

LIFE Program Informational Hearing

Mr. Mark Irwin, COO, SeniorLIFE

House Aging and Older Adult Services Committee

May 22, 2024

Good morning. Majority Chair Madden and Chair Mentzer, thank you for the opportunity to speak with you and your committee about this critical senior care program, which is the best-kept secret in our senior services menu.

My name is Mark Irwin, and I'm the Chief Operations Officer of SeniorLIFE, the largest provider of this program in the commonwealth, serving over 2,700 seniors in 13 counties from Washington to the Lehigh Valley.

The LIFE program was introduced in 1998. Our company, SeniorLIFE, followed eight years later. As we say at SeniorLIFE, our job is to help older adults live their best lives at home for as long as possible. This wonderful program is funded by both Medicare and Medicaid. LIFE participants have no co-pays or deductibles, and it's important to note that the program is routinely audited by the federal Centers for Medicare & Medicaid Services, as well as the Pennsylvania Department of Human Services.

At SeniorLIFE, we provide one-stop health care. That includes medication, health care appointments with a primary care physician and clinical team, dental care, social services, therapy, and even transportation — all handled by our own staff. We also coordinate and pay for specialized care, including behavioral health services. Our dedicated staff of medical professionals including doctors, nurses, home care coordinators, social workers, and physical and speech therapists work together to create a comprehensive care plan for each senior.

Statewide, LIFE serves about 8,200 Pennsylvanians, of which 90% are served in their homes, while 10% reside in skilled nursing facilities. To be eligible, you must be age 55 and older, live in an area served by LIFE, be able to be served safely, and be medically eligible as determined by the commonwealth.

LIFE truly is a life-changing program for older Pennsylvanians and those of us who are fortunate to work in such a rewarding setting. But LIFE faces significant challenges, including workforce, funding and general public awareness. In working to address these issues, I'd like to elaborate briefly on what makes LIFE unique and why it's critical that we are not overlooked. My peers and I will also be happy to provide more in-depth answers to any follow-up questions you may have.

When Senior LIFE began in 2006, we were paid \$3,938 for dual-eligible participants. Today, the rate is \$3,944. That means in 18 budget cycles, the rate has only increased by \$6. In 2006, Medicaid-only rates were \$5,033, and that has only risen to \$5,204 today, nearly 20 years later. As you can see, we are way behind. In addition to falling short compared to surrounding states, we are struggling to keep up with dramatic cost increases in needed goods and services.

A significant portion of those increased costs has come after other sectors have received needed funding infusions to help meet staffing mandates and accountability requirements, particularly in nursing homes and home care. However, LIFE has not received commensurate increases to help offset the direct impact those changes have had on our program operation. For the 10% of our participants who require care in a nursing home, we are having to pay higher rates for that care, amounting to an increase of roughly \$6-10 million annually. As other settings have raised wages to recruit additional staff, and admirably so, we have not received funding to make equally competitive wage increases. We are fighting on an uneven playing field.

We are also held to an inherent accountability in how funding we receive is used, because LIFE is uniquely positioned to self-incentivize quality care. As the only managed care option in the state that operates as both plan and provider, we are naturally motivated to provide good care because we are on the hook for increased costs that come along with negative health outcomes. Our level of dedication and integration goes beyond a typical insurance plan, and any investment in our program, therefore, is going to be put directly toward costs that have a positive impact on quality and growth for participants.

A modest rate increase of at least 5% in this year's budget (which, in truth, is not enough, but would be a start) amounts to far less than a rounding error and would be most appreciated so we can continue to do more work and expand our service to more seniors. As we know, the Department has a goal of expanding LIFE into additional counties in Pennsylvania, however programs like SeniorLIFE, which would be interested in taking this on, are not confident in tackling those more rural counties without first securing a stronger foundation in our reimbursement rates.

Strengthening our rates through an increase in this year's budget would not only allow us to serve more Pennsylvanians, but would help meet an immediate need to sustain our existing programs as we continue to work with DHS through the time-consuming process of establishing a more equitable rate-setting methodology for the future.

In addition to funding, we'd like to see the inclusion of LIFE programs in workforce development grant programs related to long-term care, relevant workforce legislation, and career public awareness opportunities. We directly employ 800 staff, but we continually find ourselves facing an uphill battle to retain or replace good workers who leave for more lucrative opportunities. It

is critical that LIFE not be forgotten or pushed aside as we work through these issues facing our healthcare ecosystem.

In closing, I noted LIFE is the best-kept secret in our senior services menu. That's not something any of us should be pleased in knowing. I would personally like to invite all members for a tour of our nearest facility in Steelton to learn more about LIFE and see firsthand the difference we're making. Thank you for your time and interest today. I'll be happy to answer your questions.

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