

Submitter: Angelica Onofrei
On Behalf Of:
Committee: House Committee On Labor and Workplace Standards
Measure, Appointment or Topic: HB3838

I strongly oppose the proposed legislation affecting Adult Care Homes (ACH). As a dedicated provider, I have observed several critical challenges this law could exacerbate.

Many ACHs across the state accept Medicaid; however, the reimbursement rates and the extended wait times—currently exceeding seven months—for "exception hours" do not adequately cover the costs associated with employing caregivers. The proposed increase in Medicaid exception rates from \$18.66 to \$19.50 falls short of compensating for the expenses related to hiring qualified staff. I prioritize paying my caregivers above minimum wage to ensure their retention and mitigate caregiver turnover. This commitment is essential, especially given the high demand for caregivers and the competitive pressure from larger facilities offering additional benefits such as health insurance and retirement plans.

Currently, I serve three Medicaid clients, of which one receives the basic rate, making it the lowest-paying arrangement, which they are considered high care needs. I am still awaiting approval for exception hours for the other two clients, which requires me to have additional caregivers available to ensure 24-hour coverage. Unfortunately, after seven months, I have yet to receive feedback regarding these exception requests. The requirement from the state to demonstrate that caregivers have been hired before receiving funding poses a significant challenge. This dilemma raises questions about how I can sustain an adequate workforce without the necessary financial support. The Medicaid Intake Workers have indicated that the exception-hours review process takes approximately four to six weeks, but there are no guarantees of approval.

As a provider, I take the responsibility of scheduling and determining staff compensation very seriously. I strive to understand the needs of my residents while ensuring that my caregivers receive fair and respectful wages. My caregivers work diligently to deliver the highest standards of safety, respect, and personalized care, and I am committed to recognizing their hard work and dedication.

It is my belief that ACHs should be exempt from such legislative measures due to the unique, homelike environment we offer to our residents and the community. Imposing additional regulations could undermine the qualities that distinguish us from Assisted Living Facilities and Memory Care establishments. Many caregivers in those facilities are compensated at or near minimum wage, while it is our practice to provide wages

that reflect the value and importance of their roles.

The current regulatory environment for ACHs is already quite stringent, and further legislation like HB 3838 threatens to lead to widespread closures throughout our state. Additionally, terminating Medicaid contracts could place an overwhelming burden on case managers at the Department of Human Services, as they would need to find alternative accommodations for affected clients. The trajectory of ACH providers is already concerning, and these changes could accelerate the rate of closures.

Thank you for considering these points, and I appreciate your attention to the challenges facing Adult Care Homes.