legislature wisely mandated the Office of Health Insurance (OHIC) to conduct the social and human services rate review appropriating \$1 Million for this purpose. The study process was professionally and methodically conducted by OHIC. Using an Independent Review Methodology, the study found a 58% difference between the current composite fee-for-service rates and the composite comparison clearly demonstrating homecare provider rates need to be significantly increased.

The healthcare workforce crisis impacts the homecare industry which many older adults rely on to remain living at home. However, far too many persons wait to receive homecare. In mid-January the EOHHS Home Care Portal showed 177 persons waiting for a total of 4,215 hours of care with **75% of them waiting over two months!** Long wait times can lead to health declines and more expensive nursing home placement. State homecare provider reimbursements are not sufficient for providing living wages for the CNAs working in this field. The majority of these workers are women and a disproportionate are lower-income women of color.

The 4-year cycle called for in the amendment is too long a period to go without inflation adjustments. Provider reimbursements must keep pace with costs and be sufficient to allow for a living wage to be paid to attract and retain homecare workers. Otherwise, workers will go elsewhere and persons will continue to be left on long wait lists to get care. Finally, we fully recognize the challenges faced by our Primary Care workforce. However, it was not the intent of the Rate Review law to cover clinical services. We suggest OHIC continue its already significant work to address the Primary Care workforce challenges as noted in its December 2023 report which included recommendations for increasing compensation and reducing administrative burdens among other initiatives.

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