

OHIO HEALTH CARE ASSOCIATION BOARD OF DIRECTORS

**February 20, 2025, 10:00 a.m.
Zoom Meeting**

M I N U T E S

President Shane Craycraft called the meeting to order. The table at the end of these minutes shows attendance.

The President pointed out the online folder for the meeting, which included the OHCA Antitrust, Conflict of Interest, and Confidentiality Policies. He asked board members to avail themselves of the policies if they had any questions.

CONSENT AGENDA

Without objection, the board adopted the consent agenda, which consisted of the minutes of the Board of Directors, PAC Board, Regulatory Committee, Executive Committee, ID/DD Board, Workforce Committee, Assisted Living Board, SNF Billing Committee, and Reimbursement Committee.

FINANCIAL STATEMENTS

Secretary/Treasurer Joe Cilone reviewed the January 2025 financial statements. Net assets were \$14.4 million at the end of the month. Revenue for the month was ahead of budget and expenses were under, mostly because of the timing of Winter Conference. Income from operations was ahead of budget by \$113,000. Our investments gained \$278,000 in unrealized value. The financial statements and check registers were filed for audit.

MEMBERSHIP

Diane Dietz said the report didn't look good, but we hoped it was just a timing issue with dues payments. She noted Skip Hamilton's home health agency was up for approval.

Motion: To approve Caring Hands Home Health as an active member.
Seconded; motion carried.

Ms. Dietz said we had been in contact with the members on the list for termination and their intent was to pay, but our policy was to terminate after 120 days. Chris Chirumbolo observed that some of them were on and off the list.

Motion: To terminate the active memberships of the Legacy and Tranquility buildings.
Seconded; motion carried.

Linda Black-Kurek asked about Eliav Sharvit's position on the board. The President said we gave board members time to transition to another organization that was a member.

Ms. Dietz discussed the businesses up for approval as associate members and those that were up for membership termination. Kenn Daily asked about Psych360, which served a number of facilities. Jill Herron said they had transitioned to MindCare, which was on the approval list.

Motion: To approve Blue & Co., Curana Health, Gemini Analytics, Myriad Genetics-GeneSight, Calderon Textiles, DocRight-SightRite-PediRite, MindCare Solutions, Niuz, Nutrition that Works, SAIVA AI, Viconic Health, Quality Management Solutions, and Smartlinx as associate members and to terminate the associate memberships of Brady Ware, CBOSS, and UnitedRx.
Seconded; motion carried.

STATE BUDGET

Pete Van Runkle reported on the budget process at the time of the board meeting. The Governor announced his budget in early February, accompanied by the blue book and other early documents. There wasn't a lot of detail on policy. Then the week before the board meeting, HB 96 was introduced. The budget bill addressed some issues relating to SNFs. The House began hearings in Finance Committee before the bill was introduced and was continuing with hearings in standing committees on different portions of the budget. We were having further conversations with the other associations about what was in the executive budget and what amendments we should pursue. President Craycraft said one of the goals for the board meeting was to make sure everyone was on the same page regarding the amendments. We needed to move quickly so there was time to write the amendments and get them submitted to LSC for drafting.

Mr. Van Runkle explained the key issues and how they were addressed or not addressed in the executive budget. The administration proposed an 18-month transition to PDPM that would begin with a CMI freeze for six months, then gradual implementation of PDPM over the next 12 months. The language on the freeze was unclear as to which score was frozen. The administration was proposing to use only the PDPM nursing score. Their phase-in approach was 1/3 PDPM and 2/3 RUGs for six months and 2/3 PDPM and 1/3 RUGs for six months, then full PDPM. The bill did not address the difference in scale between RUGs and PDPM. Debbie Jenkins added that the January 1, 2025, rate would be used for the RUGs part of the phase-in.

Depending on how the initial freeze worked, different quarters of data would be implicated. It appeared that for the PDPM portion of the phase-in, the first quarters used would be the second

and third quarters of 2025. That meant that providers should start focusing on PDPM assessments for Medicaid residents beginning April 1, 2025.

Mr. Chirumbolo asked what would happen to the majority of facilities that already had frozen their scores. He also asked if the only component that would change during the phase-in would be the PDPM score. Robin Hillier asked how scores with different scales would be phased in. Linda Black-Kurek asked whether PDPM would be calculated starting July 1, 2025, for CHOPs.

Mr. Van Runkle said the executive budget did not make any changes to the quality incentive statute that related to the amount of money in the incentive, which was the subject of our mandamus case. We already had decided not to suggest any changes to avoid compromising our position in the litigation, and the administration had followed suit. If the court decision came out during the budget process, which it probably would, all bets were off. Both sides would likely propose changes, and we could address the 25th percentile issue at that time.

The Governor's budget also did not include any changes to the private room statute, which meant the \$160 million cap would stay in place. At the time of the board meeting, there was still space under the cap, but that could change in FY 2026 depending on Medicaid utilization.

The last issue relating to reimbursement was environmental quality, based on fair rental value, to replace the frozen capital rates. The administration did not propose any changes in this area, even though they were supposed to have given the legislature a proposal for FRV by October 1, 2023.

A completely surprising provision in the budget bill that was not mentioned in the Governor's press conference or Director Corcoran's testimony was language that would prohibit ODH from licensing a SNF or a hospital that was leased from a REIT. Our understanding was this provision had come from the Governor and was based on Massachusetts legislation triggered by the failure of the Steward hospital system. The Governor decided to expand it to SNFs. We were trying to identify which Ohio facilities were leased from REITs.

Ms. Black-Kurek commented that REITs weren't operators and the proposed language would prevent a REIT from changing out a bad operator. Even if the data showed that there were bad operators leasing from REITs, it wasn't the REIT's fault. Regulation shouldn't be based on a financing mechanism. Ms. Jenkins added that a McKnight's article showed that facilities leased from REITs had higher quality scores. Mr. Chirumbolo asked if the budget provision was limited to publicly-traded REITs.

Mr. Van Runkle outlined the amendments we were seeking. On PDPM, we proposed to use 70% nursing, 20% SLP, and 10% NTAs, to freeze each facility's CMI as of June 30, 2025, for 6 months, and to use a 12-month phase-in where no one would take a cut, but upside would be limited to \$5 per day. We also would add language addressing the difference in scales between RUGs and PDPM by adjusting the prices upward proportionally.

Mr. Chirumbolo asked how other states had made the adjustment. Ms. Hillier said eventually new prices would have to be calculated using PDPM and asked why it couldn't be done now. People were concerned about the scale difference. Ms. Black-Kurek asked why PT and OT weren't being used. Chase Kohn asked for the amendment ideas in writing. Ms. Black-Kurek suggested that the normal July 1 CMI calculation be done for providers who had not frozen their CMIs already. She felt the most current data should be used for those who were tracking it and that previous scores could have been affected by exception reviews.

Mr. Van Runkle said we would seek to remove the cap on private rooms and allow providers who added bed capacity since July 1, 2023, to make the added beds private rooms. Greg Miller said he had a CON to move beds among facilities and couldn't get them approved as private rooms. Mr. Chirumbolo said an alternative to cutting of approval of private rooms would be to reduce the add-on. Ms. Black-Kurek said we should fight hard to remove the cap. Ms. Jenkins said private rooms were a priority for the Governor. Mr. Van Runkle said we were not putting a cost on the amendment because there was no way to tell what it would be, if any.

For environmental quality, our proposed amendment would require the state to put a FRV system in place that would take effect July 1, 2027. We proposed ODM adopt rules specifying other environmental features that would enhance quality of life for residents but weren't captured by an appraisal and setting per diem values for them. A stakeholder workgroup would make recommendations for the rules. David Hennis asked for examples of those factors. Ms. Hillier asked if any other states used such an approach.

Mr. Chirumbolo asked if the other associations were in alignment on the amendments. The President said we would continue to work with them, but at the time of the board meeting, we needed to establish our own goals. Mr. Van Runkle said the budget process was dynamic, and there would be changes later. The President concurred and added that the board would have future discussions.

Ms. Herron said she supported the amendments, but the 25th percentile was still a huge problem. Kenn Daily asked if the administration would support the environmental quality amendment and what it would cost. The President commented that the goal was to get to stable and predictable rates. The quality system, like 5-Star, was not designed to carry as much weight as it ultimately did. FRV would provide a strong foundation, then we could add a little quality to it. Mr. Chirumbolo said in Kentucky, the value could be adjusted between 3-year appraisals, but they didn't have a private room add-on. Their system rewarded putting money into the building and was predictable. The cap was below cost.

Mr. Van Runkle said another amendment would strip out the REIT prohibition as it related to SNFs but not touch the hospital language.

Ms. Jenkins said there was a provision in the executive budget, which we supported, that raised the PNA from \$50 to \$100. Ms. Herron commented that it was a great addition.

The President asked for a one-pager on our reimbursement asks to be sent out to the board and committee chairs. Todd Bergdoll gave the schedule for the House's budget processing, which would culminate with a floor vote on April 9. The schedule seemed to be set up to allow more time in conference committee. President Craycraft asked board members to provide any comments they had on the one-pager.

BILLING

Erin Hart said claims submitted on January 31 were initially in pending status and weren't accepted until later. These claims weren't paid until February 13. When we asked Medicaid, they said claims would not be processed until the first business day after the end of the month. ODM published a new EDI calendar, but it didn't have claims cutoff dates. We were helping members with weekly billing, but PNM took patient liability out of each claim, so we recommended waiting until the first of the month and billing the whole month.

Four NPIs remained that weren't connected for private room billing. Ms. Hart listed where the managed care plans were. Aetna was puzzling because some claims were going through and others weren't. We recommended not billing the add-on to Aetna. There was not much volume in the Next Generation plans. Hospices were 30 days behind on managed care.

FEDERAL ISSUES

Ms. Jenkins reported on challenges caused by the Trump Administration's communications and spending freezes. We finally started getting the normal data reports in February. The new administration removed almost all rules from the OMB website. At the time of the board meeting, they were slowly coming back. More recently, there was controversy over forced retirements and buyouts of federal employees.

Turning to the federal budget reconciliation process, Ms. Jenkins said Congress needed to pass a budget resolution first. The Senate was pursuing a two-bill approach, starting with a skinny version that only dealt with the border and defense. The Senate version only had small cuts, including \$1 billion over 10 years for the HELP Committee that covered Medicaid. In the House, with a slim Republican majority, leadership wanted to hit all the President's priorities in one bill. Extending the tax cuts was really expensive, resulting in large cuts for House committees, including an \$880 billion target for Energy and Commerce.

Some of the cuts that were circulating as options were good, others were bad. Minimum staffing would generate \$22 billion in savings and the access rule \$121 billion. Energy and Commerce covered other things besides Medicaid. Other options would reduce federal funding for Medicaid, including per capita caps, provider tax cuts, and lower FMAP for the expansion population. Earlier the week of the board meeting, President Trump said Medicaid wouldn't be touched, along with Social Security and Medicare. It would be hard for Energy and Commerce not to touch Medicaid, but it would be good if they rolled back rules.

The House had started the budget resolution process, but then the Senate took over. The House was on recess the week of the board meeting, and the Senate was expected to pass their bill that week. The House had targeted the following week. The question was whose approach would win out. The President came out in support of the House approach for the resolution. More time would be required for reconciliation.

The current continuing resolution funding the government would run out March 14. Another CR was likely.

Mr. Cilone asked if the off-cycle revalidation was going away. Mr. Chirumbolo said the AHCA/NCAL board was trying to address it. It did not need legislation.

Ms. Herron said local caseworkers reported they no longer had access to the Social Security database, so they were asking for the original letter. She asked if anyone else had run into this issue, but no one responded.

SURVEY

Mr. Van Runkle said we had heard from members that ODH was doing annuals per the new survey prioritization policy that started February 1. Ms. Black-Kurek said one of her buildings had an annual, but it would take another year to move the star rating because of points accumulated from complaint surveys. President Craycraft said AHCA/NCAL's goal was to move to QMs as the primary driver for 5-Star.

OTHER BUSINESS

Kathy Chapman told the board that convention registration was open. Attendees had to register to get a hotel room. Ms. Black-Kurek asked about the usual list of board functions.

Ms. Hart reminded board members to send her information about their involvement with REITs.

Mike Scharfenberger asked when ODM would recoup past claims overpayments.

The President noted that the next meeting would be in person on March 20.

The meeting was adjourned.

Attendance:

First	Last	Status	5/15	6/18	7/18	8/15	9/25	10/15	11/19	12/19	1/27	2/20
Shane	Craycraft	P-ATL	P	P	P	P	P	P	P	P	P	P
Michael	Scharfenberger	1	P	P	P	P		P	P	P	P	P
Kenn	Daily	2	P	P		P		P	P		P	P
Scott	Unverferth	3	P	P	P	P	P	P	P	P	P	P
Eliav	Sharvit	4	P				P	P			P	
Jill	Herron	5	P	P		P	P	P	P	P	P	P
Bill	Levering	6	P	P	P	P	P	P			P	P
Ronnie	Wilheim	7	P		P	P		P				P
Bill	Weisberg	8		P		P		P		P		P
Scott	Sprenger	IPP-9	P	P	P	P	P	P	P	P	P	P
Janet	Harris	10	P		P	P	P	P		P	P	P
Dan	D'Amico	11	P	P	P	P		P	P	P	P	P
Nicole	Sprenger	12	P	P		P		P		P		P
Michael	Coury	13	P	P	P			P	P	P	P	
Robin	Hillier	14	P	P	P	P	P	P		P	P	P
Shane	Stewart	15	P	P		P	P		P	P		P
Linda	Black-Kurek	ATL	P	P	P	P		P		P		P
Chris	Chirumbolo	ATL	P	P	P	P	P	P	P	P	P	P
Joe	Cilone	ATL	P	P		P	P	P	P	P	P	P
Chase	Kohn	ATL	P	P	P	P			P	P	P	P
Diane	Liliestedt	ATL										P
Greg	Miller	ATL	P	P	P	P	P	P	P	P		P
Jerry	Schroer	ATL	P	P	P	P		P	P	P	P	
Amy	Francis	AL	P			P						
Danielle	Russo	AL	P									
Gen	Stelzer	HCH	P	P	P					P		P
Joe	Kowalski	ID	P	P								
John	Renner	NP	P		P	P		P	P	P	P	P
Lisa	Hamilton	2A				P		P				P
Sarah	Koch	13A	P	P	P			P	P		P	P
Brent	Classen	ALB	P	P	P	P	P		P	P	P	P
Charlotte	Kister	ALB	P									
Matt	Pool	ALB	P									
Gwynn	Ryder	ALB	P	P		P			P	P	P	
Julie	Simpkins	ALB	P	P								
Tim	Dotson	IDB	P									
Gina	Kerman	IDB	P									
Chelsea	Pozderac	IDB	P			P		P				P
Becky	Sharp	IDB	P									

Jo	Spargo	IDB										
Bill	Arfaras	HCHB	P	P		P	P					
Bryan	Casey	HCHB				P				P		P
Laura	Dales	HCHB						P				
Andrea	Henderson	HCHB	P					P		P		
Mark	Knepper	HCHB	P	P				P		P	P	
Mike	McConnell	HCHB	P									
Kim	Tilley	HCHB	P	P				P		P		
John	Fleischer	Gst	P	P		P		P		P		P
Heidi	Freas	Gst									P	
Brian	Hennis	Gst								P		P
David	Hennis	Gst					P	P		P	P	P
Beth	Jones	Gst	P									
Denise	Leonard	Gst			P			P		P		P
Aric	Martin	Gst				P	P	P		P	P	P
Rosemary	Orlando	Gst	P									
David	Parker	Gst									P	
Josh	Anderson	Stf	P	P		P		P		P		
Todd	Bergdoll	Stf	P					P	P	P	P	P
Kathy	Chapman	Stf			P	P	P	P		P		P
Diane	Dietz	Stf	P	P	P	P	P	P	P	P	P	P
Erin	Hart	Stf	P	P	P	P	P	P	P	P	P	P
Debbie	Jenkins	Stf	P		P	P	P	P	P	P	P	P
Heidi	McCoy	Stf		P	P	P		P			P	P
Mandy	Smith	Stf	P	P	P	P		P	P			
Peter	Van Runkle	Stf	P	P	P	P	P	P	P	P	P	P

Certified:

Joe Cilone, Secretary/Treasurer

Date