

Ohio policymakers have recently been exploring issues related to the prevention, identification and elimination of fraud, waste and abuse in the Ohio Medicaid program.

Medicaid provides healthcare coverage for about a quarter of Ohioans (26%, or 3 million people, in 2024). The Medicaid line item, which includes federal funds, state general funds and other sources, is the largest line in the state budget.

Given the size and scope of Ohio Medicaid, state leaders have a responsibility to hold the program to high accountability standards, while also maintaining access to needed services for Ohioans eligible for the program.

This data snapshot provides an overview of home- and community-based services, which have been a specific area of focus in recent legislative discussions.

Learn more about Ohio Medicaid

Published every other year since 2005, the 11th edition of HPIO's **Ohio Medicaid Basics** provides an overview of the Ohio Medicaid program, including eligibility, covered services, spending and recent policy changes.



► Medicaid pays for home-based services in every state

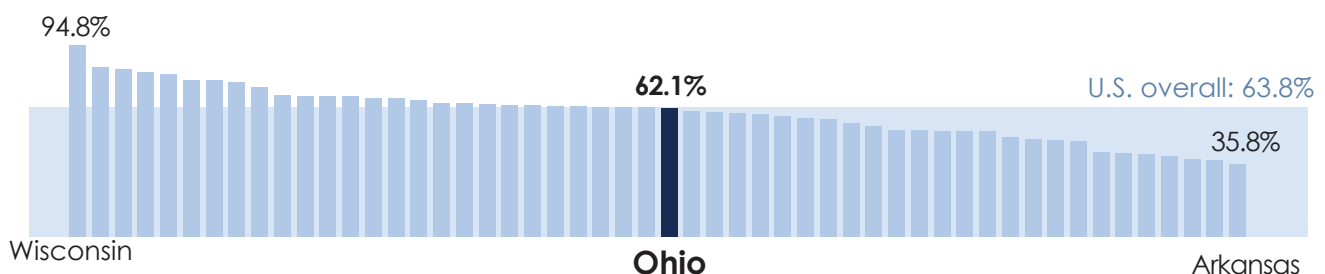
Nearly 200,000 Ohioans, including older adults and people with disabilities, require long-term care to meet medical needs and get assistance with daily activities. These services were historically provided in institutions like nursing facilities.

In the 1980s, the federal government began allowing state Medicaid programs to provide **home- and community-based services (HCBS)** through waivers, with the requirement that the cost of home-care services does not exceed that of institutional care. Subsequently, the U.S. Supreme Court ruled in *Olmstead v. L.C.* (1999) that people with disabilities have a right to receive care in community settings whenever possible and appropriate.

Accessing services and supports at home is associated with **positive outcomes** like cost savings and improved life satisfaction. Medicaid enrollees in Ohio must meet **strict eligibility criteria** to receive HCBS through the state's waiver programs, including financial requirements and needing a specific level of care.

Ohio Medicaid is not an outlier for covering home-based services. In fact, all states cover HCBS through waivers granted by the federal government and 31 states spend more on long-term care than Ohio.

Percent of long-term care expenditures that went towards home- and community-based services, as opposed to institutional or facility-based care, by state, 2023

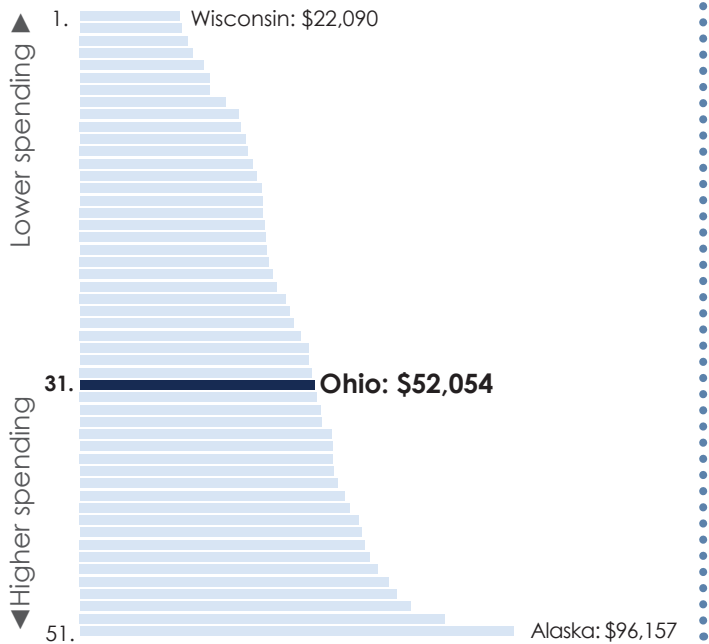


Source: Medicaid T-MSIS Analytic Files, as analyzed by Mathematica

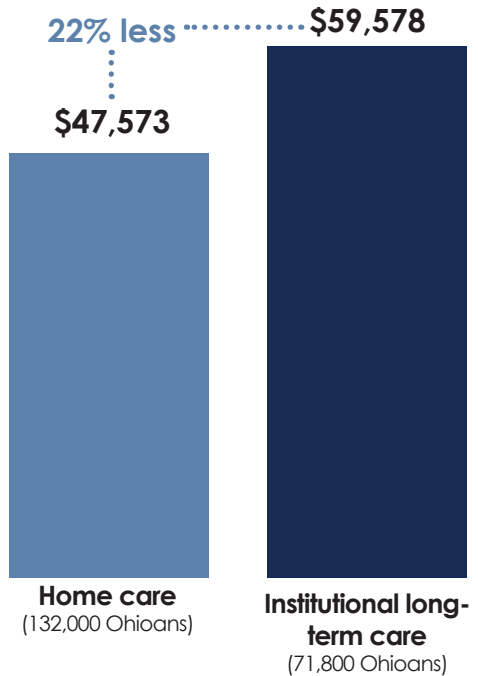
► Home-based services are less expensive for Ohio Medicaid than institutional care

Ohio ranks 31 on Medicaid spending per enrollee with long-term care needs, meaning that Ohio spends more than many other states. As illustrated on page 1, Wisconsin is the state with the lowest Medicaid spending per enrollee with long-term care needs and has the highest percentage of long-term care spending going to home-based care. Annual spending on in-home services in Ohio is about \$12,000 less than institutional care.

Medicaid spending per enrollee with long-term care needs, by state, 2023



Annual Ohio Medicaid spending per enrollee, 2023



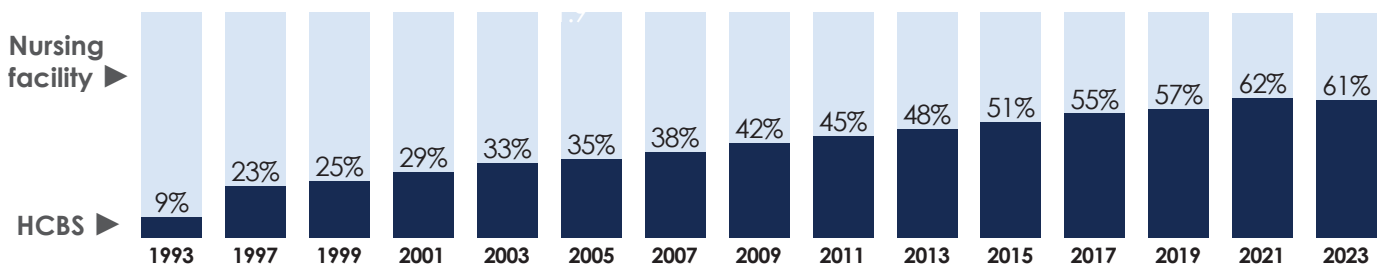
Source: T-MSIS Research Identifiable Files, as analyzed by KFF (preliminary)

► Ohio and other states have prioritized Medicaid home-based services for the past three decades

As states have seen improved health outcomes and cost savings associated with home-based care, they have enacted policies that have led to higher proportions of enrollees with long-term care needs receiving care in their home rather than a nursing facility.

The percentage of Ohio Medicaid enrollees ages 60 and older receiving long-term care at home has increased from 9% to 61% over the past three decades

Proportion of HCBS use by Ohio Medicaid enrollees ages 60 and older who need long-term care

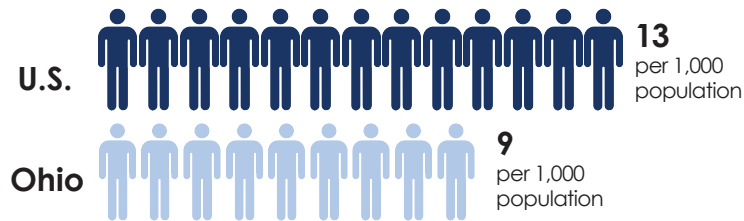


Source: "Home- and Community-Based Services in Ohio: 1993-2023," Ohio Department of Aging and Scripps Gerontology Center, Winter 2025-2026

► Ohio is facing a shortage of home health workers

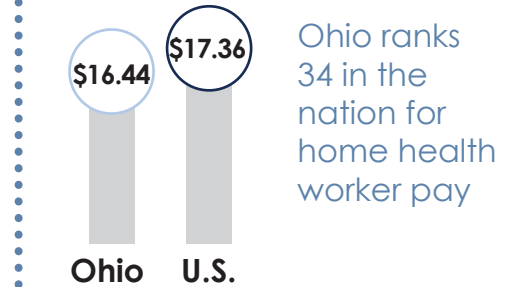
Over the past several years, the U.S. has faced **major workforce shortages** among direct care workers, including personal care aides, who often earn low wages and are unlikely to have benefits. The rate of home health workers in Ohio is lower than the U.S. rate. Home health work is difficult and demanding and workers often do not receive benefits. In Ohio, home care workers earn less than the national average, making it even more challenging to attract new staff.

Rate of home health and personal care aids, Ohio and U.S., 2024



Source: U.S. Bureau of Labor Statistics (May 2025); U.S. Census Bureau American Community Survey 1-year estimates (2024), as compiled by HPIO

Average hourly wages for home health workers, 2025

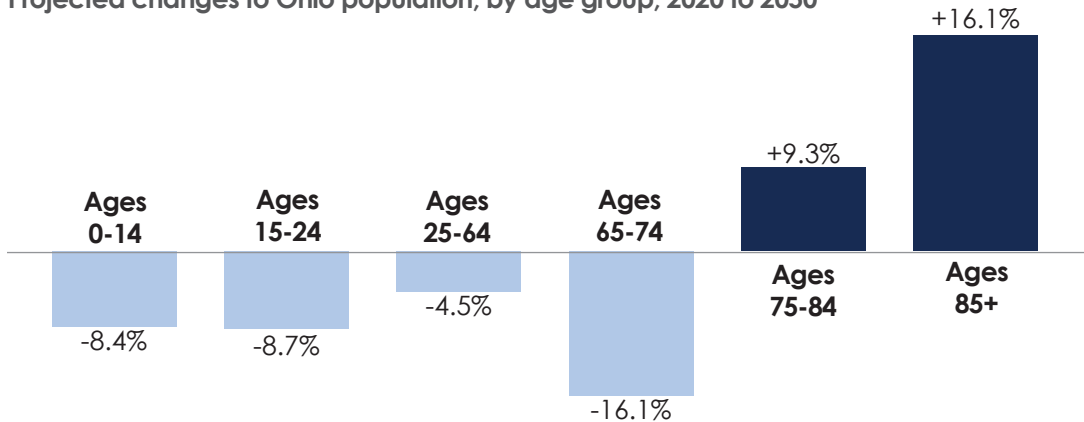


Source: U.S. Bureau of Labor Statistics (May 2025)

► As the Ohio population ages, the need for more long-term care services is likely to grow

The only age groups that are expected to grow in Ohio in the next several decades are ages 75 and older. That means the number of working-age Ohioans will drop at a time when more Ohioans will reach ages that are more likely to require long-term care. As the number of older Ohioans increases, Ohioans with disabilities will continue to require long-term care services as well.

Projected changes to Ohio population, by age group, 2020 to 2050



Source: Ohio Department of Development, [Population Projections Overview: 2020 to 2050](#)

Federal financing changes coming to Ohio Medicaid

Ohio Medicaid is facing other policy pressures due to HR 1, the federal reconciliation bill sometimes referred to as the "One Big Beautiful Bill Act." The law includes provisions that will affect Medicaid provider taxes, one of the ways that states increase payments to providers who treat Medicaid patients and how states invest in quality improvement efforts. The provisions are expected to reduce Medicaid funding in Ohio by billions of dollars. Ohio policymakers will need to make important decisions to mitigate these funding cuts. [Learn more about the impact of HR 1 here.](#)

► Family caregivers play a key role in providing services to Medicaid enrollees

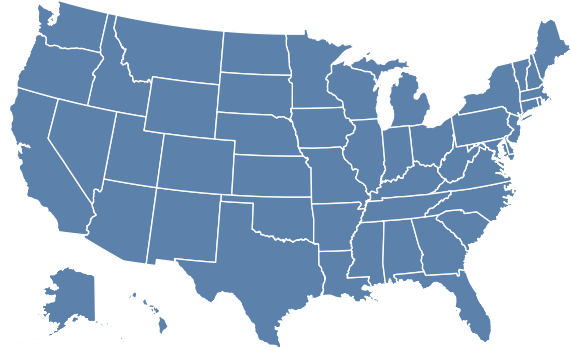
Some types of Ohio Medicaid coverage allow family members, relatives and friends to receive Medicaid payments for providing direct care, such as assistance with eating, bathing and preparing meals. According to **analysis from KFF**, every state and D.C. allows Medicaid payment to relatives for at least some home care services.

Proposed legislation introduced in the Ohio General Assembly would make the state the only in the nation to no longer pay family caregivers through Medicaid for providing long-term care services for loved ones.

A **2019 study** found that people with home care needs who received support from paid family caregivers had lower healthcare use and fewer adverse health events than those without paid family caregivers.

Paid family caregivers can also help address workforce shortages (see page 3) among direct care workers, including personal care aides.

All 50 states and D.C. have one or more Medicaid waivers that allow payments to relatives or friends for home health services



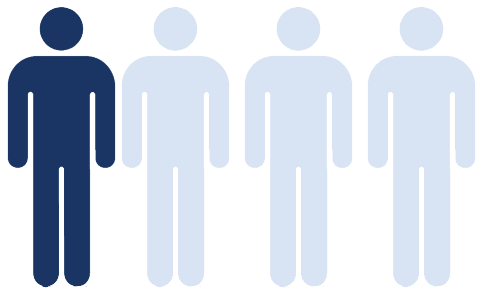
Note: Florida officials did not respond to KFF researchers compiling this data, but Florida's Medicaid website indicates that the state does pay family members for certain Medicaid services.

Source: KFF, **Medicaid's Home Care Support for Family Caregivers in 2025**, January 2026.

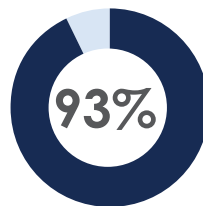
► Ohio family caregivers face considerable financial challenges when caring for loved ones

Data released last month by AARP shows that many Ohio family caregivers face financial challenges, as illustrated above. Payments from Medicaid can make caring for a loved one less financially challenging.

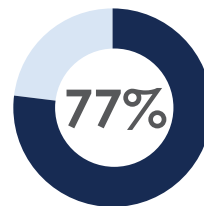
1 in 4 family caregivers (25%) in Ohio had to quit working to provide care for a loved one



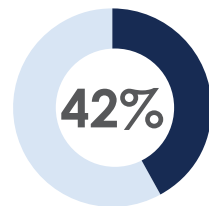
Nearly all family caregivers in Ohio have faced financial hurdles while caring for a loved one



Spent their own money to provide care



Adjusted work schedule



Went from full-time to part-time

Source: AARP, "**Family Caregiving in Ohio**," May 2026