

Ohio Group VIII Medicaid Expansion Assessment

Barbara R. Sears, Medicaid Director
February 16, 2017



Making Ohio Better

Group VIII Assessment Overview

ABOUT

The Ohio General Assembly required the Ohio Department of Medicaid to analyze potential benefits of the 2014 Medicaid expansion for new Group VIII enrollees.



RESEARCH TEAM



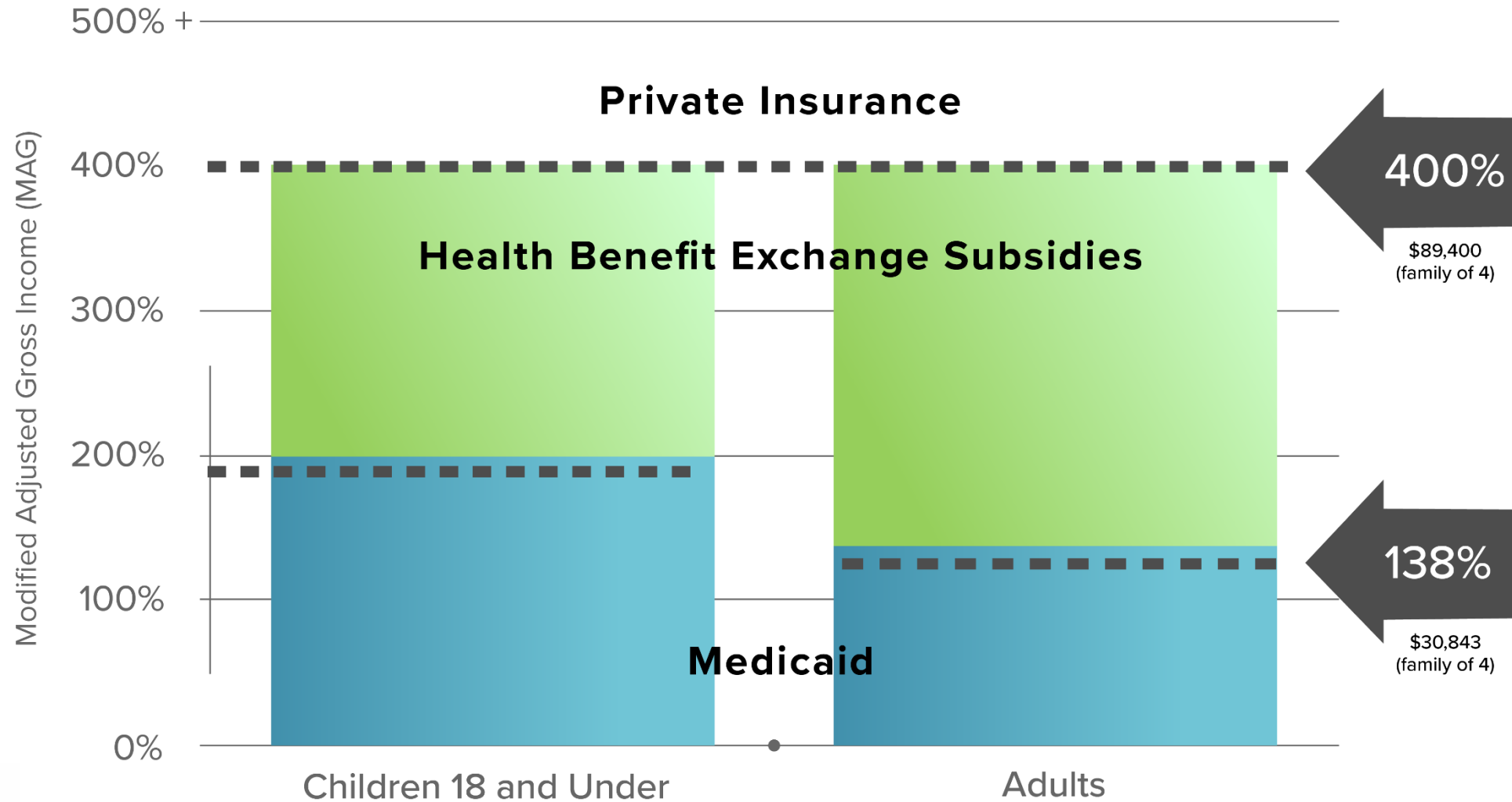
FINAL PRODUCT

A statutory report on health care access and utilization, health status, employment and financial hardship for Ohio's newly eligible Group VIII Medicaid expansion population.

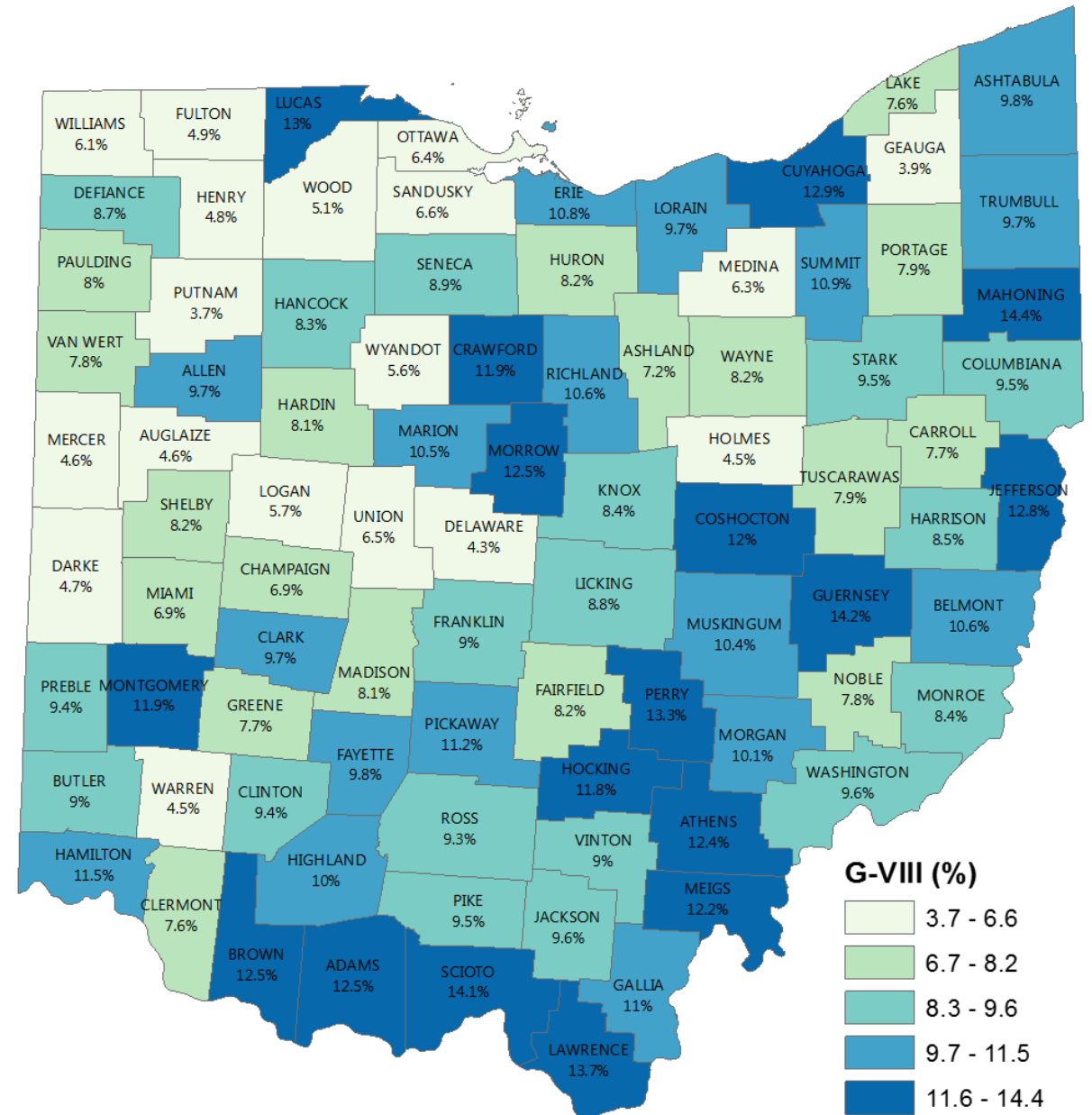




Simplified Income Levels



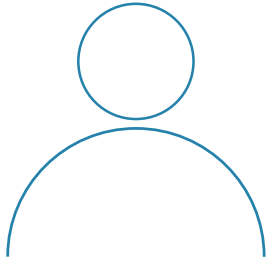
Percentage of All Adults 19-64 Years of Age Enrolled in the Group VIII Expansion, October 2016



Analytic Considerations



Group VIII Enrollees:
participants in the ACA
Group VIII Medicaid
expansion.



**Pre-Expansion
Medicaid Enrollees:**
participants in other Medicaid
programs who serve
as a comparison group
in the Group VIII
assessment.



Study Design

Pre-Medicaid Enrollment (pre-2014)

Post-Medicaid Enrollment (2014-2015)

Post-Medicaid Enrollment (2016-current)

Telephone Survey (includes retrospective questions) N = 7,508

Medical Records Extraction N = 430

Medicaid Claims N = 696,860

Biometric Screening N = 886

Participant Focus Groups N = 27

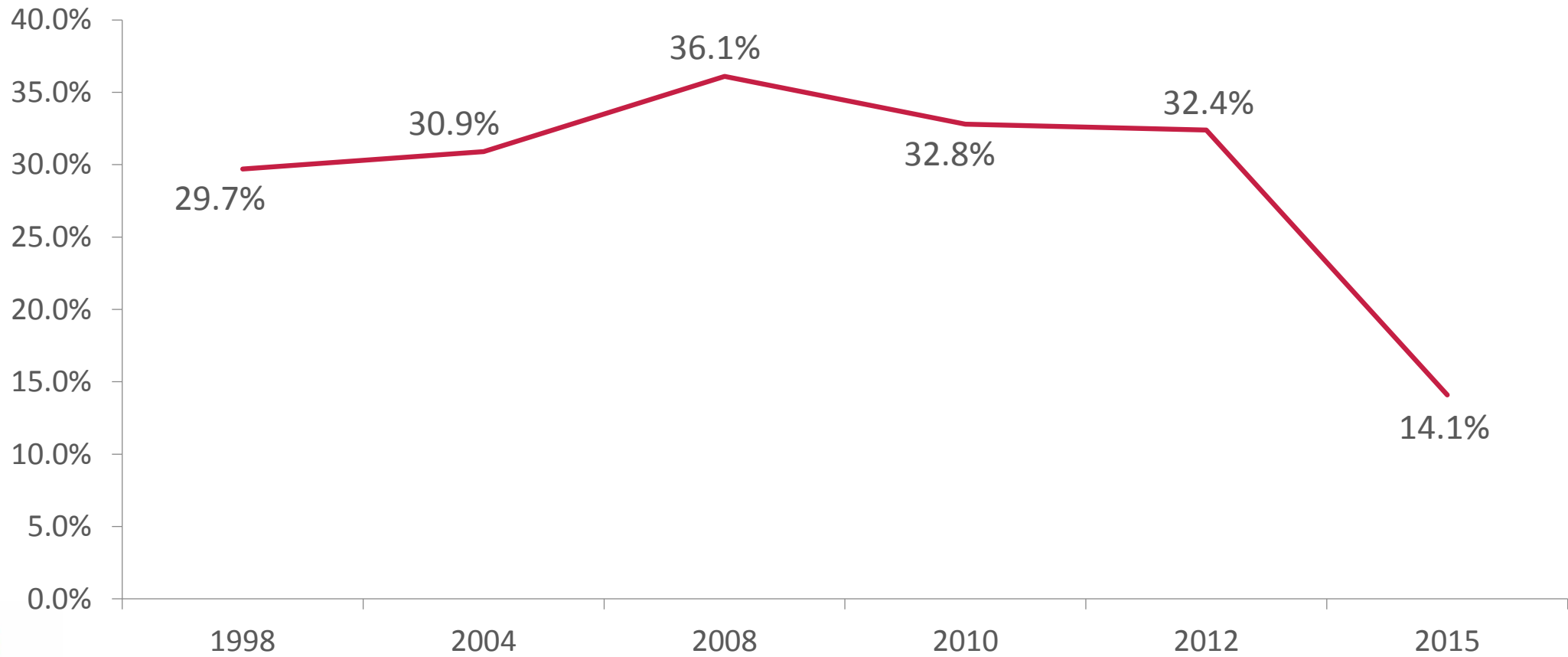
Stakeholder Interviews N = 10



Demographic Characteristics of Group VIII Telephone Survey Respondents

	Group VIII	Pre-Expansion
Male	55.8%	30.2%
Age		
19-44 years	49.6%	76.3%
45-64 years	50.4%	23.7%
Race		
White	71.5%	67.5%
Black	24.8%	28.0%
Other	3.7%	4.5%
Currently Employed	43.2%	41.5%

Percentage of adult Ohioans with family income at or below 138% of the federal poverty level without insurance from 1998-2015



Key Findings: Access and Utilization



56%

Reduction in
uninsured rate
among low-income
Ohio adults



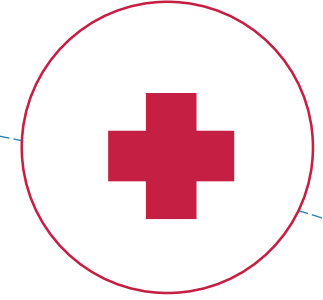
94%

Report
improved or the
same access to
care



59%

Without a
usual source of
care obtained
one since
enrollment



34%

Report visiting
the emergency
department
less since
enrollment

89% had no health insurance
at the time of enrollment



Key Findings: Chronic Disease Management

27% Received a chronic disease diagnosis

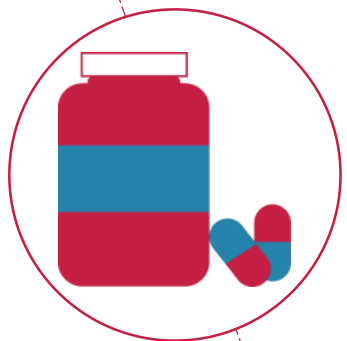
62% Found it easier to manage diabetes

57% Found it easier to manage hypertension

50% Found it easier to manage high cholesterol

68% With hypertension but no diabetes diagnoses had well-controlled blood pressure

48% Report improvements in self-rated health



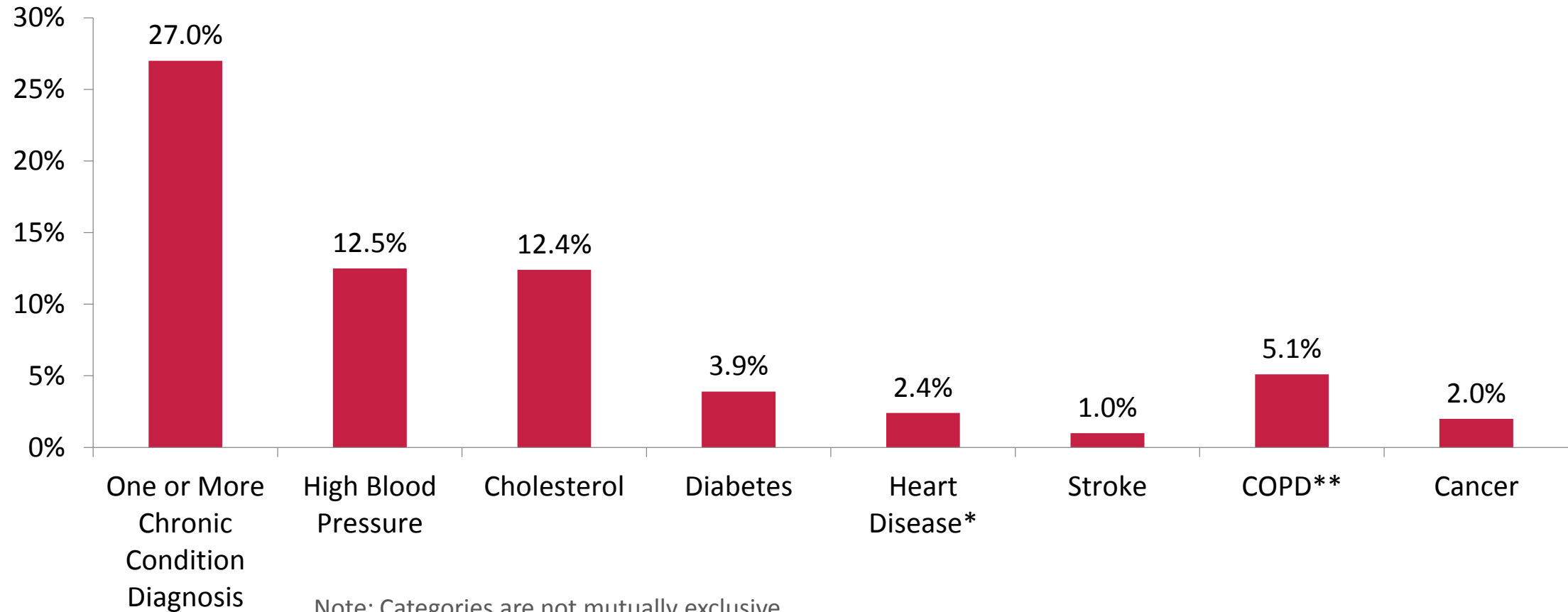
Key Findings: Medications

74% Received statin therapy for cardiovascular disease

38% Received statin therapy for diabetes

62% With depression diagnoses received antidepressants

Percentage of Group VIII enrollees who reported receiving a chronic condition diagnosis since enrollment



Note: Categories are not mutually exclusive.

*Coronary Heart Disease, Heart Attack, or Congestive Heart Failure.

**Emphysema, Chronic Obstructive Pulmonary Disease, or Chronic Bronchitis.

Source: Group VIII Telephone Survey

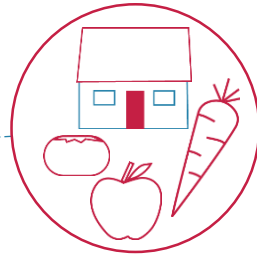
Key Findings: Financial Security and Employment (Group VIII Enrollees)



\$

2X

More likely to report that their financial situation improved

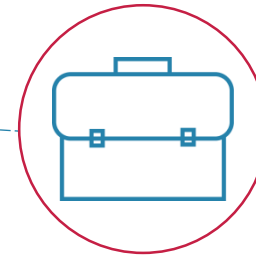


59%

Found it easier to afford food

48%

Found it easier to afford housing



52%

Found it easier to continue working

75%

Found it easier to look for a job



1/2

Of medical debt holding reduced

44%

Found it easier to pay off debt

Group VIII Enrollees: What Does Medicaid Mean To You?

“[Medicaid enabled] discovery of a brain tumor that I would have never found otherwise due to lack of access and lack of health coverage.”

“ More freedom. Less worries. I was an addict for 3 years before getting Medicaid. Because of Medicaid I'm not an addict.”

“ It's been a blessing and I thank God that I have Medicaid because I no longer have large payments and I can get my Medicaid medicines.”

“It has been a blessing, without it I would be so far in debt from my cancer treatment and medical bills that I incurred. It's been fantastic.”

“It means that I am healthier, I have asthma and before I couldn't afford my inhaler. It's been a lifesaver.”

Ohio Medicaid FY18-19 Executive Budget Priorities

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Making Ohio Better

Medicaid Enrollment Overview

- Current Enrollment: 3,041,506
- 86% covered by a managed care plan
- Children in Custody, Adopted Children, BCCP Individuals, Medicaid eligible individuals enrolled in BCMH Program are now served by a managed care plan
- Today there are 713,111 covered in the expansion category newly eligible Ohioans in 2014
 - » All enrolled or enrolling in private managed care plans
- Long-term care: approximately 88,000 served by HCBS waivers; 56,000 living in long-term care facilities

Ohio Medicaid Annual Growth Projections

(calculated on a Per Member Per Month basis)

State Fiscal Year	JMOC (Optumas) Upper Bound	Medical CPI	JMOC (Optumas) Target	Executive Budget	
				(All Agencies)	(Excluding DD)
2018	3.80%	3.30%	3.30%	2.24%	1.64%
2019	4.00%	3.30%	3.30%	6.38%	-0.83%
Avg.	3.90%	3.30%	3.30%	4.29%	0.39%

Ohio Medicaid Spending

Table 1. Ohio Medicaid Executive Budget Impact				
Executive Budget	SFY 2018		SFY 2019	
	All Funds	State GRF	All Funds	State GRF
ORIGINAL MEDICAID BASELINE	\$28,562,648,375	\$ 6,343,489,075	\$29,661,214,530	\$ 6,701,698,756
<i>Executive Budget</i>				
Improve Care Coordination	\$ (315,866,270)	\$ (865,396,597)	\$ (464,297,238)	\$ (971,438,063)
Prioritize Home and Community Based Services*	\$ 8,711,448	\$ 4,394,746	\$ 75,017,942	\$ 29,536,064
Provide Choices in Ohio's Developmental Disabilities System*	\$ 25,153,022	\$ 9,558,148	\$ 93,042,941	\$ 35,356,317
Reform Provider Payments	\$ (209,525,000)	\$ (86,224,802)	\$ (469,868,032)	\$ (185,421,141)
Improve Program Performance	\$ (115,594,873)	\$ (97,865,121)	\$ (187,686,624)	\$ (70,929,160)
Subtotal	\$ (607,121,673)	\$ (1,035,533,626)	\$ (953,791,011)	\$ (1,162,895,983)
TOTAL MEDICAID BUDGET	\$27,955,526,702	\$ 5,307,955,449	\$28,707,423,519	\$ 5,538,802,773
* Ohio Department of Disabilities HCBS programs are included in the total for "Provide Choices" not "Prioritize HCBS"				

Joint Medicaid Oversight Committee (JMOC)

Slowing Ohio's Medicaid Per Capita Spending

- Since the creation of JMOC in May 2014, year-over-year growth in per capita Medicaid spending has slowed
- Spending at the per member per month (PMPM) level has been significantly lower than was originally projected
 - » JMOC 2016 PMPM Target = 2.9% (actual 1.2%)
 - » JMOC 2017 PMPM Target = 3.3% (actual < 2.6%)

Lower-than-budgeted PMPM produced savings of \$1.6 billion across all funds in fiscal years 2015 and 2016



Improve Care Coordination

Move to Managed Care

- Extends the benefits of care coordination to all remaining populations
- New populations enrolled in Medicaid managed care beginning July 1, 2018:
 - » individuals receiving community and facility based long term services and supports
 - » participants in the Medicaid Buy-in Program for workers with disabilities
 - » individuals dually eligible for Medicaid and Medicare who are not participating in the My Care Ohio program
 - » eligible individuals receiving refugee medical assistance
- Implement new Managed Medicaid Long-Term Services and Supports (MLTSS) program

Managed Medicaid Long-Term Services and Supports (MLTSS) program

- Medicaid enrollees with the most complex needs – those who could benefit most from care coordination – are currently excluded from managed care
- Implement MLTSS program through a competitive procurement
- Goal is to select at least three plans to participate
- Work with health plans on the timing of managed care payments to minimize any one-time costs related to converting FFS payments into MLTSS



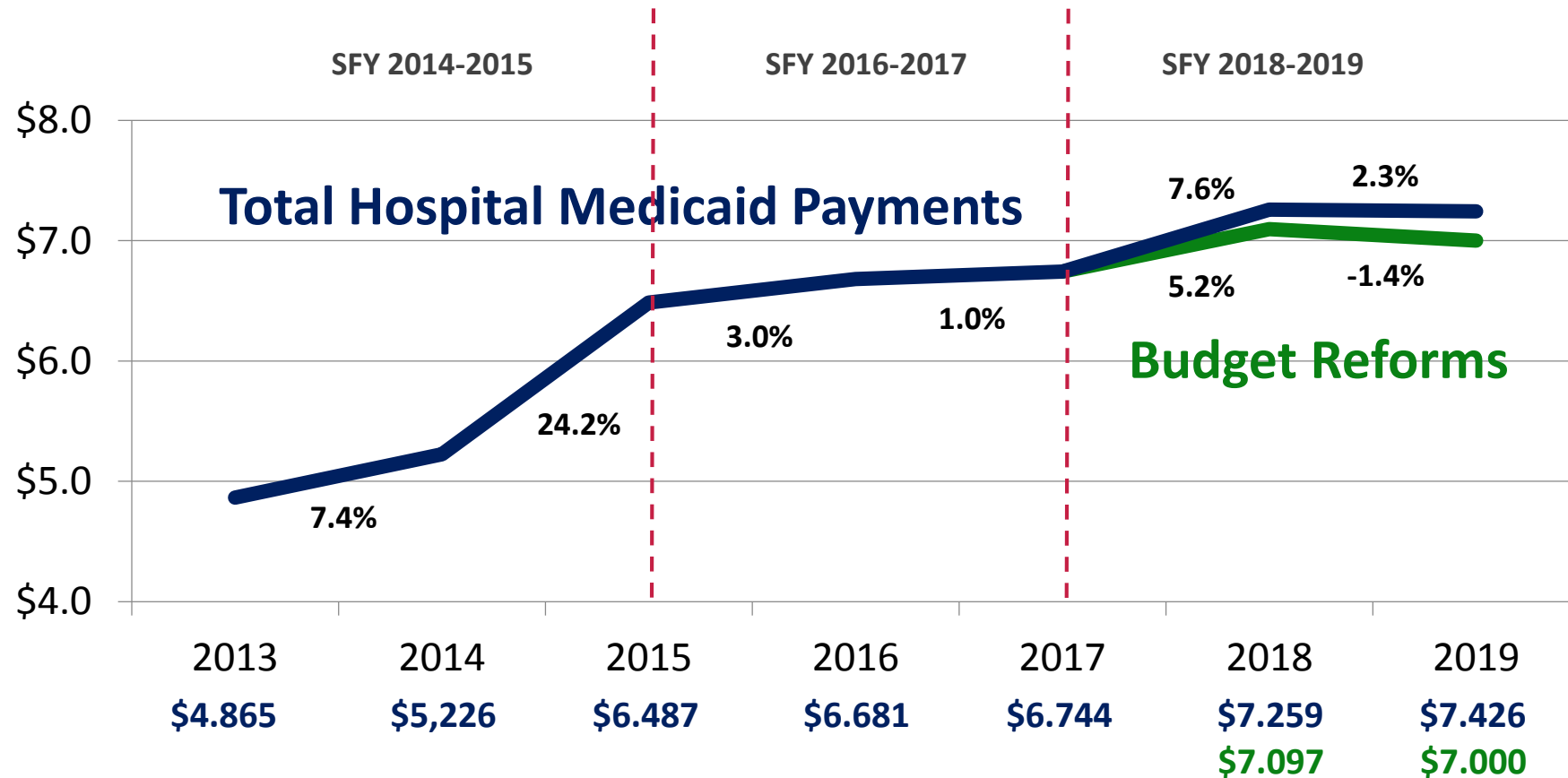
Improve Program Performance

Protect and reform services for children with medical handicaps

- Currently, Ohio Department of Health (ODH) Bureau for Medically Handicapped Children (BCMh) pays for health care services for children with special health care needs who are uninsured, underinsured, or whose insurance does not cover the services they need
- Executive Budget will preserve medically necessary services for every child currently enrolled in the BCMh program, but reform the program and clarify income and benefit limits for any child applying to or entering the program after July 1, 2017

Reform Hospital Payments

Ohio Medicaid Hospital Spending (All Funds in billions)



Ohio Medicaid Hospital Spending

- Eliminates ICD-10 coding inflation
 - » Saves \$75.0 million (\$22.0 million state share) in 2018 and \$75.0 million (\$22.0 million state share) in 2019
- Protects high-Medicaid hospitals from rate reductions
 - » One-time reduction in hospital reimbursement that will save taxpayers \$175.0 million (\$54.3 million state share) in 2019
- Defaults hospital reimbursement to FFS without a managed care contract
 - » Saves \$87.5 million (\$27.1 million state share) in 2018 and \$175.0 million (\$54.3 million state share) in 2019

Reform Nursing Facility Reimbursement

Reform Nursing Facility Reimbursement

- Resets unintended payment gains resulting from a new payment methodology
 - » saves \$88.1 million (\$32.9 million state share) in 2018 and \$117.5 million (\$43.9 million state share) in 2019
- Increases and reforms nursing facility payments for low-acuity residents
 - » saves \$10.5 million (\$3.9 million state share) in 2018 and \$21.0 million (\$7.8 million state share) in 2019
- Provides specialized services in nursing facilities
- Creates an opportunity to negotiate better rates through managed care

Rebuild Community Behavioral Health System Capacity

Rebuild Community Behavioral Health System Capacity

The Governor's Budget Modernizes the Medicaid Benefit:

- Recodes services (provider manuals are posted online)
- Expands Medicaid rehabilitation options and supports a new Specialized Recovery Services program (replaces spenddown)
- Moves all Medicaid behavioral health services into managed care January 1, 2018, as required by the last budget
- Requires parity in physical and behavioral health services
- Provides Medicaid reimbursement for freestanding psychiatric hospitals beginning July 1, 2017

Rebuild Community Behavioral Health System Capacity

The Governor's Budget Strengthens Community Supports:

- Assists prisoners with addiction transition to the community
- Encourages community innovations to avoid incarceration
- Supports addiction treatment for court-involved individuals
- Strengthens community prevention services
- Reduces preschool expulsions
- Continues support for Strong Families, Safe Communities
- Supports crisis hotlines and adds a text option
- Supports residency and traineeship programs for in-demand behavioral health professionals

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OHIO
BETTER**

