



February 28, 2025

The Honorable Secretary Robert F. Kennedy, Jr.
U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

RE: Group VIII 1115 Demonstration Waiver Application

Dear Sir:

On behalf of Ohio, I respectfully submit the State's Group VIII Section 1115 demonstration proposal.

State legislation enacted during the summer of 2023 directed the Ohio Department of Medicaid (ODM) to submit an 1115 application to include work requirements as part of the eligibility requirements for the adult Medicaid expansion population (Group VIII). ODM has developed a proposal to operationalize the eligibility category in a pragmatic way that supports the underlying goals of promoting economic stability and financial independence while improving health outcomes.

The Group VIII demonstration proposal meets the intent of the State law in a way that leverages existing State processes and systems, to minimize confusion and administrative burden.

Thank you for your consideration of Ohio's 1115 Waiver application. If you have any questions or need additional information as you review, please do not hesitate to reach out.

Sincerely,

A handwritten signature in black ink that reads "Maureen M. Corcoran".

Maureen M. Corcoran, Director

Ohio Department of Medicaid

Group VIII 1115 Demonstration Waiver

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SECTION I: PROGRAM DESCRIPTION

DEMONSTRATION OVERVIEW

In July 2023, the Ohio General Assembly enacted House Bill 33 (HB 33), which included Ohio Revised Code (ORC) section 5166.37 requiring new eligibility limitations for the adult Medicaid expansion population under 1902(a)(10)(A)(i)(VIII) of the Social Security Act (Group VIII).¹ These new limitations require that in order to qualify for enrollment in Group VIII, an individual must satisfy at least one of the following criteria:

- 1) Be at least fifty-five years of age;
- 2) Be employed;
- 3) Be enrolled in school or an occupational training program;
- 4) Be participating in an alcohol and drug addiction treatment program;
- 5) Have intensive physical health care needs or serious mental illness.

To implement this section of HB 33, the Ohio Department of Medicaid (ODM; referred to herein as “the State” or “Ohio”) developed a new pre-enrollment requirement for the Medicaid Group VIII population. Specifically, to help improve health outcomes in Ohio and enhance individuals’ economic stability, Ohio is seeking Social Security Act Section 1115 Demonstration waiver authority to implement this statewide pre-enrollment requirement by limiting pathways to qualifying for this covered group.

It is widely recognized that poverty, food insecurity, housing, employment status, and substance use disorders can impact an individual’s overall health. Indeed, there is a strong connection between improved health and being employed and engaged in one’s healthcare choices. There has been a decrease in Group VIII enrollment as compared to pandemic figures due to employed individuals being discontinued from Medicaid. This decrease occurred during the return to routine operations because individuals who had gained Medicaid coverage during the COVID-19 public health emergency

¹ <http://codes.ohio.gov/orc/5166.37v1>: (A) The medicaid director shall establish a medicaid waiver component under which an individual eligible for medicaid on the basis of being included in the expansion eligibility group must satisfy at least one of the following requirements to be able to enroll in medicaid as part of the expansion eligibility group:

- (1) Be at least fifty-five years of age;
- (2) Be employed;
- (3) Be enrolled in school or an occupational training program;
- (4) Be participating in an alcohol and drug addiction treatment program;
- (5) Have intensive physical health care needs or serious mental illness.

(B) Not earlier than February 1, 2025, and not later than March 1, 2025, the director shall seek approval from the United States centers for medicare and medicaid services to implement the medicaid waiver component described in this section.

(PHE) were able to find employment and no longer needed publicly funded healthcare.²

This demonstration is not intended to answer the question of whether individuals on Medicaid should work, or whether individuals who can work should be on Medicaid. The Medicaid program was created as part of a much larger legislative and social agenda and was part of a war on poverty. Central to this demonstration is the premise that this covered group is the quintessential safety net for those who need it while improving their situation and reaching independence. To that end, this demonstration will ensure that the requirements of section 1902(a)(30)(A) of the Social Security Act are met by providing methods and procedures related to utilization and payment for care and services available under the State Plan to ensure that payments are consistent with efficiency and economy.

This demonstration will use data to identify individuals who meet one or more of the five pre-enrollment criteria. There will be no regular reporting by enrollees. Individuals with household earned income will be presumed to be employed. Individuals who have applied for or are enrolled in another program that has disability as a basis for enrollment will be presumed to have intensive physical or mental health status. Individuals who qualify under another eligibility category will be exempt.

DEMONSTRATION PURPOSE AND GOALS

The 1115 Demonstration waiver application is submitted to comply with the legislative intent of the statute enacted by the Ohio General Assembly.

The goals of this 1115 Demonstration waiver are (i) to promote economic stability and financial independence, and (ii) to improve health outcomes by encouraging individuals to be engaged with their health and healthcare.

An objective of the Medicaid program, in addition to furnishing services, is to advance the health and wellness needs of its beneficiaries, and that it is appropriate for the State to structure its demonstration project in a manner that prioritizes meeting those needs. This demonstration group are enrolled as part of Ohio's next generation managed care plans which go beyond just routine medical care and focus on interventions that drive better health outcomes and quality of life improvements, and that may increase beneficiaries' financial independence. This demonstration is only to engage the engageable. It only applies to members who say they can benefit from job training or work. Here is how Ohio's demonstration functions.

Ohio's demonstration waiver is designed to identify individuals through data available to the state, and exempt any individual who:

- is over 55, or
- is already working, or
- is already in job training or school,
- is participating in an alcohol and drug addiction treatment program, or
- cannot work due to underlying mental health, substance use, or medical conditions.

² <https://medicaid.ohio.gov/stakeholders-and-partners/reports-and-research/caseload-reports/caseload-reports>

Ohio's demonstration doesn't require any of the above groups to report activities, fill out forms, or take any action beyond the standard reporting of changes required of any Medicaid enrollee as noted above. In short, this demonstration will enable the state to marshal its resources to support those who cannot work, and to support those who are engaged in their own healthcare choices.

Ohio's Medicaid managed care plans today already provide incentives and education, incentivize healthy behavior, and/or improve financial involvement and health literacy related to the cost of care. Such operations include completing an annual Health Risk Assessment (HRA) or attending an annual wellness exam or routine dental exams.³ Some have taken the next step – along with the state of Ohio - to add employment related services which includes job training and employment connections.

Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

The value of member and patient engagement goes hand-in-hand. A growing body of academic policy research shows that patient and family engagement in health care is associated with improved health outcomes and health care cost efficiencies. Having the skills, knowledge, and confidence to effectively manage care is associated with improved self-rated health,⁴ increases in preventive health behaviors and decreases in health risk behaviors.

Studies show that poverty, food insecurity, housing, and employment status can impact an individual's overall health, and there is a strong connection between improved health and being employed. Working has been shown to help stabilize people struggling with mental health conditions.⁵ Other studies show unemployment is inversely related to life expectancy.⁶

In sum, this demonstration will support the stated goals by enabling ODM and the Medicaid managed care plans to focus their resources and efforts on those who are engaged with their health choices and independence.

³ <https://ohiomh.com/>

⁴ Harvey L, Fowles JB, Xi M, Terry P. When activation changes, what else changes? the relationship between change in patient activation measure (PAM) and employees' health status and health behaviors. *Patient Educ Couns.* 2012 Aug;88(2):338-43. doi: 10.1016/j.pec.2012.02.005. Epub 2012 Mar 27. PMID: 22459636.

⁵ *How working improves your mental health*, McLean Medical (June 26, 2020), <https://perma.cc/A7ZY-7HHZ>

⁶ *Unemployment, Disability and Life Expectancy in the United States: A Life Course Study*, 9 *Disability and Health Journal* 46-53 (2016), <https://perma.cc/HAP9-DSW9>.

DEMONSTRATION HYPOTHESIS AND EVALUATION

To track progress, the State has identified the following areas for its research and evaluation efforts. The table below presents a preliminary plan for how the State may evaluate its efforts, with possible future adjustments and subject to CMS approval.

Methodology	Data Sources and Metrics
Hypothesis 1: Group VIII population will have improved health outcomes because of employment, education, and/or engagement in their healthcare activities	
Track and compare health service utilization between pre- and post-levels for members of the 1115 demonstration waiver	Claims data: Primary Care Encounters
Track and compare chronic disease management compliance rates for pre-and post-1115 demonstration waiver members	Claims data: Chronic disease management code
Track and compare employed status of members in educational or job training programs	Wage data from OhioBenefits; Third-party data
Track and compare status of members in SUD programs	Claims and encounter data: SUD treatment
Hypothesis 2: Group VIII population will have broader sustained employment over time	
Compare the rate of sustained employment of Group VIII individuals prior to the 1115 demonstration waiver to the rate of sustained employment after implementation	Group VIII Survey
Track members' employment rates	Group VIII Survey

DEMONSTRATION AREA

The Requirement will operate statewide.

DEMONSTRATION TIMEFRAME

The 1115 Demonstration waiver is requested for a five-year approval from January 1, 2026, to December 31, 2030.

DEMONSTRATION IMPACT TO MEDICAID AND CHIP

The Requirement is an eligibility restriction on the Medicaid Group VIII population. Any new applicant not meeting the restricted requirements will not be enrolled in the Group. Any person presently enrolled in the Group who does not meet the restricted requirements will be disenrolled at their next renewal review. This requirement will not impact CHIP.

SECTION II: DEMONSTRATION ELIGIBILITY

ELIGIBILITY GROUPS

Only individuals in receipt of Medicaid in the Group VIII category will be appraised to determine if they also need to meet the Requirement to maintain their Medicaid eligibility.

Eligibility Group Name	Social Security Act and CFR Citations	Income Level
Group VIII	Social Security Act section 1902(a)(10)(A)(i)(VIII) 42 CFR 435.119	0-133% FPL plus 5% disregard

REQUIREMENT – ELIGIBILITY STANDARDS, METHODS, AND PROCEDURES

As part of the eligibility review process either at application or at renewal, individuals will be evaluated to determine whether they also meet the eligibility restriction, or whether they meet an exemption, to meet or maintain their Medicaid eligibility.

Ohio will first use data available from Ohio Benefits (Ohio’s eligibility and enrollment system) to verify whether an individual meets the basic eligibility requirements noted above. If successfully verified, that status will be entered into the system, and the case will proceed for a standard automated ex parte review.

For individuals for whom Ohio cannot verify eligibility with data available to the state, Ohio will employ a third-party data vendor to verify the basic eligibility requirements using external data sources. Data obtained through the vendor will be made available to state or county caseworkers for a final eligibility determination. Individuals will be required to confirm or dispute the data provided to county caseworkers. The case will proceed to an automated ex parte review only after the basic eligibility criteria is confirmed as being met. Ohio will be requesting federal match for the cost of the third-party data vendor. Cost for such a vendor have not been determined.

If basic eligibility criteria are not met a notice of denial or termination will be issued. Individuals will have appeal rights, including the right to appeal the State’s decision that the individual does not meet the eligibility criteria for Group VIII.

ENROLLMENT LIMITS

There are no enrollment limits proposed in this 1115 Demonstration waiver application.

PROJECTED ELIGIBILITY AND ENROLLMENT

It is anticipated that enrollment in Group VIII will fluctuate over time as people become familiar with the Requirement and as individuals gain and maintain private insurance coverage.

Calendar Year (CY) 2025 estimates indicate there will be 766,296 individuals enrolled in Group VIII absent the waiver and, for CY 2026 (DY1), the projected enrollment absent the waiver is expected to be 769,585 individuals. Ohio does not collect information regarding some of the exemptions that will be allowed under this proposal, and therefore the number of exempt individuals will likely be higher than we can currently estimate. The State believes that of the 769,585 Group VIII enrollees in CY 2026, no

more than 61,826 individuals will be considered not exempt and not currently working. Eligibility reviews will be conducted in accordance with the standard eligibility renewal dates. While Ohio will work with all individuals who are not otherwise deemed to be exempt or already meeting the Requirement to ensure that they have the tools and supports they need to comply, ODM is estimating that 61,826 enrollees will lose their Medicaid eligibility. Because of eligibility processes and renewals, ODM anticipates there will be a lag in disenrollment during the first year of the demonstration. The below table shows projected Group VIII enrollment with the waiver in place.

Demonstration Year	Projected Group VIII Avg Monthly Enrollment
DY 1	707,758
DY 2	711,297
DY 3	714,854
DY 4	718,428
DY 5	722,020

LONG-TERM SERVICES AND SUPPORTS

Post-eligibility treatment of income is not impacted by this demonstration. Spousal impoverishment rules will not be impacted by this demonstration.

SECTION III: BENEFITS AND COST SHARING REQUIREMENTS

N/A 1-10

The 1115 Demonstration waiver application does not propose to change Ohio’s Alternative Benefit Plan benefits (that Group VIII individuals receive) or impose new cost-sharing requirements. Enrollees will continue to receive the same benefits currently provided in Ohio’s Alternative Benefit Plan.

SECTION IV: DELIVERY SYSTEM AND PAYMENT RATES FOR SERVICES

The 1115 Demonstration waiver application only impacts eligibility. Individuals eligible for Medicaid and who are complying with the Requirement will continue to receive Medicaid coverage through the managed care plans as they do currently.

SECTION V: IMPLEMENTATION OF DEMONSTRATION

Ohio’s target date for implementing the Work and Engagement Requirement statewide is January 1, 2026. Individuals who apply for Medicaid on or after that date will be notified through the application process that they qualify for Medicaid or are ineligible for Medicaid.

Individuals enrolled in Group VIII prior to January 1, 2026, will be evaluated under the new Requirement at their next eligibility renewal. The process will follow the same steps as annual Medicaid eligibility renewals with additional verification of the new Group VIII eligibility requirements.

SECTION VI: DEMONSTRATION FINANCING AND BUDGET NEUTRALITY

CMS recommends two approaches to develop budget neutrality projections:

1. Standard Method: This requires a projection of with-waiver (WW) expenditures that

demonstrate savings relative to without-waiver (WOW) projections.

2. Hypothetical Method: Projections assume WW expenditures are equal to WOW expenditures, acknowledging that program changes may be made in absence of implementing a formal waiver process.

CMS also utilizes two potential methodologies of evaluating budget neutrality once the demonstration has commenced:

1. Per Capita Method: Assessment of the per member per month (PMPM) cost of the Demonstration, and;
2. Aggregate Method: Assessment of total expenditures, based on both the number of members and PMPM cost of the Demonstration.

ODM has prepared these budget neutrality projections for the 1115 Waiver using the *Standard Method* and assuming CMS will evaluate budget neutrality using the *Per Capita Method*. The budget neutrality projections were developed using CMS budget neutrality requirements as outlined in the recent State Medicaid Director letter dated August 22, 2024.⁷

The rest of this section documents the supporting data and methodology included in the worksheets using guidance provided by CMS.

BUDGET NEUTRALITY PROJECTIONS

MEG Definitions and Historic Data⁸

Actual historical data was reviewed and stratified in two separate Medicaid eligibility groups (MEGs):

- **Expansion MEG 1: Managed Care** – Includes eligible members who are enrolled in the Medicaid Managed Care (MMC) and / or OhioRISE programs.
- **Expansion MEG 2: Fee For Service (FFS)** – Includes eligible members who are not enrolled in any of the MMC and OhioRISE programs.

These MEGs include only the adult Medicaid Expansion population (‘Group VIII’) that would be subject to the proposed work participation and engagement requirements under the waiver.

Historical member month trends were reviewed for Group VIII beneficiaries. For each of these member months, ODM also reviewed corresponding Medicaid eligible expenditures within the month. This includes the capitation payments attributed to the beneficiaries enrolled in managed care and any FFS and Single Pharmacy Benefit Manager (SPBM) claims that were incurred outside of managed care. For the FFS MEG, this review solely considered FFS claims for these beneficiaries as they are not

⁷ <https://www.medicaid.gov/federal-policy-guidance/downloads/smd24003.pdf>

⁸ In the August 22, 2024 SMD letter, CMS indicated they are no longer requesting five years of historic expenditure data in order to calculate the trend rate. CMS will no longer compare the state’s historic trend rate to the President’s budget trend rate and is no longer using the lower of the two trend rates. Therefore, a summary of historical expenditures has not been included.

enrolled in managed care.

DY 00 Development

Key time periods in the workbook are included below:

- Year Preceding the Demonstration: January 2025 – December 2025 (DY 00)
- Demonstration Period: January 2026 – December 2030 (DY 01 – DY 05)

The sections below outline the methodology utilized to develop the DY 00 estimates that are used as the starting point for projections attributable to the demonstration period.

Eligible Member Months

WOW

When analyzing Group VIII experience in recent years, eligible member months were materially impacted by the continuous Medicaid eligibility requirement under the pandemic-era public health emergency (PHE), which materially decreased member movement out of the Group VIII population. With the PHE ending effective May 11, 2023, member dis-enrollment increased materially. For both MEGs, to determine eligible member months representative of experience moving forward, ODM relied on Group VIII enrollment as of June 2024 to be the basis for attributing eligible member months to the DY 00 Base Year.

WW

To estimate the eligible member months under the proposed waiver eligibility requirements, ODM developed a list Group VIII members which, based on enrollment as of June 2024, would be assumed to meet eligibility requirements under the waiver.

Table 1 below shows a comparison of enrollment for the Group VIII population under current eligibility requirements versus enrollment estimated under the work participation and engagement requirements.

TABLE 1 – DISTINCT MEMBER COUNTS, JUNE 2024 MEMBERS				
	CURRENT GROUP VIII		WAIVER ELIGIBLE GROUP VIII	
AGE / GENDER	MANAGED CARE	FFS	MANAGED CARE	FFS
19-34 F	140,340	4,380	131,675	3,961
19-34 M	166,808	5,102	150,499	4,471
35-44 F	71,189	2,047	66,118	1,847
35-44 M	89,591	3,134	77,866	2,668
45-54 F	70,259	2,606	62,662	2,380
45-54 M	71,323	2,977	61,455	2,635
55-64 F	63,384	6,651	63,384	6,651

55-64 M	59,173	6,792	59,173	6,792
Total Eligible	732,067	33,689	672,832	31,405

Calendar Year (CY) 2025 estimates indicate there will be 766,296 individuals enrolled in Group VIII absent the waiver and, for CY 2026 (DY1), the projected enrollment absent the waiver is expected to be 769,585 individuals. Ohio does not collect information regarding some of the exemptions that will be allowed under this proposal, and therefore the number of exempt individuals will likely be higher than we can currently estimate. The State believes that of the 769,585 Group VIII enrollees in CY 2026, no more than 61,826 individuals will be considered not exempt and not currently working. Eligibility reviews will be conducted in accordance with the standard eligibility renewal dates. While Ohio will work with all individuals who are not otherwise deemed to be exempt or already meeting the Work and Engagement Requirement to ensure that they have the tools and supports they need to comply, ODM is estimating that 61,826 enrollees will lose their Medicaid eligibility. Because of eligibility processes and renewals, ODM anticipates there will be a lag in disenrollment during the first year of the demonstration. The below table shows projected Group VIII enrollment with the waiver in place.

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PMPM Cost

WOW

The PMPM cost underlying the managed care MEG is made up of two components: the associated capitation payments and the FFS claims cost outside of managed care for the eligible member months. FFS claims cost for this population are larger in magnitude than historical time periods due to ODM's introduction of the single pharmacy benefit manager (SPBM) in October 2022.

To estimate the capitation portion of the Managed Care MEG PMPM cost, ODM applied calendar year (CY) 2024 MMC and OhioRISE capitation rates to the distribution of member months identified in DY 00 to arrive at estimated CY 2024 capitation PMPM for the managed care MEG. ODM then adjusted CY 2024 capitation PMPM to reflect anticipated cost changes by CY 2025. This included adjustments to reflect changes in acuity as a result of PHE unwinding, and the impact of program/policy changes and prospective claims trend.

Similarly, to estimate the FFS/SPBM PMPM cost for both MEGs, CY 2023 PMPM costs were trended to the midpoint of CY 2025 and reflected the impact of cost changes anticipated by CY 2025.

The total estimated DY 00 PMPM cost for the managed care MEG was developed by adding the

capitation PMPM cost and the trended FFS/SPBM PMPM cost.

WW

As mentioned previously, ODM developed a member listing which identified Group VIII members as of June 2024 that would meet eligibility requirements under the waiver. Eligible waiver members were then mapped to available claims, encounter, and eligibility data incurred during CY 2023.

To estimate the PMPM cost impact of eligibility requirements under the waiver, ODM summarized and PMPM costs using CY 2023 data and compared cost relativities for members expected to remain in the program versus those who would not. An acuity adjustment was applied to the WOW PMPM cost to account for these projected cost differences when compared to the current Group VIII population.

DY 01-05 Development

Based on review of historical enrollment changes prior to and after the PHE, ODM assumed a 0.5% annual caseload trend over the five-year demonstration for each MEG, under all WOW and WW scenarios. In addition, the development used a projected annualized PMPM cost trend reflecting the estimated President’s budget trend for each MEG (5.0% for Managed Care and FFS) under all scenarios.

Table 2 below contains a summary of the projected member months and PMPM cost for DY 00 (CY 2025) through DY 05 (CY 2030) under current eligibility requirements by MEG.

TABLE 2 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, CURRENT ELIG REQUIREMENTS						
MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	8,784,804	8,828,728	8,872,872	8,917,236	8,961,822	9,006,631
PMPM Cost	\$ 970.60	\$ 1,019.13	\$ 1,070.09	\$ 1,123.59	\$ 1,179.77	\$ 1,238.76
Expenditures	\$ 8,526,523,562	\$ 8,997,621,587	\$ 9,494,771,235	\$ 10,019,317,218	\$ 10,572,888,975	\$ 11,157,054,601
FFS						
Member Months	404,268	406,289	408,321	410,362	412,414	414,476
PMPM Cost	\$ 1,255.70	\$ 1,318.49	\$ 1,384.41	\$ 1,453.63	\$ 1,526.31	\$ 1,602.63
Expenditures	\$ 507,640,301	\$ 535,688,432	\$ 565,283,380	\$ 596,515,082	\$ 629,471,922	\$ 664,252,110
Total Expenditures	\$ 9,034,163,863	\$ 9,533,310,019	\$ 10,060,054,615	\$ 10,615,832,300	\$ 11,202,360,897	\$ 11,821,306,711

Table 3 below contains a summary of the projected member months and PMPM cost for DY 00 (CY 2025) through DY 05 (CY 2030) under the waiver eligibility requirements by MEG.

TABLE 3 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, WAIVER ELIG REQUIREMENTS						
MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	8,073,983	8,114,353	8,154,925	8,195,700	8,236,678	8,277,861
PMPM Cost	\$ 1,020.35	\$ 1,071.36	\$ 1,124.93	\$ 1,181.18	\$ 1,240.24	\$ 1,302.25
Expenditures	\$ 8,238,256,878	\$ 8,693,393,356	\$ 9,173,719,649	\$ 9,680,596,344	\$ 10,215,457,529	\$ 10,779,845,002
FFS						
Member Months	376,864	378,749	380,642	382,546	384,458	386,381
PMPM Cost	\$ 1,325.26	\$ 1,391.52	\$ 1,461.10	\$ 1,534.16	\$ 1,610.87	\$ 1,691.41
Expenditures	\$ 499,442,528	\$ 527,036,229	\$ 556,156,503	\$ 586,886,063	\$ 619,312,287	\$ 653,527,938
Total Expenditures	\$ 8,737,699,406	\$ 9,220,429,585	\$ 9,729,876,152	\$ 10,267,482,407	\$ 10,834,769,816	\$ 11,433,372,940

Disproportionate Share Hospital (DSH) Expenditure Offset

Not applicable.

Summary of Budget Neutrality ⁹

Table 4 below contains a summary of the net change in member months and expenditures for DY 00 (CY 2025) through DY 05 (CY 2030) when comparing the WOW and WW scenarios.

TABLE 4 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, COMPARISON						
MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	(710,821)	(714,375)	(717,947)	(721,537)	(725,144)	(728,770)
PMPM Cost	\$ 49.75	\$ 52.23	\$ 54.84	\$ 57.59	\$ 60.47	\$ 63.49
Expenditures	\$ (288,266,684)	\$ (304,228,231)	\$ (321,051,586)	\$ (338,720,873)	\$ (357,431,446)	\$ (377,209,599)
FFS						
Member Months	(27,404)	(27,541)	(27,678)	(27,817)	(27,956)	(28,096)
PMPM Cost	\$ 69.56	\$ 73.03	\$ 76.69	\$ 80.53	\$ 84.56	\$ 88.78
Expenditures	\$ (8,197,773)	\$ (8,652,203)	\$ (9,126,877)	\$ (9,629,019)	\$ (10,159,635)	\$ (10,724,172)
Total Expenditures	\$ (296,464,457)	\$ (312,880,434)	\$ (330,178,463)	\$ (348,349,893)	\$ (367,591,081)	\$ (387,933,771)

Additional Information to Demonstrate Budget Neutrality

ODM does not believe there is any other information necessary for CMS to complete its analysis of the budget neutrality submission.

SECTION VII: LIST OF PROPOSED WAIVERS AND EXPENDITURE AUTHORITIES

1. Comparability of Eligibility Requirements: Section 1902(a)(10)(A)(i)(VIII) and 1902(a)(17)

⁹ The original draft waiver referenced an Appendix A in error. All tables were incorporated into the body of the waiver application and there was no Appendix A as it would have been duplicative. The reference has been removed for this submission.

to the extent necessary to enable Ohio to require work, training, and/or engagement as a condition to qualify for and maintain eligibility for the eligibility category defined in 1902(a)(10)(A)(i)(VIII).

2. **Provision of Medical Assistance** Section 1902(a)(8) to the extent necessary to suspend and terminate eligibility for individuals who fail to meet the qualifying activities requirement.
3. **Expenditure authority** to employ a third-party data vendor to verify the basic eligibility requirements using external data sources.
4. **Renewal on basis of information available** to the agency 42 CFR 435.916. To the extent necessary to verify individuals enrolled in Group VIII continue to meet one of the restricted eligibility requirements

SECTION VIII: PUBLIC COMMENT PERIOD

Ohio's formal public comment period on the draft Group VIII waiver was held from December 17, 2024, to January 21, 2025.¹⁰ During this period, the State received 656 submissions from a variety of sources including individuals receiving services, providers, stakeholders, and advocates.

Summary of the Public Comment Process

Ohio used the following methods to provide notice to the public about the opportunity for public comment:

- **Web postings** – On December 17, 2024, Ohio posted a public notice with a summary of the draft waiver and the draft waiver itself on ODM's website <https://medicaid.ohio.gov/about-us/notices/group-viii-waiver/group-viii-1115-waiver>. An abbreviated version of the public notice with a link to the full notice was published online in the register of Ohio.
- **Electronic mailing** – Ohio issued an email notification to its 182 subscribers on December 17, 2024.

Ohio provided the following methods for the public to provide input on the draft waiver, all of which were utilized. They included:

- **E-mail** – Ohio established a dedicated e-mail box named GroupVIII@medicaid.ohio.gov, which received a total of 455 by the January 21, 2025, deadline. One constituent inquiry was submitted to the Department of Medicaid.
- **Mail** – Ohio provided a U.S. Postal Service address: Group VIII 1115 Waiver, Bureau of Health Plan Policy, Ohio Department of Medicaid, 50 W. Town St, 5th Floor, Columbus, OH 43215. One item was received via this method.

¹⁰

https://dam.assets.ohio.gov/image/upload/medicaid.ohio.gov/About%20Us/PublicNotices/Group_VIII_Demonstration_Revised_Public_Notice.pdf

- **Courier/Drop Off** – Ohio provided the Department street address for delivery of comments. One hundred ninety-two comments were dropped off at the Department of Medicaid’s office.
- **Testimony at Public Hearings** – Ohio held two public hearings on January 3, 2025, and January 9, 2025. The first hearing was held in Englewood, Ohio, and the second was held in Columbus, Ohio. Each hearing was documented by transcription and live note taking. The deputy director was present to hear testimony. In Englewood, attendees were asked to volunteer to provide testimony. In Columbus, speakers were called in the order in which they signed in. Individuals were also able to participate in the proceedings and provide testimony via webinars for both hearings.

At the public hearings, a presentation was given by ODM which provided an overview of the proposed Group VIII waiver and the process to provide feedback. Approximately 21 individuals attended the first hearing, at which no attendees provided testimony. Approximately 57 individuals attended the second hearing, at which seven attendees provided testimony.

All comments received were reviewed and considered in developing the final waiver proposal.

Summary of Public Comments and Modifications Made Based Upon Public Comments

ODM appreciates the time, effort, and consideration of individuals and organizations who submitted comments for consideration. Each comment was reviewed, and there were several comment themes that emerged, which are grouped together below with respective responses from ODM. While all comments received were carefully considered, the waiver has not been modified other than for revisions to improve clarity.

The following table summarizes the approximate number of comments in favor of the waiver, opposed to the waiver, and neutral/unrelated to the waiver.

Support Waiver:	6.7%
Oppose Waiver:	90.1%
Neutral/Unrelated to Waiver:	3.2%

1. Support for the demonstration

- a. A couple of commenters expressed support for the waiver as it encourages individuals who are receiving benefits to seek employment.

Response: The goals of the waiver are to promote economic stability and financial independence, and to improve health outcomes via participation in work. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

- b. Several commenters were encouraged by the promotion of independence and self-sufficiency.

Response: The goals of the waiver are to promote economic stability and financial independence, and to improve health outcomes via participation in work. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

- c. Commenters noted that employment can lead to more stable income, better living conditions, improved well-being, and increased sense of purpose and community.

Response: The goals of the waiver are to promote economic stability and financial independence, and to improve health outcomes via participation in work. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

- d. A commenter expressed support for encouraging employment so that individuals will be able to gain private insurance and no longer participate in the Medicaid program.

Response: The goals of the waiver are to promote economic stability and financial independence, and to improve health outcomes via participation in work. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

- e. Commenters expressed that the eligibility criteria, including those for age, mental and physical health, and participation in addiction treatment programs, are appropriate and maintain Medicaid coverage for those who have the greatest need.

Response: ODM will work to preserve access to Medicaid for those who qualify and to implement the waiver in a way that is least burdensome, including preventing disruption in eligibility for those who are already meeting the enrollment criteria. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

- f. One commenter expressed that they support the eligibility criteria and believe that encouraging people to gain education and employment could reduce rates of poverty.

Response: The goals of the waiver are to promote economic stability and financial independence, and to improve health outcomes via participation in work. ODM appreciates the supportive comments that reflect the objectives and goals of the waiver.

2. Recommendations

Commenters recommended the following changes to the waiver application:

- a. More detailed definitions of work, employment, and mental and physical disability.
- b. Additional explanation of the positive impact of work on Group VIII enrollees.
- c. Guidance on the specific programs or aid categories that would meet this eligibility requirement.
- d. Expansion of exemptions, including for caregivers, people without access to transportation, people who are unhoused, and people who are pregnant.

- e. Provisions that address economic factors, such as:
 - i. Provisions used by SNAP.
 - ii. Provisions related to emergency circumstances.
 - iii. Provisions for counties with higher-than-average unemployment and/or counties designated by the Health Resources and Services Administration (HRSA) as health workforce shortage areas.
 - iv. Provisions allowing local Ohio Department of Job and Family Services (ODJFS) agencies flexibility to administer waiver considering local economic factors.
- f. Provisions to allow a self-attestation process and clarify that the individual's self-report is the full and final documentation required to meet any of the eligibility categories.

Response: ODM has acknowledged and is evaluating these recommendations.

ODM will be using data regarding earnings and other related data in Ohio benefits to identify individuals as employed or in school or job training. ODM will also be using data regarding services received and diagnosis codes to identify individuals with physical, mental health, or substance use conditions that would prevent individuals from working or being in school or job training.

If individuals are identified as meeting the requirements of the statute, their cases will be processed without requesting further information regarding the eligibility factors. If data is not sufficient to establish that an individual is meeting one of the eligibility factors, the individual will be contacted with a request for information to establish that they meet one of the eligibility factors.

Most people can work during pregnancy.^{1 2}

Further, Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act, prohibits discrimination based on pregnancy, childbirth, or related medical conditions. 42 U.S.C. §2000e(k). The Pregnant Workers Fairness Act (PWFA) requires employers to provide reasonable accommodations for pregnancy-related limitations. 42 U.S.C. 2000gg-1

Pregnancy can be considered as a medical exemption if the medical nature of the pregnancy prevents the individual from working or being in school or job training; however, pregnancy that does not prevent work or educational or job training would not qualify for a medical exemption.

An individual can be in an unpaid employed status if they are doing volunteer work, internships, community service, pro bono activity, or acting as an unpaid caregiver of a family member. Documentation of these would need to be provided if it is not contained in the data already held in the eligibility system.

Factors such as high unemployment and transportation are not included for consideration under the statute as enacted.

3. Increased administrative burden/expense for the state and counties

- a. Many commenters raised concerns that the Group VIII waiver would be difficult for the state and counties to implement and administer.

Response: ODM plans to implement the waiver in a way that is least burdensome while maintaining the intent of the legislative mandate. This will include leveraging existing systems and processes developed during unwinding and will rely primarily on data regarding members. Additional county activity would be limited to gathering additional verification for new applicants and additional verification for existing applicants in instances where data is not already contained in the eligibility and claims systems. ODM also plans to work with counties to minimize disruption and ensure as smooth of an implementation as possible. These and other details will be outlined in an implementation plan, details of which will be negotiated with CMS.

- b. Several comments expressed concern that verifying employment for tens of thousands of individuals would be costly.

Response: The program's design leverages existing systems to reduce redundancies and increase efficiencies, which is expected to have a moderating effect on the number of Group VIII enrollees who require caseworker intervention during the appraisal and assignment processes.

- c. One commenter expressed that ODM and ODJFS should clearly delineate program standards and identify an individual with responsibility and accountability for implementing, training, and monitoring the work requirement programs for consistency and efficiency across counties.

Response: ODM and ODJFS have in place program standards and a team of county training and oversight staff who will monitor the program. This collaboration will continue as the program is implemented, supporting alignment and efficiency across counties.

4. Definition of enrollment criteria

- a. Many commenters expressed concern that individuals with disabilities would be required to meet the requirements of this program.

Response: Individuals who qualify for Medicaid based on their disability status are generally not included in the Group VIII Medicaid eligibility category and would not be subject to the requirements of this waiver. Individuals with a disability who are in Group VIII will likely meet the eligibility criteria relating to having intensive physical health care needs or serious mental illness.

- b. Many commentators expressed concerns that elderly individuals would be required to work as part of this program.

Response: Individuals 55 years of age and older will not be required to work under this proposed waiver.

- c. Commentators suggested expanding or clarifying eligibility requirements related to alcohol and drug treatment participation such as:

- i. Including all forms of SUD treatment.
- ii. Including participating in a mental health treatment program.
- iii. Allowing a wide range of provider to complete documentation.
- iv. Including time spent on a waiting list to access treatment.
- v. Including aftercare and long-term recovery supports.
- vi. Including individuals who are on the waitlist for an alcohol and drug treatment program.

Response: The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

- d. Many commenters mentioned a lengthy process for obtaining a disability diagnosis and expressed concern about the definition of "having intensive physical health care needs or serious mental illness" as a criterion for enrollment.

Response: The eligibility requirement of "having intensive physical health care needs or serious mental illness" does not require a formal disability determination. The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

5. **Misalignment of the restricted eligibility criteria with the goals stated in the waiver application**

- a. Some referenced an analysis of Ohio's Medicaid Expansion that found that coverage made it easier for individuals to get and keep employment.

Response: The goals of this 1115 Demonstration waiver are (i) to promote economic stability and financial independence, and (ii) to improve health outcomes by encouraging individuals to be engaged with their health and healthcare.

As noted, Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

- b. Commenters referenced that unemployment rates were largely unchanged or increased after other states implemented waiver programs restricting eligibility for the Group VIII population.

Response: There is nothing in this proposed waiver that would suggest unemployment would increase. Anyone who is employed and is on the program would not lose coverage. Anyone on the program who is not meeting one of the eligibility criteria are already not employed. Individuals on the program who don't

meet one of the non-employment related criteria will have an incentive to seek employment.

- c. A commenter noted that the state's budget neutrality projections show they expect to save nearly \$300 million in the first year simply through reduced enrollment, stating that the aim of the waiver is to cut spending.

Response: Budget neutrality projects are intended only to show what total expenditures would be with the waiver compared to without the waiver. This is not a savings calculation and does not represent savings to the state.

- d. Some commenters mentioned that the restricted eligibility criteria contradict the overall goals of Medicaid.

Response: Because the Group VIII Demonstration waiver is designed to promote better mental, physical, and emotional health and to help individuals and families rise out of poverty and attain independence, the Ohio Department of Medicaid believes its Group VIII demonstration is in furtherance of federal Medicaid program objectives.

- e. A commenter cited a study of the work requirement in the Temporary Assistance for Needy Families (TANF) program that found that work requirements had little or no effect in increasing work or cutting poverty. A similar comment stated that the work requirements of the Supplemental Nutrition Assistance Program (SNAP) are not beneficial.

Response: This demonstration program is specific to the Medicaid program and is based upon enrollment criteria and requirements that are different from those of the SNAP and TANF programs.

6. Challenges in meeting a work requirement

- a. Many commenters remarked that individuals must be healthy in order to be reliable employees.

Response: Data shows that many individuals enrolled in Group VIII are working and also have physical or mental health or SUD conditions. Ohio Medicaid has a program dedicated to supporting people with significant disabilities who are employed. That is the Medicaid Buy-In for Workers with Disabilities. Health conditions are not determinative of a person's reliability in a work situation. The Group VIII Demonstration waiver is designed to promote better mental, physical, and emotional health and to help individuals and families rise out of poverty and attain independence.

- b. A few commenters mentioned that rural, remote areas have limited job opportunities.

Response: Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the statewide Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-

stop centers.

- c. A couple of commenters noted the rise of AI could lead to loss of work for certain skilled professionals.

Response: Skilled professionals who are employed and might at some undetermined point in the future have their job impacted by artificial intelligence are not in Group VIII and will not be impacted by this waiver.

- d. Commenters mentioned the expense of childcare as a limiting factor to seeking work.

Response: An individual can be in an unpaid employed status if they are an unpaid caregiver of a family member. Documentation of this would need to be provided if it is not contained in the data already held in the eligibility system. The unavailability of childcare outside the home is not a qualifying factor under the statute.

- e. Several commenters noted that individuals experiencing housing insecurity, a lack of access to transportation, and food insecurity will face challenges in meeting the work requirement.

Response: It is ODM's intent to help eliminate barriers to employment for Group VIII members. Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the statewide Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

7. Concern over health impacts due to loss of coverage

- a. Several commenters noted concerned about the long-term health consequences of gaps/loss in coverage.

Response: ODM will work to preserve access to Medicaid for those who qualify and to implement the waiver in a way that is least burdensome, including preventing disruption in eligibility for those who are already meeting the enrollment criteria. However, ODM recognizes that some individuals may not meet the criteria and will lose eligibility. These and other outcomes will be measured in the waiver evaluation.

- b. Many commenters expressed concern over losing access to programs to which Medicaid qualifies them, such as PASSPORT services or meal deliveries.

Response: Individuals on Medicaid who qualify for meal delivery or other HCBS waiver services are not in Group VIII and are in other eligibility groups that are not impacted by this waiver.

- c. Commenters noted that fraud rates may rise as a result of individuals trying to maintain coverage.

Response: ODM takes active measures to prevent and address instances of fraud and

will continue taking these measures as the program is implemented.

- d. Commenters expressed concern that restricted eligibility criteria could negatively impact health disparities and outcomes for low-income individuals.

Response: The Group VIII Demonstration waiver is designed to promote better mental, physical, and emotional health and to help individuals and families rise out of poverty and attain independence.

- e. Commenters are concerned that many individuals with behavioral health conditions will lose coverage and in turn delay care until they experience acute crises, leading to increased emergency room visits, hospitalizations, and interactions with the criminal justice system.

Response: ODM will work to preserve access to Medicaid for those who qualify and to implement the waiver in a way that is least burdensome, including preventing disruption in eligibility for those who are already meeting or are exempt from the enrollment criteria. Individuals who are participating in an alcohol and drug addiction treatment program or who cannot work due to underlying serious mental illness or intensive physical health care needs will meet the restricted eligibility criteria of this waiver program.

- f. Many commenters expressed concern that delayed care from a lack of coverage can result in more serious and costly health outcomes.

Response: ODM will work to preserve access to Medicaid for those who qualify and to implement the waiver in a way that is least burdensome, including preventing disruption in eligibility for those who are already meeting the enrollment criteria. The Group VIII Demonstration waiver is designed to promote better mental, physical, and emotional health and to help individuals and families rise out of poverty and attain independence.

- g. Many individuals mentioned that without access to health coverage to visit a health care provider, individuals won't be able to get proof of their medical/mental disability.

Response: The waiver is not in effect today. Individuals presently enrolled in Group VIII have access to healthcare providers. Any individual who believes their condition would prevent them from being able to work can seek diagnosis and treatment today. The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

8. Exemptions

- a. A few commenters remarked on a lack of consideration for the long-term needs of trauma survivors.

Response: Trauma is not a unique exemption category in the waiver; however, such a condition may meet the eligibility criteria "intensive physical health care needs or serious mental illness." The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

- b. Commenters showed concern for elderly and pregnant individuals.

Response: Individuals 55 years of age and older meet the eligibility criteria of this waiver program. People under 55 are not elderly. People 65 years of age and older would not be in Group VIII and would be covered under other Medicaid groups not impacted by this waiver.

Most people can work during pregnancy.³

Further, Title VII of the Civil Rights Act of 1964, as amended by the Pregnancy Discrimination Act, prohibits discrimination based on pregnancy, childbirth, or related medical conditions. 42 U.S.C. §2000e(k). The Pregnant Workers Fairness Act (PWFA) requires employers to provide reasonable accommodations for pregnancy-related limitations. 42 U.S.C. 2000gg-1.

That said, pregnancy can be considered as a medical exemption if the medical nature of the pregnancy prevents the individual from working or being in school or job training; however, pregnancy that does not prevent work or educational or job training would not qualify for a medical exemption.

- c. Many commenters noted that caregivers to both children and elderly would struggle to meet the restricted eligibility criteria.

Response: An individual can be in an unpaid employed status if they are acting as an unpaid caregiver of a family member. Documentation of this would need to be provided if it is not contained in the data already held in the eligibility system. The unavailability of childcare outside the home is not a qualifying criteria in the statute.

- d. Commenters mentioned the difficulty of the unhoused population in seeking work.

Response: Homelessness is not a unique category of exemption in the waiver; however, individuals who are experiencing homelessness may meet another criterion for enrollment.

- e. Commenters remarked that the justice involved population often struggle to find work and rely on Medicaid benefits to get reacclimated to society.

Response: Incarcerated individuals will be presumed to be enrolled in ODRC “Systems and Services” which is provided to help individuals become educated, lawful, and physically and emotionally healthy members of society during and after incarceration.⁴

Justice involved individuals who are no longer incarcerated can meet the training and education eligibility criteria if they are enrolled with ODRC “Rehabilitation Works” or associated or similar jobs programs for former inmates can satisfy the occupational training criteria with appropriate supporting documentation.

- f. Commenters noted that those with mental health disorders rely heavily on Medicaid to provide essential care like counseling.

Response: Individuals who are participating in an alcohol and drug addiction treatment program or who cannot work due to underlying serious mental illness or

intensive physical health care needs would meet the restricted eligibility criteria.

- g. Several commenters recommended exemptions for individuals in areas without sufficient work opportunities.

Response: Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

- h. A commenter noted that service-connected disabled combat veterans be exempt from restricted eligibility criteria because of their inability to work from their time in service.

Response: Individuals who have applied for or are enrolled in another program that has disability as a basis for enrollment will be presumed to have intensive physical or mental health status.

- i. A couple commenters mentioned Long Covid as cause for exemption.

Response: Long Covid is not a unique category of exemption in the waiver; however, individuals who cannot work due to underlying intensive physical health care needs would meet the restricted eligibility criteria.

9. Impact and cost to providers/hospitals

- a. Commenters remarked that providers will see an increase in uncompensated care costs.

Response: While it is difficult to estimate with absolute accuracy who will and will not meet the requirements, the goal of this demonstration is to preserve access to Medicaid for those who qualify, while encouraging work and community engagement efforts among the non-eligible adult Medicaid expansion population (Group VIII). This waiver does not impact funding through the State's Hospital Care Assurance Program (HCAP). Please note that the HCAP program is heavily dependent on Federal Disproportionate Share Hospital regulations and available federal funding.

10. General opposition

- a. A few commenters noted that restricted eligibility criteria are against some societal and religious beliefs that encourage women to stay home to raise a family.

Response: Group VIII individuals must meet the criteria or qualify for an exemption based on specific circumstances.

- b. A commenter remarked that restricting access to healthcare is not aligned with their religious beliefs.

Response: ODM will work to preserve access to Medicaid for those who qualify, while encouraging work with the goal of improving health outcomes. The goals of the waiver

are to promote economic stability and financial independence, and to improve health outcomes via participation in work.

- c. Many commenters disapproved of the restricted eligibility criteria as they believe healthcare to be a human right.

Response: ODM will work to preserve access to Medicaid for those who qualify, while encouraging work with the goal of improving health outcomes.

Questions

ODM received logistical questions about monitoring employment.

1. A number of commenters asked questions about how employment would be evaluated, “defined”, and monitored, and whether SNAP and TANF would be considered.

Response: This demonstration will use data from Ohio Benefits and other data sources to identify individuals who meet one or more of the five pre-enrollment criteria. Individuals applying for the first time will have the opportunity to provide verification of employment status. There will be no regular reporting by enrollees outside of the current requirements that individuals notify the county of changes in circumstances. Other program work activities would be considered under this waiver program. Individuals with household earned income will be evaluated based on data available to ODM.

2. One commenter asked if actively searching for a job counts as employment.

Response: Individuals in employment training or in receipt of unemployment compensation will meet the eligibility criteria.

3. Several commenters asked how will gig workers (freelancers, drivers, etc.) be able to provide documentation on how many hours a week they work if their employers do not track that information or provide that information to their contract workers and how will seasonal or part-time work be evaluated.

Response: Individuals with household earned income will be evaluated based on data available to ODM.

4. One commenter asked how ODM will ensure that eligible individuals are not unfairly disenrolled due to errors or gaps in the data.

Response: Relevant data will be made available to state or county caseworkers for a final eligibility determination including information necessary to request any additional verifications from the member. Members will have sufficient opportunity to provide documentation prior to a caseworker determination. Eligible members whose coverage has been discontinued for failing to respond to requests for verification can reenroll in Medicaid. They can also contact their local County Department of Job and Family Services (CDJFS) or the Medicaid Consumer Hotline to reenroll. These are the same protections provided to all Medicaid enrollees.

ODM received questions about potential exemptions.

1. Who will decide or verify if someone is exempt from the program?

Response: Ohio will first use data available from Ohio Benefits (Ohio's eligibility and enrollment system) to verify whether an individual meets the basic eligibility requirements noted above. If data is not sufficient to determine eligibility, members will be given an opportunity to supply documentation to verify eligibility.

For individuals for whom Ohio cannot verify eligibility with data available to the state, individuals will also be given an opportunity to supply documentation relating to their eligibility. Relevant data will be made available to state or county caseworkers for a final eligibility determination.

2. Will individuals experiencing domestic violence be exempt?

Response: Domestic violence is not a unique category eligibility in the waiver; however, individuals experiencing domestic violence may meet another criterion for enrollment.

3. Will individuals experiencing homelessness be exempt?

Response: Homelessness is not a unique category of eligibility in the waiver; however, individuals who are experiencing homelessness may meet another criterion for enrollment.

4. How would ODM verify recipients' disabilities in a way that is accessible to them, and does not require them to fill out paperwork they cannot understand or travel to a location they cannot manage?

Response: The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements. ODM will use data available regarding medical care and diagnoses to process reviews based on reliable information relating to disabilities.

5. How would this proposed work requirement apply to those who take care of disabled family members full-time?

Response: An individual can be in an unpaid employed status if they are acting as an unpaid caregiver of a family member. Documentation of this would need to be provided if it is not contained in the data already held in the eligibility system.

6. Are there requirements for students regarding the number of credits/classes they must be taking?

Response: The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

7. If someone becomes unemployed due to health issues and loses their medical insurance, how will they be able to obtain a diagnosis to establish "major physical or mental health needs" criteria if they are not able to access doctors?

Response: The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

8. Will ODM take into consideration time off for a medical procedure that may not fall under the medical exemption?

Response: As part of the eligibility review process either at application or at renewal, individuals will be evaluated to determine whether they also meet the eligibility restriction, or whether they meet an exemption, to meet or maintain their Medicaid eligibility. Individuals will be evaluated under the new requirements at their next eligibility renewal. Time required for a medical procedure may indicate that an individual has “intensive physical health care needs” which is a qualifying eligibility criterion. The process will follow the same steps as annual Medicaid eligibility renewals with additional verification of the new Group VIII eligibility requirements.

9. What would happen if the person is working and must be hospitalized, leaving them without a job for a period of time?

Response: As part of the eligibility review process either at application or at renewal, individuals will be evaluated to determine whether they also meet the eligibility restriction, or whether they meet an exemption, to meet or maintain their Medicaid eligibility. Hospitalization may indicate that an individual has “intensive physical health care needs” which is a qualifying eligibility criterion.

10. Can ODM confirm whether members who meet the criteria for nursing facility level of care will be regarded as satisfying one of the eligibility criteria for Group VIII?

Response: A nursing facility level of care determination is required as part of nursing facility admission. A nursing facility admission will always meet an “intensive physical health care need” which is a qualifying eligibility criteria.⁵

11. Will there be screening for OhioRISE coverage?

Response: Individuals who meet the OhioRISE criteria of complex behavioral health and multisystem needs would meet the criteria that an individual “have intensive physical health care needs or serious mental illness.”⁶

12. What role will ODJFS play?

Response: ODM and ODJFS work closely in managing the administration of Medicaid eligibility and related functions across the counties. This collaboration will continue as the program is implemented, supporting alignment and efficiency across counties.

13. Will there be transition periods for individuals leaving treatment, completing school or occupational training programs to search for and obtain employment?

Response The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

ODM received questions about the overall goals of the proposed waiver.

1. How does ODM believe this decision will benefit Ohio’s economy, public health, or community wellbeing?

Response: It is widely recognized that poverty, food insecurity, housing, employment

status, and substance use disorders can impact an individual's overall health. Indeed, there is a strong connection between improved health and being employed and engaged in one's healthcare choices. The goals of this 1115 Demonstration waiver are (i) to promote economic stability and financial independence, and (ii) to improve health outcomes by encouraging individuals to be engaged with their health and healthcare.

2. What does research say about the overall economic and social effects of Medicaid on Ohio communities, and how are you incorporating that research into your policies?

Response: Medicaid enrollment has positive economic and social impacts on Ohio.⁷ Surveys of Group VIII enrollees showed a strong connection between improved health and being employed and engaged in one's healthcare choices. In general, Medicaid expansion has been beneficial to Ohio Group VIII enrollees by: 1) facilitating continued employment, new employment, and job-seeking; 2) increasing primary care and reducing emergency department use; 3) lessening medical debt and financial hardship; 4) improving mental health; 5) assisting in addressing unhealthy behaviors such as tobacco use; and 6) enabling enrollees to act as caregivers for family members.

The goals of this 1115 Demonstration waiver are (i) to promote economic stability and financial independence, and (ii) to improve health outcomes by encouraging individuals to be engaged with their health and healthcare.

ODM received questions about the administrative process.

1. How will ODM ensure that vulnerable populations—such as children, the elderly, and people with disabilities—are protected during this review process?

Response: The Group VIII eligibility group does not include children nor elderly and if people with disabilities are enrolled, they will meet the eligibility criteria of intensive physical health care needs.

2. Who will have access to individual's personal information?

Response: Caseworkers, data analysts, and the same categories of people who have access today for Medicaid will have access to an individual's information.

3. If an individual loses their healthcare, will their employment status as well as health, wellbeing, and outcomes be tracked?

Response: The details of waiver components, including the tracking of outcomes, will be defined in the Implementation Plan.

4. Will the MCOs be required to track the data requested by ODM to support the hypothesis listed in the demonstration waiver?

Response: Tracking of data and the role of MCOs will be defined in the Implementation Plan.

5. If an individual loses coverage inappropriately (they qualify for coverage), what is the process for retro enrollment?

Response: If basic eligibility criteria are not met, a notice of denial or termination will be issued. Individuals will have appeal rights, including the right to appeal the State's decision that the individual does not meet the eligibility criteria for Group VIII.⁸

6. How much will monitoring people's employment cost and who will be doing this?

Response: Ohio will first use data available from Ohio Benefits (Ohio's eligibility and enrollment system) to verify whether an individual meets the basic eligibility requirements noted above. If data is not sufficient to determine eligibility, members will be given an opportunity to supply documentation to verify eligibility.

For individuals for whom Ohio cannot verify eligibility with data available to the state, Ohio will use other data sources to verify the basic eligibility requirements using external data sources. Relevant data will be made available to state or county caseworkers for a final eligibility determination.

7. Are there going to be staff available to assist people in navigating this process?

Response: Medicaid members can seek assistance by calling 1-844-640-6446. Members can also contact their CDJFS. Ohio Medicaid members can find their CDJFS by selecting their county from the dropdown at <https://medicaid.ohio.gov/home/update-contact-info/select-county-dropdown>.

8. Is January 1, 2026, a reasonable implementation date at the state and county level? How are the requirements going to be administered and enforced at both the county and state level? Is there capacity for administering the program?

Response: January 1, 2026, is a date in the draft waiver and is a placeholder. That date will be dependent on CMS how long negotiations take, and what terms and conditions are included in an approved waiver. That date will also depend on systems development and programming.

ODM and ODJFS work closely in managing the administration of Medicaid eligibility and related functions across the counties. This collaboration will continue as the program is implemented, supporting alignment and efficiency across counties. ODM plans to implement the waiver in a way that is least burdensome while maintaining the intent of the legislative mandate. This will include leveraging existing systems and processes developed during unwinding and will rely primarily on data regarding members.

9. Does ODM have the IT capacity to implement this program without impacting Medicaid coverage?

Response: Yes.

10. Is there going to be a widespread information distribution about employment, GED, and other job training skills?

Response: Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the Ohio Means

Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

11. How will someone prove their age or other personal information if they lose documentation like a birth certificate or social security card? How will a person who is low income supposed to pay for a replacement document?

Response: Individuals who do not have appropriate identification or documentation (for employment or eligibility reasons) will be given reasonable opportunity to gather the identification or documentation. The county will first attempt to verify information electronically, which is often successful. Individuals are only asked to provide manual verification if the county is unable to verify electronically.

12. What is the plan for communicating the details of this waiver to the Group VIII population?

Response: ODM plans to use a variety of methods, including direct outreach, to communicate details of this waiver to the Group VIII population. Further details on this will be developed as part of an implementation plan negotiated with CMS.

ODM received questions about the impact to certain populations.

1. How are the people currently receiving Medicaid going to be impacted? Do they have to reapply for Medicaid immediately after the work requirement goes into effect or does it happen at redetermination?

Response: The requirements are an eligibility restriction on the Medicaid Group VIII population. Any new applicant not meeting the requirements will not be enrolled in Medicaid Group VIII. Any person presently enrolled in Medicaid Group VIII will be reviewed at their next annual renewal date. Any person who does not meet the eligibility criteria will be disenrolled at their next renewal review.

2. How will this impact those receiving treatment for mental illness?

Response The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

3. How do people prove that they are receiving treatment? Is there a time limit or cap on how long a person can receive treatment?

Response: Individuals who are participating in an alcohol and drug addiction treatment program or who cannot work due to underlying serious mental illness or intensive physical health care needs would meet the restricted eligibility criteria. ODM will have claims and diagnosis data regarding Medicaid reimbursed services and treatment. All Medicaid services, including duration of treatment, must meet medical necessity requirements.

4. How will this impact shelters or transitional housing? Is there any way people who work at

the shelter can say people are unable to work or volunteer because of their mental state?

Response: The Special Terms and Conditions of an approved waiver would further define details of waiver components, including eligibility requirements.

Other Questions:

1. What are the financial implications of the waiver on safety net hospitals and Federally Qualified Health Centers? Does the federal government plan to increase hospital care assurance funding when there is a proposal to decrease it?

Response: While it is difficult to estimate with absolute accuracy who will and will not meet the requirements, the goal of this demonstration is to preserve access to Medicaid for those who qualify, while encouraging work and community engagement efforts among the nonexempt adult Medicaid expansion population (Group VIII). This waiver does not impact funding through the State's Hospital Care Assurance Program (HCAP). Please note that the HCAP program is heavily dependent on Federal Disproportionate Share Hospital regulations and available federal funding.

2. Several commenters objected to the draft waiver citing to their published academic articles. The authors requested the citations be removed.

Response: ODM notes that these same articles were cited in Ohio's 2019 waiver and were not objected to at that time. The articles support the notion that people who are working are generally healthier than people who do not work. Nevertheless, the articles are not required for a final submission. So, at the request of the authors, ODM has removed the academic journal article citations in the final submission to CMS.