



May 10, 2010

The Honorable Ted Strickland  
Governor's Office  
Riffe Center, 30<sup>th</sup> Floor  
77 South High Street  
Columbus, OH 43215-6108

Dear Governor Strickland:

My name is Mike Gordon. I am the President of the Home Healthcare Provider Cooperative (HHPC). I have prepared this correspondence on behalf of our cooperative.

We have recently been informed of actions taken by the Service Employees International Union (SEIU) to allow Independent providers (IPs) in the PASSPORT Waiver. We have read the case made by the SEIU and disagree with several of their assumptions. We feel the need for IPs in the PASSPORT Waiver is not necessary and in fact would be detrimental to the program.

After reviewing the SEIU's case for IPs, we believe they are simply trying to remove agency providers from the equation by passing additional funds to the IPs and assuming the Area Agencies on Aging (AAAs) will assume the administrative and operational functions performed by agency providers or that some of these activities may no longer occur.

The SEIU's case claims IPs would enhance consumer choice and satisfaction, create a more sustainable workforce, and be a positive step in balancing long-term care in Ohio.

The HHPC believes an option already exists for consumers who want more choice and control of their care. The Choices program already exists in 4 regions and will be available statewide in the near future. Basically, on paper, the only difference between Choices and the IP proposal involves consumer budget authority. While the consumer may have statutory budget authority with Choices, in reality the AAAs provide substantial guidance to consumers and effectively do most of the budgeting. Thus, the budget authority argument is baseless. The major reason why less than 10% of consumers choose Choices is due to the administrative burden of managing their own care. Most consumers that need PASSPORT do not want to deal with caregiver issues such as hiring, firing, training, quality of care, payroll, etc. Basically, the issues agencies deal with on a daily basis.



There would be a major difference between Choices and the IP proposal in the provision of care. Under Choices the caregiver is usually a family member or friend. An IP would more than likely be a stranger. Unless, of course the SEIU solicits home health aides from agencies who are already providing care to consumers.

We agree that increasing home health aide wages would make the job more attractive. However, at what cost do we do this? The assumption that increased aide wages would be offset by eliminating agency provider overhead and profit is a very risky one. Assuming agency operational oversight functions can be absorbed by AAAs for no additional or minimal cost is not reality. That is if you expect the same oversight. Will AAAs be hiring additional RNs or, LPNs monitored by RNs, to perform 62 day supervisory visits? Will AAAs or the SEIU be required to carry liability insurance and fidelity bonds? Will AAAs be establishing monitoring systems to ensure the IPs quantity and quality of work? Will IPs be required to be a currently registered STNA, have at least 1 year of supervised personal care and homemaking experience or will they receive 60 hours of training? These levels of aide training are not required in Choices. If these functions and requirements are not important, then why not level the playing field and remove them from agencies so they can reduce their overhead and increase aide compensation.

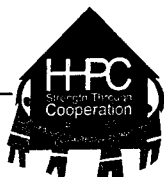
Our biggest concern with this IP proposal is **quality of care**. The SEIU case states that 9 of 10 consumers rated PASSPORT as good or excellent prior to entering Choices. However, after 6 months on Choices, consumers were surveyed again and 100% rated it good or excellent. Those statistics may be accurate or may be flawed. How many elderly consumers would admit that a family member or friend is not doing a good job? Agencies sometimes find that consumers will not always freely or timely disclose when an aide who may or may not be close to them is not providing quality care. Nurses sometimes have to work diligently to uncover these situations because consumers often do not want to get their aide in trouble if there is a problem.

When Choices works, it works great. However, when the family member or friend can no longer provide care, many times the consumer goes back to an agency due to the availability of back-up aides. An AAA quality department member told us that quality and quantity of care is their greatest concern.

Will AAAs be able to closely monitor quality of care with current staffing levels? They have told us no. PASSPORT case managers currently function as problem identifiers and ensure they are resolved. Mostly, they look to agencies to be problem solvers. Once again, this would probably result in additional staffing at AAAs.

Would IPs be subject to the same quality monitoring as agencies? Would the AAA quality departments be able to monitor a large number of IPs at current staffing levels? They have told us no.

We recently attended a PASSPORT provider meeting and were privileged to observe a presentation given by Lloyd Early of the Attorney General's Office. He made a typically mundane subject very interesting and concerning. The subject of his presentation was **Medicaid/Medicare fraud**. We do not recall most of the many statistics he recited, however, one thing he made clear was that the largest and most frequent perpetrators of fraud were **Independent Providers**. We do not have the time to quote research studies, but we believe most people would agree that individuals who are not managed or monitored are more likely to take greater liberties. We recommend that you and those advising you on



this decision to allow IPs in PASSPORT attend one of Mr. Early's sessions before rendering a final decree.

The SEIU case study stated the inclusion of IPs in PASSPORT would be a positive step in balancing long-term care in Ohio. We feel it would be a step backwards. We feel agency overhead and profit savings would not be eliminated and simply be transferred to AAAs, the fiscal agent (payroll functions) and proposed creation of a statewide Home Care Commission. Also, we believe an increase in Medicaid fraud is probable.

Our mission as a Home Healthcare Provider Cooperative is to work together to benefit members with shared resources to strengthen the home healthcare workforce. We are striving to provide benefits to our members and help reduce operating costs so that these savings could be passed on to employees. We are also trying to attract and retain new home health aides by providing training and a career lattice. With a projected significant increase in acuity levels of homecare, a home health aide would not be a dead end job and could lead to higher skilled and higher compensated positions.

In conclusion, we believe the PASSPORT program does not need modified to include IPs. The program already is very effective and has a high consumer satisfaction rate. We believe the addition of IPs and corresponding reduction of agency providers would be detrimental to quality of care and consumer satisfaction, result in an overall cost increase, and lead to higher incidents of Medicaid fraud.

If you have any questions, please contact me at (304) 242-8390. We also would welcome the opportunity to further discuss this issue with you.

Sincerely,

A handwritten signature in black ink that reads 'Michael J. Gordon'. The signature is written in a cursive style and is positioned above the printed name.

Michael J. Gordon

President

Home Health Care Provider Cooperative

