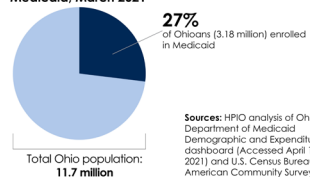


Ohio Medicaid Basics 2021

The Medicaid program is a partnership between the federal and state governments that pays for healthcare services for approximately 3.18 million Ohioans with low incomes (see figure 1), including more than 1.28 million children. In state fiscal year (SFY) 2020, federal and state expenditures on Medicaid accounted for about 38% of Ohio's budget.¹ Additionally, \$1 out of every \$6 spent on health care in the U.S. is spent on Medicaid.²

The federal government finances a significant portion of state Medicaid programs. States are required to provide coverage for certain federally-defined eligibility groups and services. States can also receive federal funding for optional groups and services. The specific parameters around who is covered and what services are covered are defined through a combination of federal and state statutes, rules and regulations and administrative decisions.

Figure 1. Estimated percent of Ohioans enrolled in Medicaid, March 2021



3 Key findings for policymakers

- Ohio Medicaid provides healthcare coverage for about 3.18 million Ohioans with low incomes, including many individuals who cannot afford private or employer-sponsored health insurance.
- Medicaid is a significant share of government spending in Ohio. In state fiscal year 2020, Medicaid expenditures from state and federal funding sources accounted for about 38% of the state's spending.
- Ohio Medicaid has implemented changes to streamline administrative processes, increase transparency and improve access to care and care coordination for Ohioans. Going forward, policymakers should monitor implementation and evaluate recent changes to the program.

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Ohio Medicaid Basics 2021



VISION

Ohio is a model of health, well-being and economic vitality

MISSION

To provide independent and nonpartisan analysis
needed to create evidence-informed state health policy
that improves health value

HPIO CORE FUNDERS





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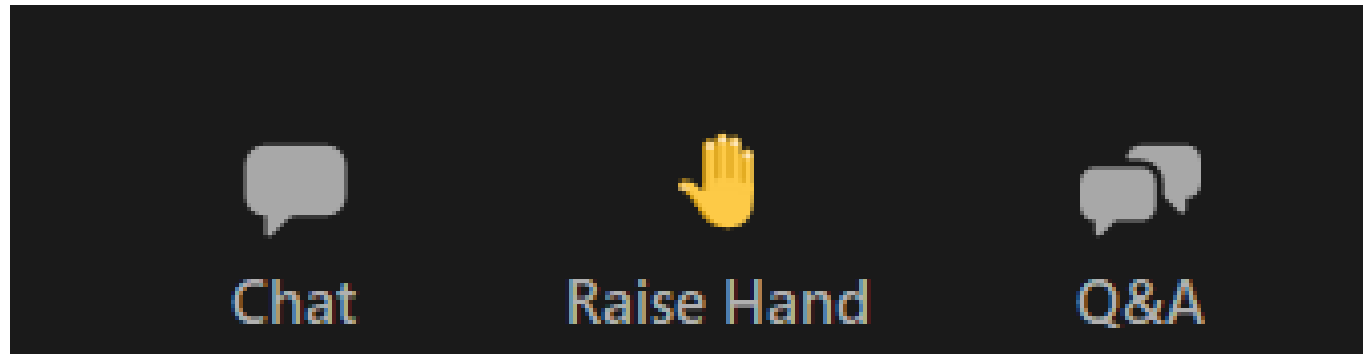
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Agenda

- Overview of *Ohio Medicaid Basics 2021*
- Audience question and answer session
- Closing remarks



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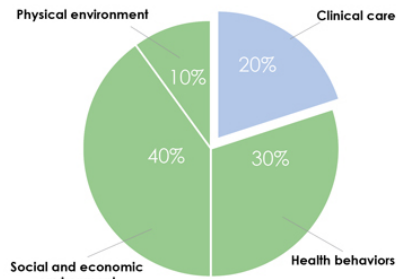
Ohio Medicaid Basics 2017

Introduction

Medicaid pays for medically necessary healthcare services for over three million Ohioans and is the primary source of coverage for low-income Ohioans who generally do not have access to or cannot afford other health insurance coverage. The program also pays for services for people who are elderly and disabled, including long term services and supports that are not covered by Medicare and most private health insurance coverage.¹ As a healthcare payer for one in four Ohioans, Medicaid enables improved access to care², as well as treatment of chronic health conditions (including mental health conditions), injuries, illnesses and addictions. Medicaid also pays for preventive care, prescription drugs and screenings.

While there is evidence that Medicaid coverage improves access to care³, it is important to note that overall health is influenced by a number of other factors. Research estimates that of the modifiable factors that influence overall health outcomes, 80 percent is attributed to non-clinical factors including our social, economic and physical environments, as well as our health behaviors, and only 20 percent is attributed to clinical care (see figure 1).⁴ This indicates that access to quality clinical care is necessary, but not sufficient, to improving overall health.

Figure 1. Modifiable factors that influence health



Source: County Health Rankings and Roadmaps population health model

Medicaid and the U.S. healthcare system

Medicaid is financed jointly by the federal government and states, including some local-level funding to support the state share.

Medicaid accounted for 17 percent of U.S. total healthcare expenditures in 2015, making the program the second-largest payer of healthcare services in terms of total expenditures.⁵ Through Medicare, Medicaid and the Federal Employees Health Benefit Plan, the federal government is the largest payer for healthcare services in the country, and because of this, often drives change and industry innovation, particularly through new payment rates and models.⁶

At the state level, the Ohio Department of Medicaid (ODM) and the managed care plans under contract with ODM are important partners in payment reform initiatives led by the Governor's Office of Health Transformation (OHT) (see "Paying for value in Medicaid" beginning on page 10 of this publication).

Ohio Medicaid Basics 2019

Medicaid pays for healthcare services for about three million Ohioans with low incomes, including more than 1.2 million children. Medicaid spending accounts for more than one-third of Ohio's budget and almost 17% of health expenditures nationally.¹

This publication provides an overview of Ohio's Medicaid program, including eligibility, covered services, delivery systems, financing and spending.

Who is eligible for Medicaid coverage?

Ohio Medicaid pays for healthcare services for children, older adults, pregnant women, parents, childless adults and individuals with disabilities, all with incomes below a specific amount (see figures 1 and 2).² It is important to note that eligibility differs by state.

For most enrollees, the income eligibility limit is set as a percentage of the Federal Poverty Level (FPL) and eligibility is based on household Modified Adjusted Gross Income (MAGI).³ Some Medicaid eligibility categories, including Aged, Blind and Disabled (ABD), use different income counting rules and have resource limits (i.e., assets such as cash, stocks, bank accounts and property).

To be eligible for Medicaid in Ohio, a person must meet other requirements in addition to income limits. At a minimum, a person must have, or apply for, a Social Security number, be a U.S. citizen or meet Medicaid requirements for people who are not U.S. citizens (i.e., legal permanent residents, refugees and asylees)⁴ and be an Ohio resident.⁴

Figure 1. Federal poverty level (FPL), by household size, 2019

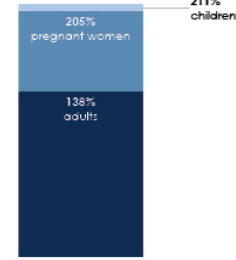
	100%	138%	208%	211%	260%	400%
1	\$12,460	\$17,236	\$25,605	\$26,354	\$31,225	\$49,940
2	\$16,910	\$23,836	\$34,656	\$35,680	\$42,275	\$67,640
3	\$21,330	\$29,435	\$43,727	\$45,006	\$53,325	\$85,320
4	\$25,750	\$35,535	\$52,788	\$54,233	\$64,375	\$102,000

Note: Refers to federal poverty levels for the 48 contiguous states and the District of Columbia (D.C.)
Source: Office of the Assistant Secretary for Planning and Evaluation, Additional analysis by the Health Policy Institute of Ohio.

3 key findings for policymakers

- Ohio Medicaid provides access to healthcare services for about three million low-income Ohioans, including many who cannot access or afford private or employer-sponsored health insurance.
- Medicaid represents a significant portion of government spending in Ohio. Federal reimbursements accounted for approximately 68% of total spending by Ohio Medicaid in state fiscal year 2018.
- To improve health value in Ohio, state policymakers need to balance Medicaid's critical role in providing access to health care with budgetary and administrative challenges.

Figure 2. Ohio Medicaid income eligibility thresholds for MAGI-categories, by FPL, 2019



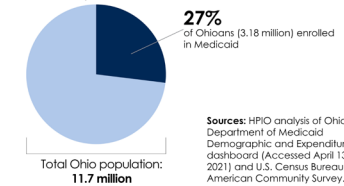
Source: Ohio Department of Medicaid

Ohio Medicaid Basics 2021

The Medicaid program is a partnership between the federal and state governments that pays for healthcare services for approximately 3.18 million Ohioans with low incomes (see figure 1), including more than 1.28 million children. In state fiscal year (SFY) 2020, federal and state expenditures on Medicaid accounted for about 38% of Ohio's budget.¹ Additionally, \$1 out of every \$6 spent on health care in the U.S. is spent on Medicaid.²

The federal government finances a significant portion of state Medicaid programs. States are required to provide coverage for certain federally-defined eligibility groups and services. States can also receive federal funding for optional groups and services. The specific parameters around who is covered and what services are covered are defined through a combination of federal and state statutes, rules and regulations and administrative decisions.

Figure 1. Estimated percent of Ohioans enrolled in Medicaid, March 2021



Sources: HPIO analysis of Ohio Department of Medicaid Demographic and Expenditure dashboard (Accessed April 13, 2021) and U.S. Census Bureau, American Community Survey.

3 key findings for policymakers

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- Medicaid is a significant share of government spending in Ohio. In state fiscal year 2020, Medicaid expenditures from state and federal funding sources accounted for about 38% of the state's spending.
- Ohio Medicaid has implemented changes to streamline administrative processes, increase transparency and improve access to care and care coordination for Ohioans. Going forward, policymakers should monitor implementation and evaluate recent changes to the program.

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3 key findings for policymakers

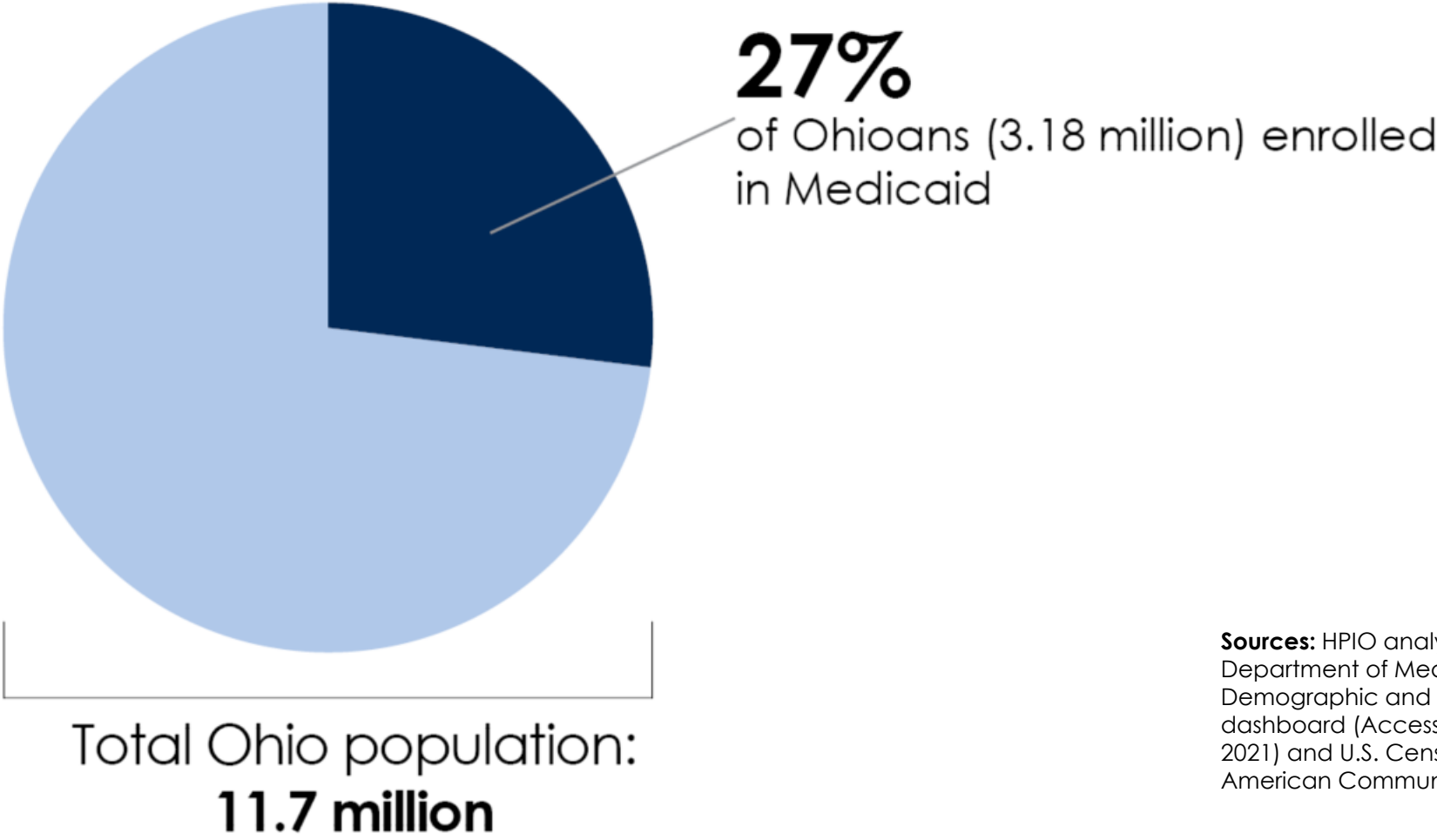
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- Medicaid is a significant share of government spending in Ohio, accounting for about **38% of the state's spending**.
- Ohio Medicaid has **implemented changes** to streamline administrative processes, increase transparency and improve access to care and care coordination for Ohioans.

Federal/state partnership

- Collaboration between federal and state government
- Federal government finances significant portion of Medicaid program
- States must provide coverage for certain groups of individuals

Estimated percent of Ohioans enrolled in Medicaid

March 2021



Sources: HPIO analysis of Ohio Department of Medicaid Demographic and Expenditure dashboard (Accessed April 13, 2021) and U.S. Census Bureau, American Community Survey.

Covered groups

- Children
- Older adults
- Women who are pregnant
- Adults without dependents
- People with disabilities

Differences between Medicaid and Medicare

Medicaid

- Pays for care for Ohioans with low incomes
- Eligibility based on income and other factors
- Primary, acute and long-term care services and supports
- Federal and state funding
- Not funded by payroll deduction

Medicare

- Pays for care for nearly all Ohio seniors
- Eligibility based on age or disability status and work history
- Primary and acute care only
- Federal funding
- Funded by payroll deduction

Financing

- Jointly – federal and states
- Payment arrangement is called FMAP – Federal Medical Assistance Percentage
- States eligible for enhanced FMAP (eFMAP) under certain circumstances
- Ohio's FMAP for FFY 2022 = 64.1% (for most enrollees)

Recent changes to Ohio Medicaid

Significant changes to Ohio Medicaid in the past year



Ohio Resilience through Integrated Systems and Excellence (OhioRISE)

Significant changes to Ohio Medicaid in the past year



Managed care procurement

Significant changes to Ohio Medicaid in the past year



Fiscal Intermediary

Significant changes to Ohio Medicaid in the past year



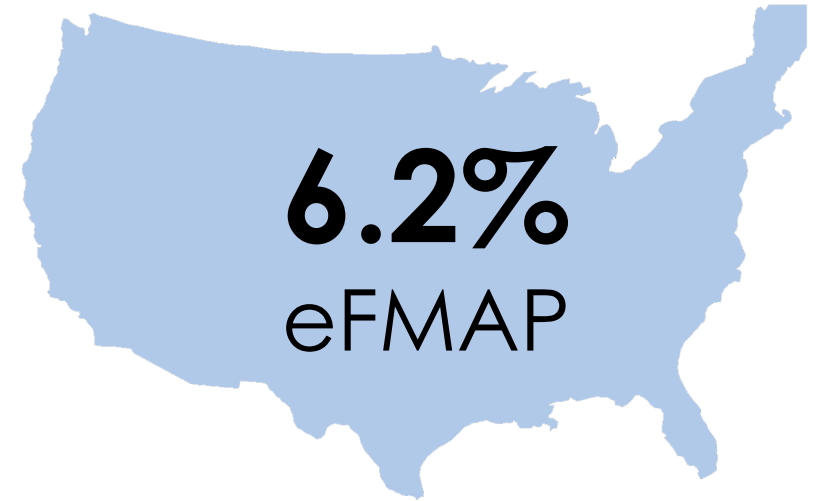
Single Pharmacy Benefit Manager (SPBM)

Medicaid and COVID-19



increase in
enrollment from
March 2020 to
March 2021

Federal
government
provided
states with



contingent on MOE

Administrative challenges

Eligibility

First steps

Must be...

Ohio Resident



Have social security number
(or applied for one)



U.S. citizen
(or meet requirements for non-U.S. citizenship)

Who is eligible?

- **Children** ages 18 and younger in households with incomes up to 211% of the FPL with no insurance and up to 161% with non-Medicaid health coverage
- **Parents** or related caregivers in households with incomes up to 90% FPL and one or more children younger than 18 in the household
- **Pregnant women** with incomes up to 205% FPL

Adults ages 19 to 64 who have incomes less than 138% FPL

Older Ohioans and those who are blind or disabled with lower incomes

Categories

Covered Families and Children (CFC)

Group VIII

Aged, Blind and Disabled (ABD)

Note: This graphic highlights the major categories of Medicaid eligibility in Ohio and is not comprehensive. See the appendix for a more detailed explanation of all eligibility categories for Ohio Medicaid. People in need of Medicaid should apply at benefits.ohio.gov.

Eligibility

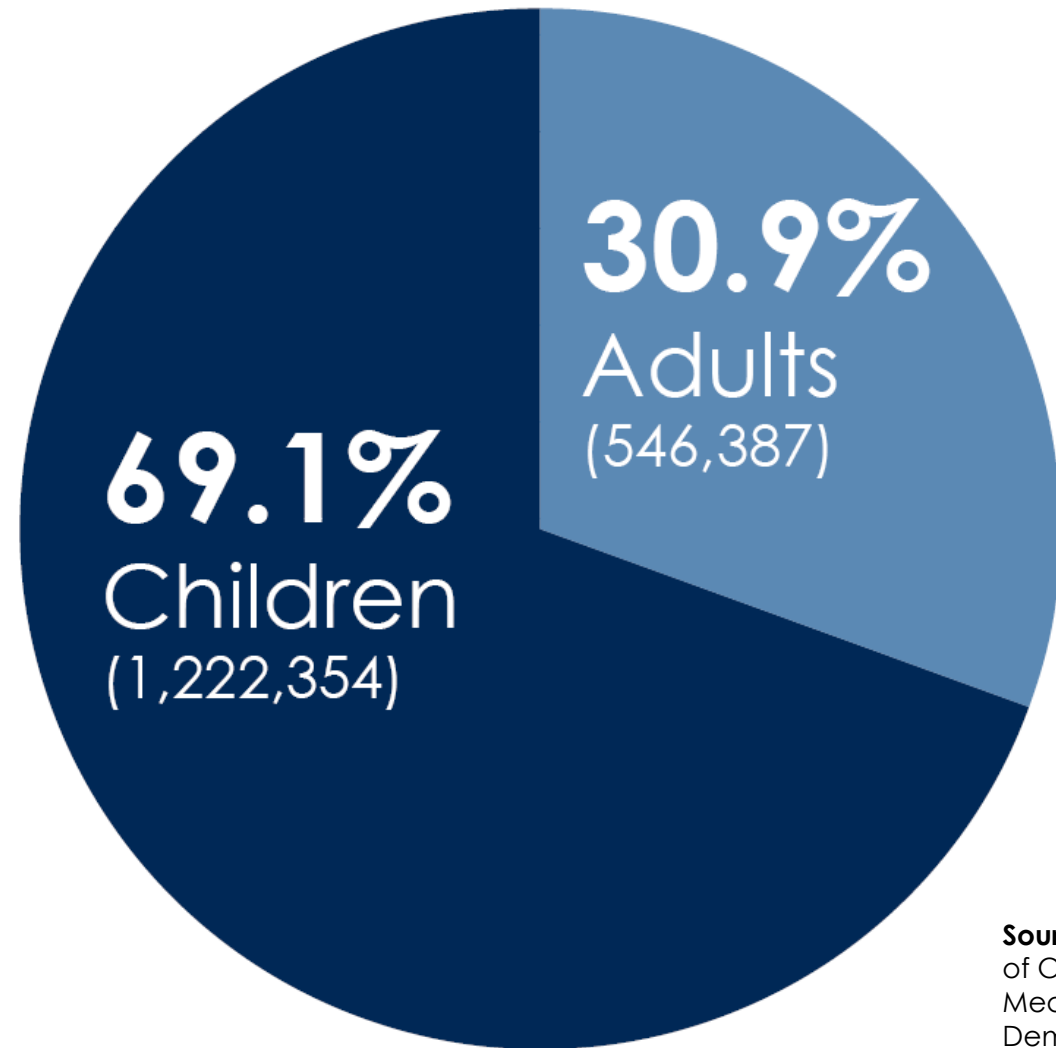
- Income
- Citizenship/immigration status
- Residence (state)
- Disability status and medical conditions (in some cases)
- Assets, such as stocks, bonds, real estate

Covered Families and Children (CFC)

- Children
- Pregnant women
- Parents

Ohio Medicaid Covered Families and Children (CFC) enrollment

for adults and children
as of March 2021



Source: HPIO analysis of Ohio Department of Medicaid Demographics and Expenditures dashboard. Accessed April 13, 2021.

Source: HPIO analysis of Ohio Department of Medicaid Demographics and Expenditures dashboard. Accessed April 13, 2021.

Group VIII

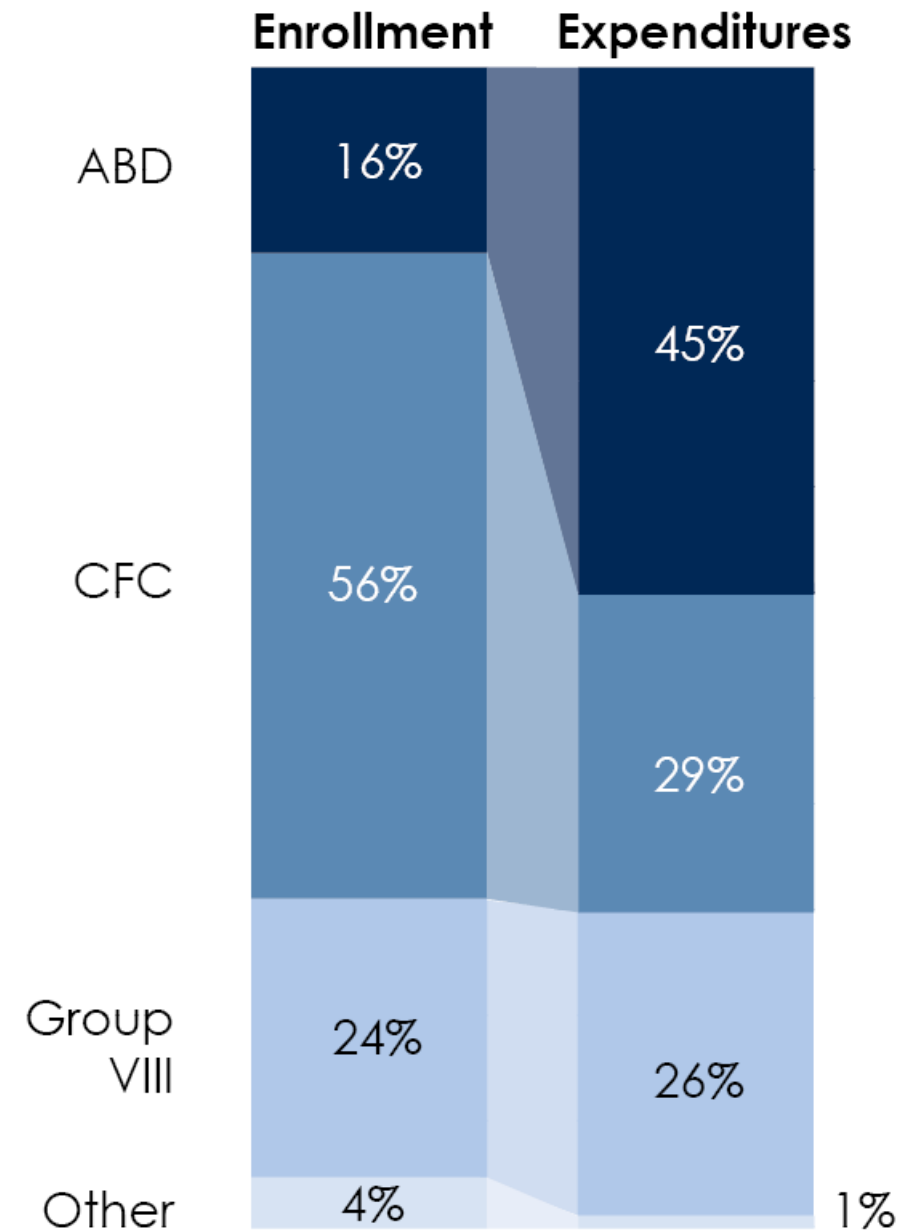
- Implemented in 2014
- Adults ages 19 to 64 who with incomes less than 138% of the FPL
- Enrollment increased during the COVID-19 pandemic

Aged, Blind and Disabled (ABD)

- People over age 65
- People living with disabilities
- *Medicaid Buy-In for Workers with Disabilities*
- People who are eligible for both Medicaid and Medicare

Enrollment and expenditures

by Medicaid eligibility category
March 2021



Source: HPIO analysis of Ohio Department of Medicaid Caseload Reports. Accessed April 13, 2021.

Ohio Medicaid Covered Services

Federally mandated services

- Inpatient hospital
- Outpatient hospital
- Early and Periodic Screening, Diagnostic and Treatment Services (EPSDT)
- Nursing facility care
- Home health
- Physician services
- Lab and x-ray
- Family planning
- Nurse midwife
- Freestanding birth center services
- Tobacco cessation counseling for pregnant women
- Rural health clinic services
- Federally qualified health center services
- Transportation for medical care
- Certified pediatric and family nurse practitioners

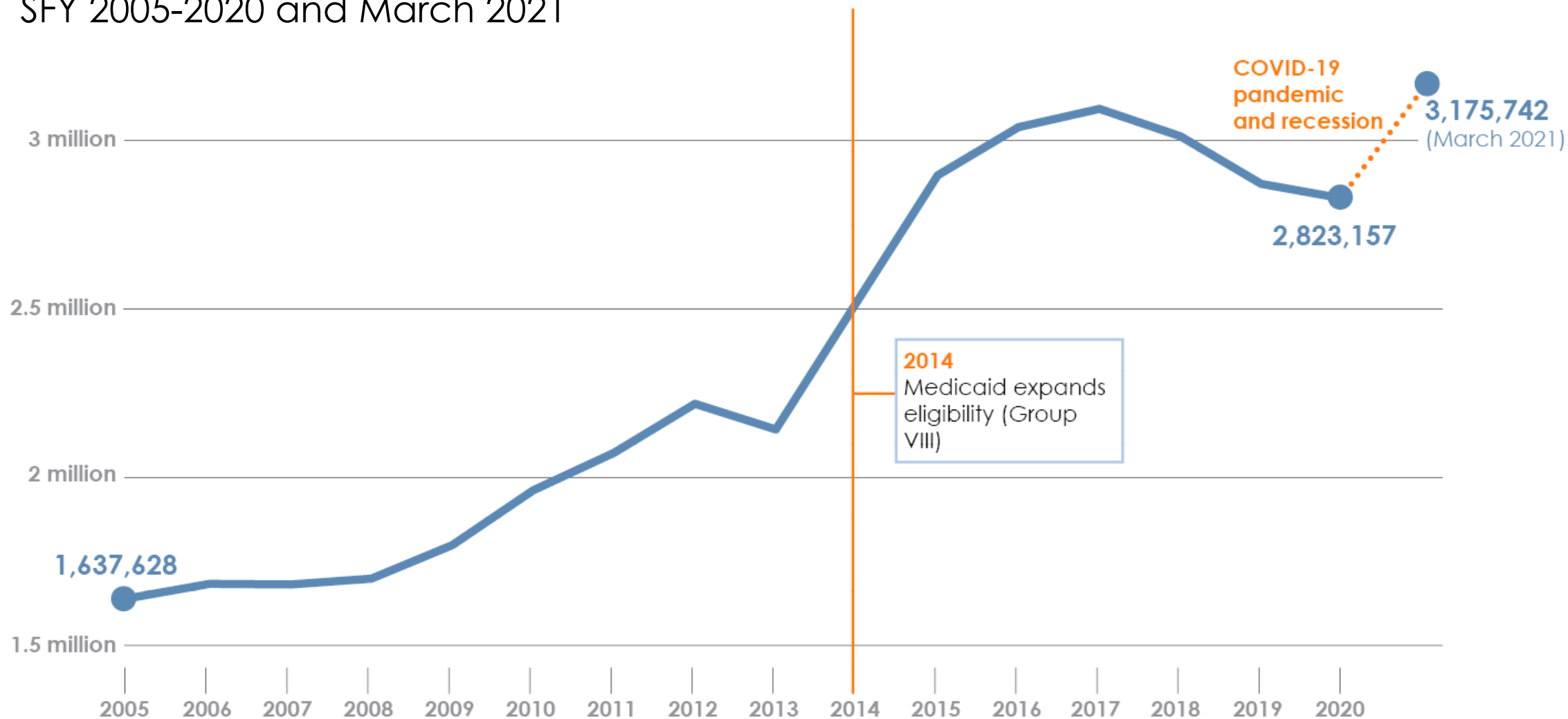
Optional services covered by Ohio Medicaid

- Ambulance
- Chiropractic services
- Alcohol and drug screening analysis
- Intensive outpatient (to treat addiction)
- Methadone administration
- Medical and surgical dental care
- Durable medical equipment and supplies
- Medical and surgical vision care
- Individual or group counseling
- Occupational therapy
- Podiatry
- Prescription drugs
- Private duty nursing
- Speech therapy
- Ambulatory surgical centers
- Telehealth
- Behavioral and mental health

Source: For a complete list of covered services, eligibility requirements and co-payments, see <https://medicaid.ohio.gov/FOR-OHIOANS/Covered-Services; Mandatory & Optional Medicaid Benefits>. Centers for Medicare and Medicaid Services. Accessed April 13, 2021.

Ohio Medicaid enrollment trend

SFY 2005-2020 and March 2021



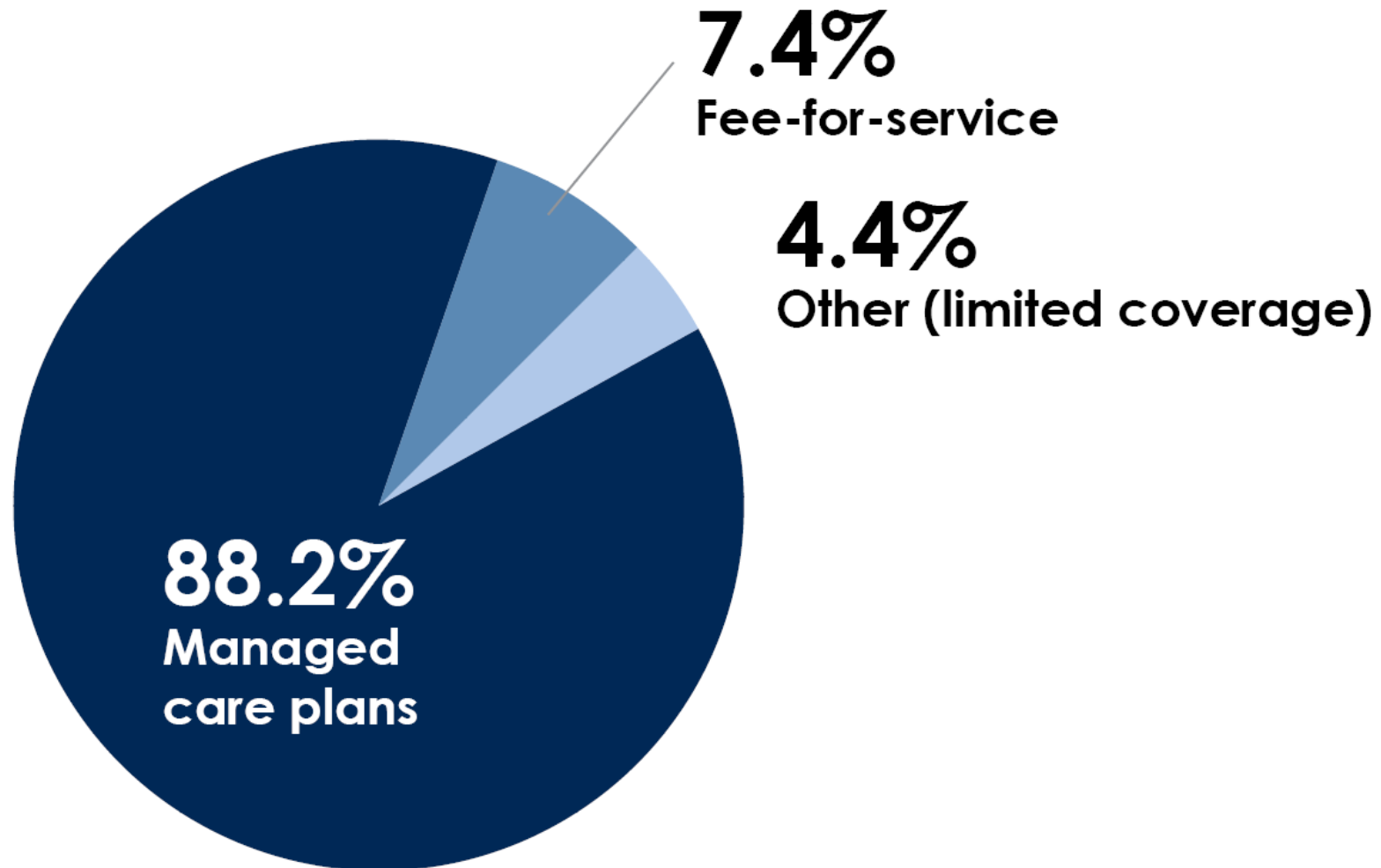
Sources: SFY 2005-2011 Ohio Department of Job and Family Services. Public Assistance Monthly Statistics reports; Ohio Department of Medicaid Demographics and Expenditures dashboard. Accessed April 13, 2021.

Reasons people enroll in Medicaid

- Unemployment and other changes that impact coverage
- Price of individual (non-group) health insurance coverage
- Coverage for long term services and supports (LTSS)

Ohio Medicaid enrollment

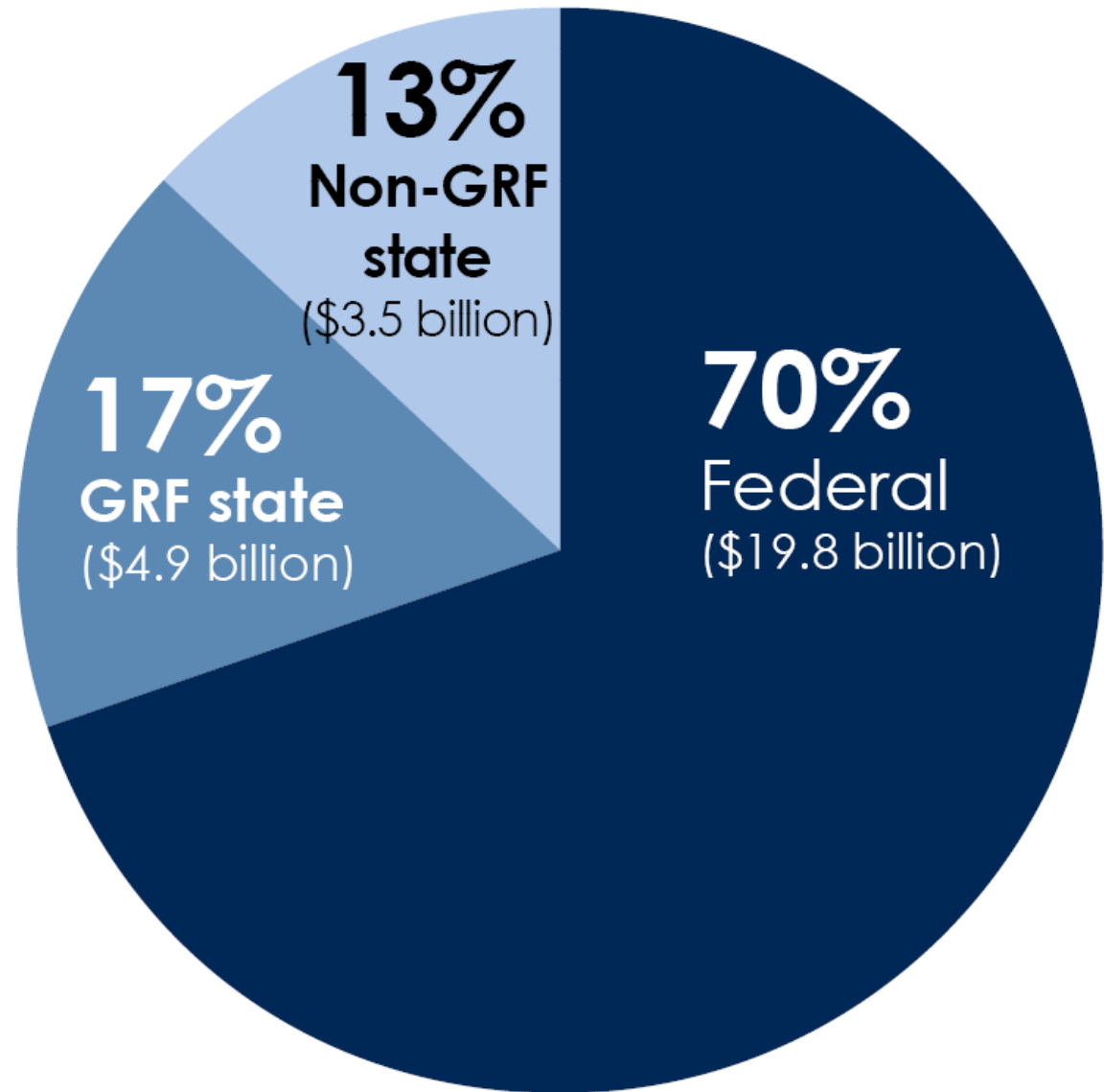
March 2021



Source: HPIO analysis of Ohio Department of Medicaid Caseload Reports. Accessed April 13, 2021.

Ohio Medicaid spending

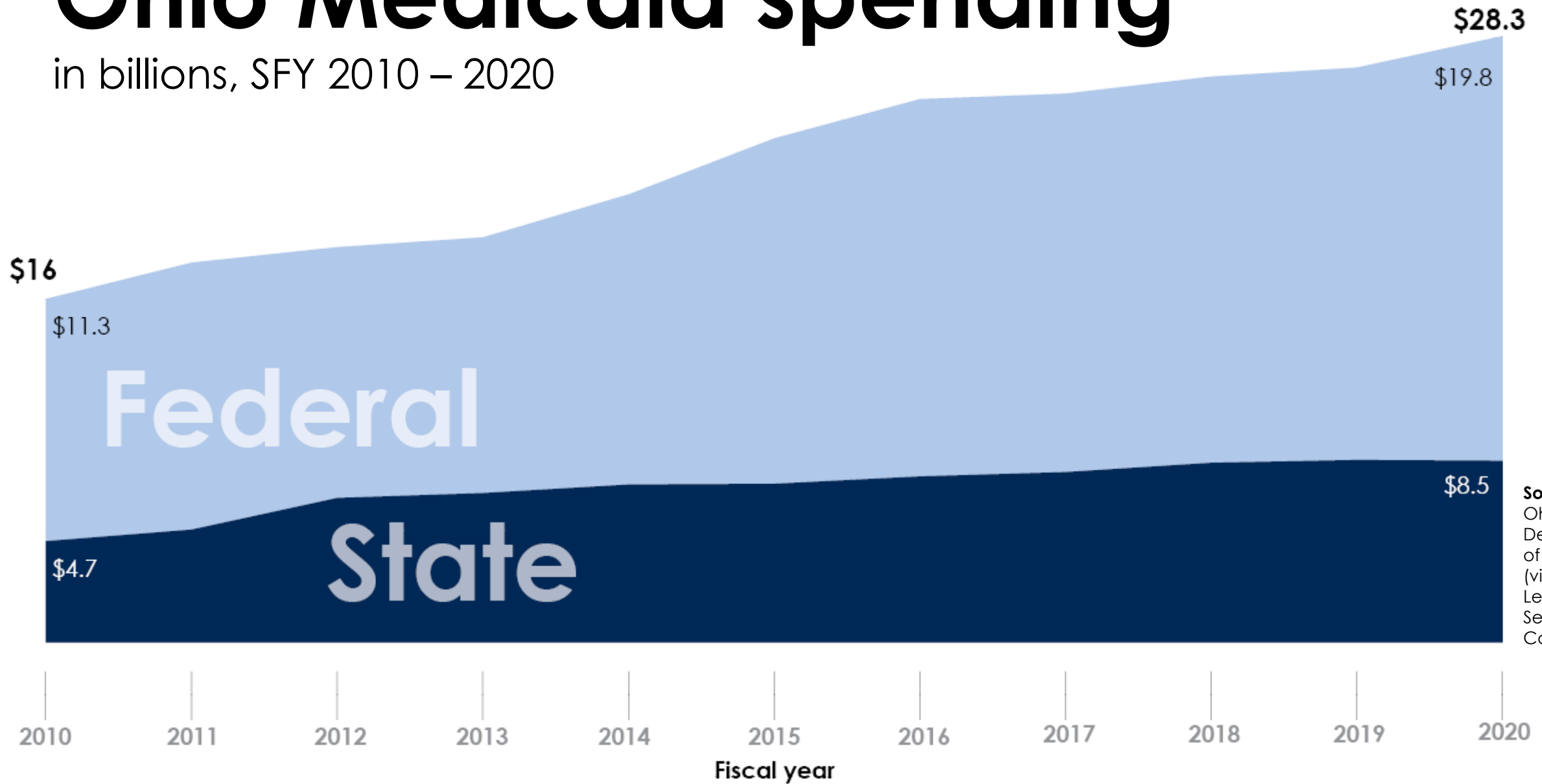
by source, SFY 2020



Source: Ohio Legislative Service Commission

Ohio Medicaid spending

in billions, SFY 2010 – 2020



Source:
Ohio
Department
of Medicaid
(via Ohio
Legislative
Service
Commission)

3 key findings for policymakers

- Ohio Medicaid provides healthcare coverage for about **3.18 million Ohioans with low incomes**.
- Medicaid is a significant share of government spending in Ohio, accounting for about **38% of the state's spending**.
- Ohio Medicaid has **implemented changes** to streamline administrative processes, increase transparency and improve access to care and care coordination for Ohioans.

Questions?



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Ways to influence policy

- Write letters, emails or make phone calls
- Provide district specific data
- Provide analysis of a bill
- Provide testimony at a legislative hearing
- Provide a one-page fact sheet
- Organize community partners to visit key policymakers
- Invite policymakers to visits your organization or speak at a meeting you host

Download the complete “Ohio Medicaid Basics 2021” policy brief at www.hpio.net/ohio-medicaid-basics-2021

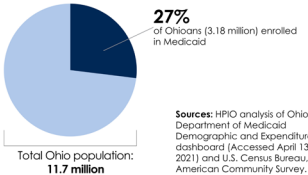

April 2021

Ohio Medicaid Basics 2021

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Figure 1. Estimated percent of Ohioans enrolled in Medicaid, March 2021



27% of Ohioans (3.18 million) enrolled in Medicaid

Total Ohio population: **11.7 million**

Sources: HPIO analysis of Ohio Department of Medicaid Demographic and Expenditure dashboard (Accessed April 13, 2021) and U.S. Census Bureau, American Community Survey.

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