

Medicaid 101

Presented by the Joint Medicaid Oversight Committee

December 2018

What is Medicaid?

- ▶ Medicaid - along with Medicare - was created in 1965 when President Johnson signed the Social Security Amendments into law
- ▶ Medicaid is a federal-state program which pays for healthcare services for certain low-income people
- ▶ Medicaid is the largest payer for long-term care services and supports, behavioral health - including alcohol and other drug treatment services and maternity services

Who is eligible?

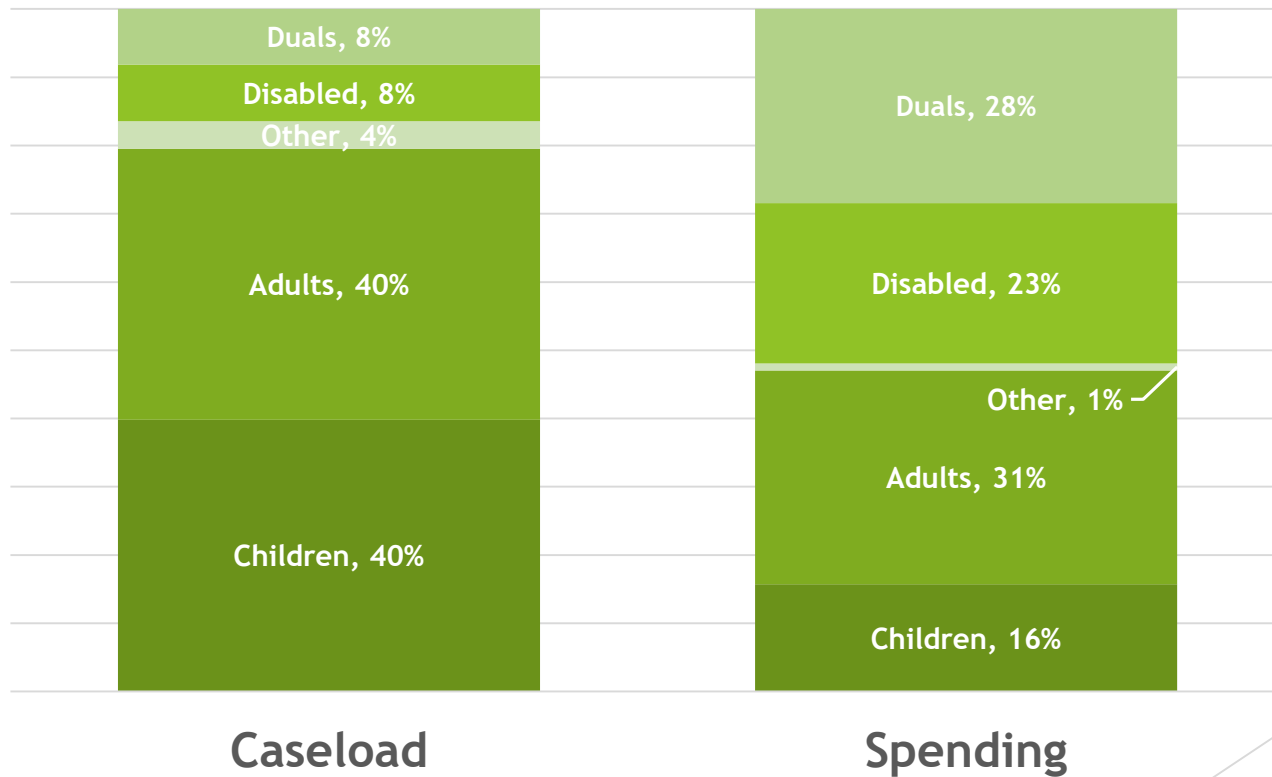
- ▶ Medicaid covers certain low income individuals, including:
 - ▶ adults ages 19 to 64
 - ▶ children
 - ▶ individuals who are aged, blind, or disabled
- ▶ Ohio's Medicaid program provides healthcare coverage to approximately 3 million Ohioans - about 26% of the state's population

Who Is Eligible?

Eligibility Group	Income Limit	Other Requirements
CFC Children; Pregnant Women	206% FPL	
CFC and Group VIII Adults	138% FPL	
ABD Adults and Children	75% FPL	Asset limit of \$2,000; must meet federal criteria for disability
ABD or Dual Eligible with Long Term Service and Support (LTSS) needs	225% FPL	Asset limit of \$2,000; must meet level of care requirements
Medicare Premium Assistance	Varies by program; 100% - 200% FPL	Asset limit of \$7,560

Disclaimer: The chart includes eligibility criteria for the major eligibility groups; however, there are more than 150 eligibility categories in Medicaid. Income limits and requirements vary based on the individual category of eligibility.

Medicaid Enrollment and Spending by Category



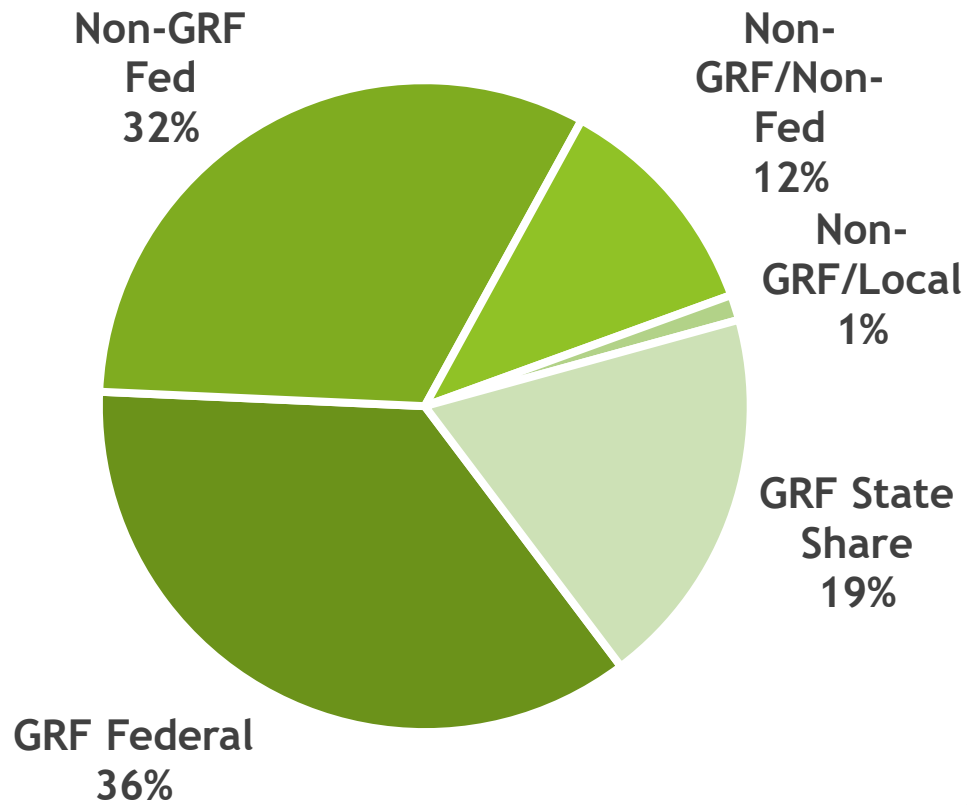
Medicaid budget

- ▶ The Medicaid program is the largest in the state budget on an all funds basis and 2nd to Education on a GRF basis
 - ▶ 22.5% of the state share GRF budget
 - ▶ 41.0% of total budget (all funds)
- ▶ The Department of Medicaid is designated as the single state agency to administer the program
- ▶ Medicaid's budget includes spending for other agencies including:
 - ▶ DODD, OMHAS, ODJFS, ODH, ODA, ODE
- ▶ Some funding in the Medicaid system is local
 - ▶ County Boards of Developmental Disabilities are the largest source

Medicaid Budget

- Over the entire program, the federal government pays roughly 60% while the state pays roughly 40%
 - ▶ The federal government provides funding through a formula called the federal medical assistance percentage - better known as FMAP
 - ▶ This formula is based on a state's per capita income in relation to other states and is updated annually
 - ▶ Ohio's current FMAP rate is 63.09%
 - ▶ Some populations have higher match rates

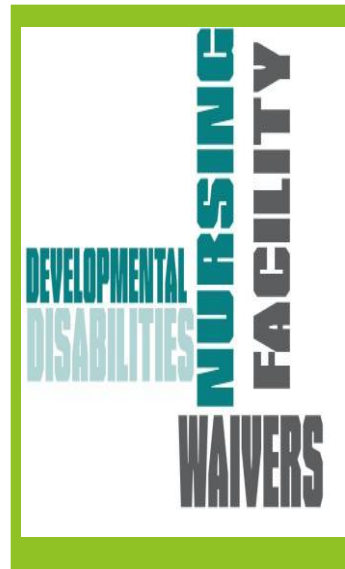
Medicaid Spending by Revenue Source, FY 2018



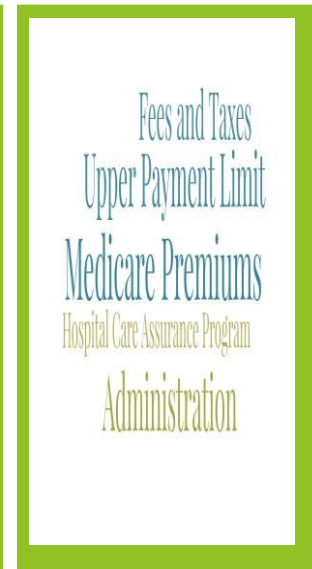
What are we buying?



**Acute
Care, 52%**



**Long Term
Care, 25%**



Other, 22%

Major policy initiatives

- ▶ Moving to managed care from fee for service
 - ▶ Roughly 80% of population covered under managed care
- ▶ Paying for value
 - ▶ Placing an emphasis on value and outcomes rather than volume
- ▶ Reducing reliance on institutional care by expanding home and community based services options
- ▶ Modernizing the behavioral health care delivery system
- ▶ Integrating eligibility determination for all population groups