



OHIO'S PASSPORT PROVIDERS

Jane K. Straker, Dawn C. Carr, & Karl Chow

June 2007

Background:

Ohio's PASSPORT program provides home and community-based services to Medicaid-eligible consumers who would otherwise qualify for placement in an institutional setting. The program has been available statewide since 1990, and currently provides services to more than 26,000 older Ohioans daily, making it one of the largest HCBS waivers in the United States (Mehdzadeh et. al., 2005).

In order to qualify for PASSPORT, consumers are required to be age 60 or older, meet the nursing home level of care criteria, live in a non-institutional setting, have physician approval for the services provided, and meet the financial criteria for Medicaid. An individual who meets these criteria, who can live safely in the community, and who is unable to have their needs met by other resources, can receive PASSPORT services. The vast majority of PASSPORT consumers are female (79%), white (75%), not married (80%), living in their own homes (80%) and, although the average age of consumers is 77, 40% are age 80 or older. PASSPORT consumers have an average of three limitations in their activities of daily living, though more than 25% report four or more limitations.

The Ohio Department of Aging (ODA) manages the PASSPORT program with oversight from the Ohio Department of Job and Family Services (ODJFS). ODA manages PASSPORT through its thirteen PASSPORT Administrative Agencies (PAAs). Although PAAs are responsible for PASSPORT assessment and case management, authorized services are provided by local service agencies. As of June 2006, there were 968 certified PASSPORT providers in Ohio. The services provided include personal care, homemaker services, transportation to medical appointments, home-delivered meals, emergency response systems, adult day services, chore, home medical equipment, minor home modification, independent living assistance, nutrition consultation, and social work counseling.

Study Approach:

This report is one component of a larger independent evaluation of PASSPORT mandated by Ohio's general assembly and conducted by the Scripps Gerontology Center. That evaluation sought to determine "whether the program was providing efficient and cost-neutral services as an alternative to facility-based long-term care, and assess the extent to which the program complied with the assurances Ohio agreed to in its waiver application to the federal Centers for Medicare and Medicaid Services (CMS)."

This report describes the component of the PASSPORT evaluation which examined provider processes. In particular, this report provides greater detail about findings from a mailed survey of current PASSPORT providers. This survey was mailed to all providers offering the following services: a) adult day services; b) home-delivered meals; c) personal care; d) homemaker; and e) transportation. The first round of surveys were mailed to 558 providers identified as active for the contract year 2006-2008. A second round of surveys were sent to providers who operated as "branch offices" of original providers, for which 158 providers were identified as active. In total, 350 surveys were returned, with a response rate of 49%.

The survey touched on several topical areas or domains including: satisfaction (with the program and with certification and monitoring processes), reimbursement rates, recruitment and retention of employees, and issues regarding employee benefits and pay.

Key Findings:

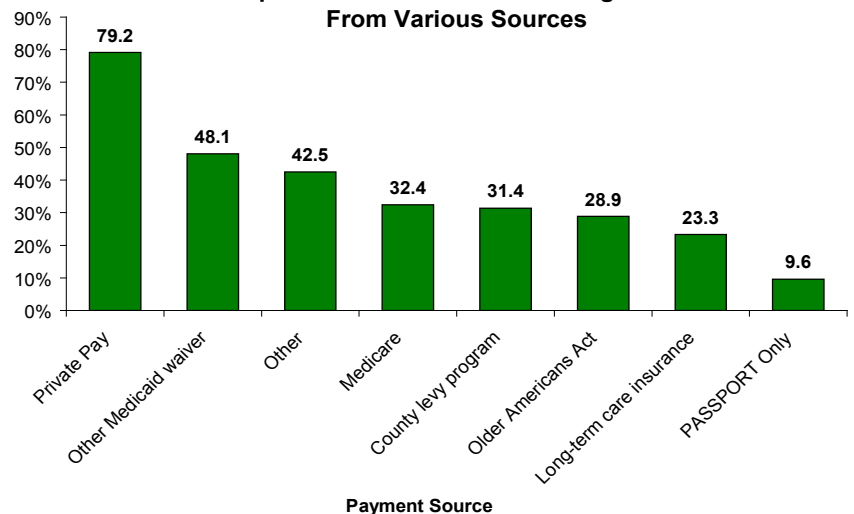
PASSPORT providers are generally quite satisfied with the program in a number of ways. Eighty-six percent of providers indicated that they were satisfied or very satisfied with the new certification process, 93% were satisfied or very satisfied with the monitoring process (for which 79% of providers are monitored by more than one organization, with a median number of three yearly visits), and 91% were satisfied or very satisfied with the program overall. Even though PASSPORT providers strongly believe in the program and value what the program brings to older adults in Ohio, there are several challenges that make it difficult for providers to continue providing services. The vast majority of providers are satisfied with the certification process, but for some providers, it is burdensome and the extensive process is difficult to justify, particularly if they only receive a few client referrals. Providers were less satisfied with the way clients are referred to agencies and several expressed interest in giving consumers access to quality information about their agencies.

With low reimbursement rates, providers adopt a variety of strategies to cope with the challenges they face with regard to funding and staffing. As shown in Figure 1, most providers rely on multiple funding sources, reducing the proportion of business dedicated to PASSPORT clients. Because of multiple funding sources, over 3/4 (79%) of providers receive multiple monitoring visits from different organizations. Those with multiple visits average 3 per year.

Fast Facts About Providers:

- Have been in business an average of 19 years;
- Are rarely part of a chain;
- See an average of 77 clients per week;
- Have an average of 48 home and community-based employees, 56% of whom are part-time;
- Have an average lowest hourly starting pay of \$7.92 and average highest hourly starting pay of \$12.09.

Figure 1
Proportion of Providers Receiving Funds
From Various Sources



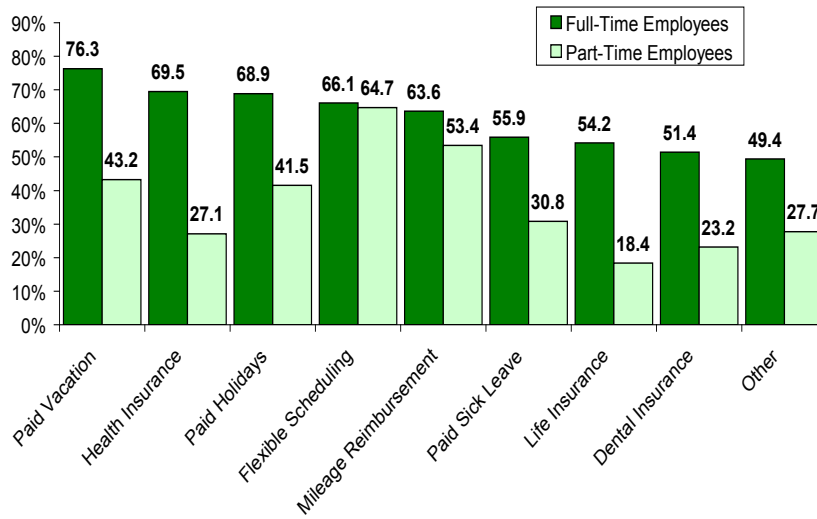
Key Findings (continued) :

Providers use different approaches to retaining and recruiting direct service staff. Even though one quarter of providers have been in business for 9 years or more, and one quarter for 5 years or less, recruitment and retention problems appear to be equally problematic for all. On a scale of 1 to 10, with 10 representing the highest level of problems, the mean rating for recruitment is 5.25, and retention is 4.61, with providers distributed towards either extreme (from 1 to 10) for both issues. The average turnover rate for direct care workers reported by providers is 25.4%, with a range of 0 to 300%.

Provider Benefits and Pay Issues:

There are a number of different kinds of business models used by PASSPORT providers to contend with staffing challenges. In the survey, we asked which benefits were available to full- and part-time direct service staff, identifying the top 15 most commonly offered benefits which included: health, dental, and eye care insurance, retirement benefits, life insurance, profit sharing, cash bonuses, paid sick leave, holidays, and vacations, flexible scheduling, bonuses for attendance, continuing education, mileage reimbursement, and uniform allowances. The most commonly offered benefits are shown in Figure 2. We also asked providers to report the hourly starting pay of their lowest paid full-time direct service workers. A high percentage of providers offer various forms and combinations of benefits, with an average number of 7.2 benefits offered to full-time workers and 4.4 benefits for part-time workers. The average lowest starting pay for direct service workers was \$7.92 per hour and the highest starting pay was \$12.09.

Figure 2
Percent of Providers Offering Benefits



Provider Benefits and Pay Issues (continued):

However, there is a wide range in the distribution of pay and benefits among providers. By examining the providers with the highest and the lowest levels of benefits and pay, it is possible to begin identifying some important ways that providers differ from one another. We examined those providers offering seven benefits or more for both full-time and part-time staff as well as those providers offering hourly wages in the top 25% for their lowest starting pay service staff. We compared this group to those providers that offered four benefits or fewer and hourly wages in the lowest 25% for their staff with the lowest starting pay. The table below describes some of the differences in these groups.

Mean Characteristics of Providers with Highest Benefits and Pay and Lowest Benefits and Pay

	Lowest Benefits and Pay (n= 16) Providers	Highest Benefits and Pay (n=22) Providers
Starting pay for lowest full-time direct service worker	\$6.19	\$9.28
Years in business	16.4	24.8
Proportion of clients that are PASSPORT	59.9%	35.0%
Number of yearly monitoring reviews	1.8	3.0
Number of funding sources other than PASSPORT	1.4	3.5
Overall satisfaction with PASSPORT	Satisfied	Very Satisfied
Proportion of employees that are part-time	88.9%	44.2%
Annual turnover rate for direct service staff	26.4%	17.55%
Average % of employees with health insurance	0%	46.32%



PROGRAM EVALUATION OF PASSPORT: OHIO'S HOME AND COMMUNITY-BASED MEDICAID WAIVER **PROVIDER PROCESSES**

Provider Benefits and Pay Issues (continued):

There are some dramatic differences between these two groups. The lowest benefits/pay group appears to have a business model that relies more heavily on PASSPORT clients with few additional sources of income and relies more heavily on part-time labor. The second group on the other hand, has access to more funding sources and serves fewer PASSPORT clients. This group has more resources with which to provide healthcare and to pay their staff members, with more than half of their employees working full-time.

The vast majority of PASSPORT providers, however, are similar with regard to pay and benefits for their direct service staff. Two-thirds of providers offer health-care to their direct service employees. Of those who do offer healthcare, three-quarters have less than half of their employees participating in their healthcare program. More than 50% of providers pay their lowest paid full-time direct service workers between \$8.00 and \$8.40. This may suggest that service providers subsidize the PASSPORT program by offering low wages to their employees. Under such conditions, employees may not be able to afford to contribute to and therefore take part in the healthcare plans offered by their employers.

To examine this in more depth, it is useful to explore the reality of being a direct service worker for PASSPORT. Eighteen percent of providers pay their lowest paid direct service employees \$6.60 per hour or less, and 92.8% pay \$9.90 per hour or less, which marks the hourly pay equivalent for 100% and 150% of the federal poverty threshold respectively.

Suggestions for the Future of PASSPORT:

In conclusion, we suggest that one of the most important areas that should be examined as PASSPORT looks to the future is a review of reimbursement rates. We also suggest that provider quality information should be used to inform consumers and to aid in program quality monitoring.

Finally, we suggest a review of those areas where statewide standardization would improve program operations, although the merits of maintaining the flexibility and autonomy of the PAAs and their providers should be recognized. The two approaches may not necessarily be mutually exclusive.

www.scrippsaging.org scripps@muohio.edu (513) 529 2914
396 Upham Hall, Miami University, Oxford, Ohio 45056

To print/download this research brief go to:

http://www.scripps.muohio.edu/research/publications/Ohio_PASSPORT_Providers.html

For other Scripps reports go to:

<http://www.scripps.muohio.edu/research/publications/publications.html>

This study was funded by the Ohio Department of Aging.