

Ohio Medicaid Expansion History and Impact

Ohio Joint Medicaid Oversight Committee
March 20, 2025

Greg Moody, former director
Ohio Governor's Office of Health Transformation

Ohio's Health Care Crisis – Headlines Before Expansion

- 1.2 million in Ohio struggle without affordable insurance
- Uninsured residents delay care until crisis hits
- Uninsured Ohioans flood ERs as last resort
- Hospitals shift unpaid bills to private insurance, employers
- Rural hospitals sink under the weight of uncompensated care
- A wave of opioid addiction overwhelms county resources
- Without treatment, mentally ill and addicted end up in jails

Ohio Medicaid Budget Challenges and Reforms

2009 - 2011
Over reliance on one-time federal money
Across-the-board provider rate increases
Payment not tied to quality
34 inefficient health plan regions
Prescription drugs carved out of managed care
No coordination between Medicare and Medicaid
Few alternatives to high-cost nursing homes
8.9 percent annual growth

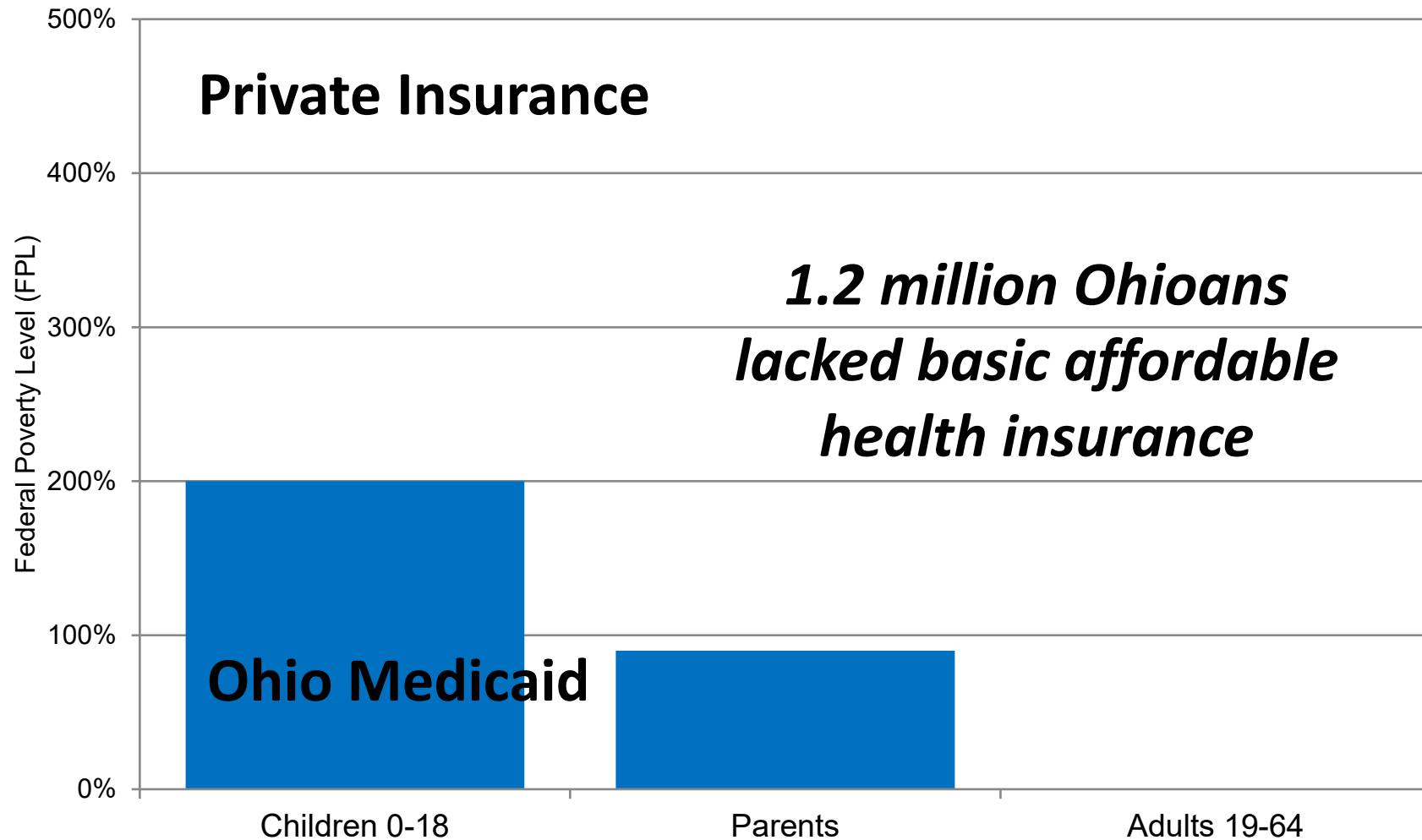
Source: Ohio Governor's Office of Health Transformation (2014).

Ohio Medicaid Budget Challenges and Reforms

2009 - 2011	2012 - 2013
Over reliance on one-time federal money	Backfill one-time federal funds with state share
Across-the-board provider rate increases	Roll back provider rate increases
Payment not tied to quality	Implement value-based payment incentives
34 inefficient health plan regions	Create one statewide managed care region with 5 plans
Prescription drugs carved out of managed care	Carve prescription drugs back into managed care
No coordination between Medicare and Medicaid	Integrate care for most dual eligibles (MyCare)
Few alternatives to high-cost nursing homes	Enable 10,000 NF residents move back to their community
8.9 percent annual growth	3.3 percent annual growth

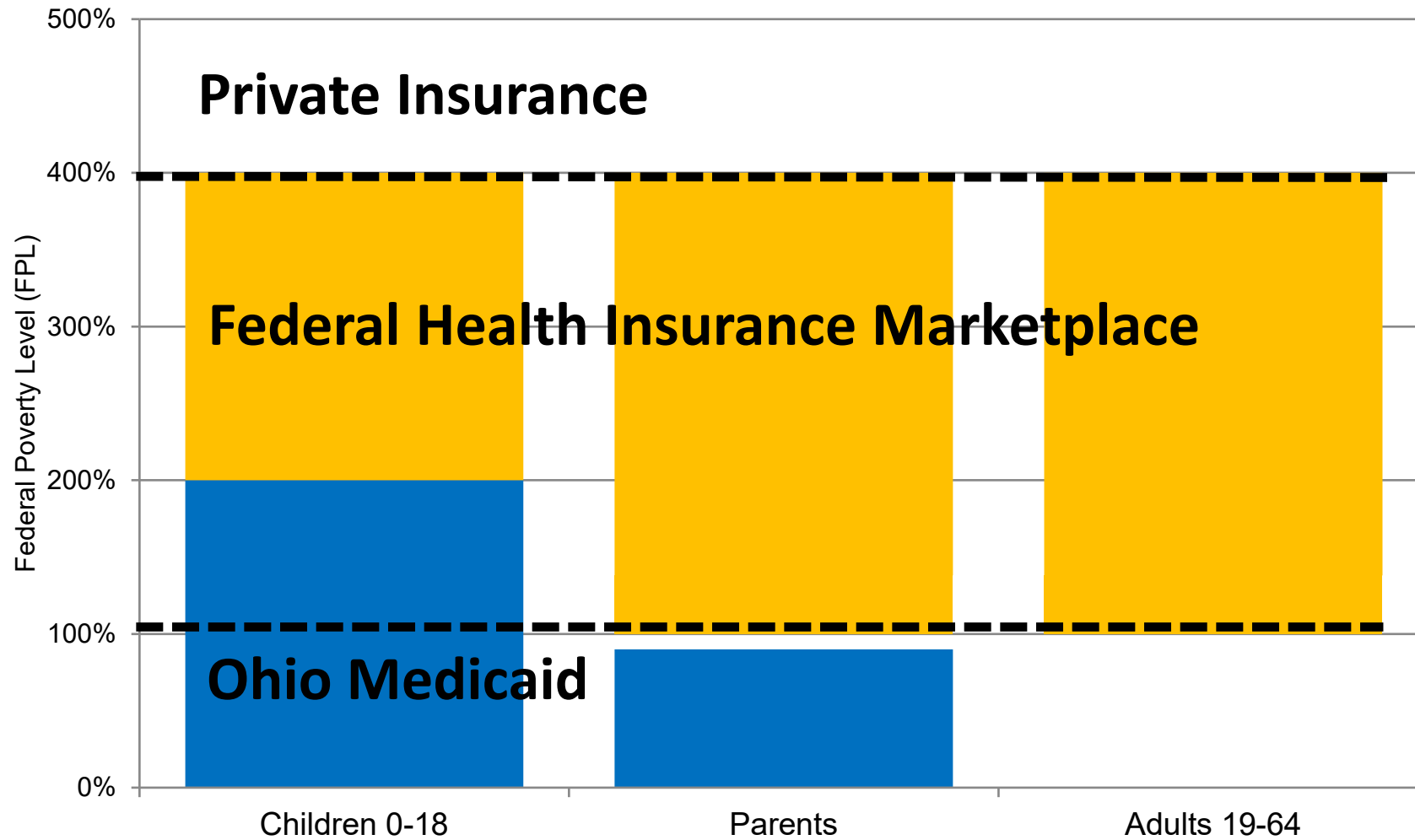
Source: Ohio Governor's Office of Health Transformation (2014).

Ohio Medicaid Income Eligibility Levels, 2013



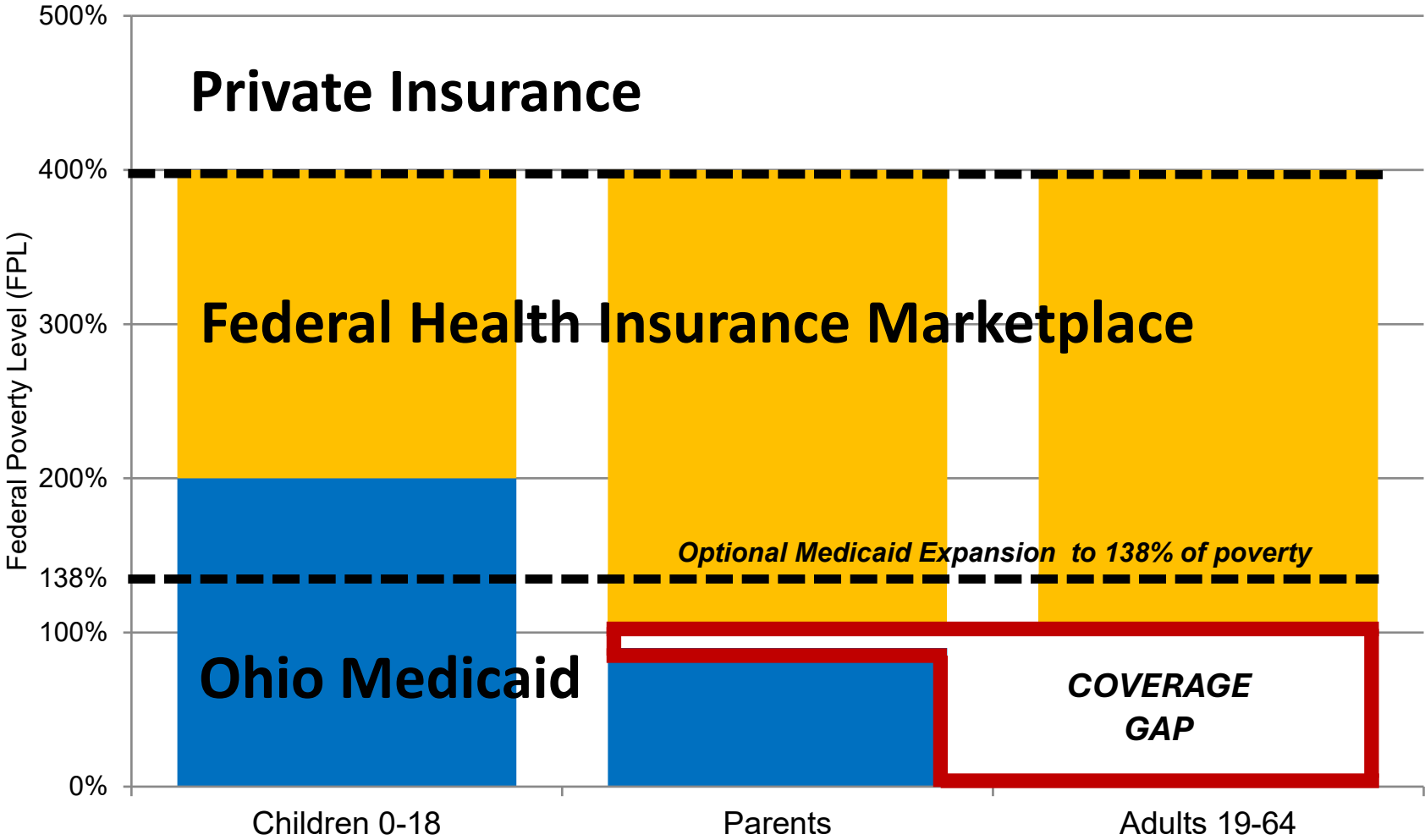
Source: Ohio Governor's Office of Health Transformation (2013).

Federal Health Insurance Marketplace Eligibility Levels



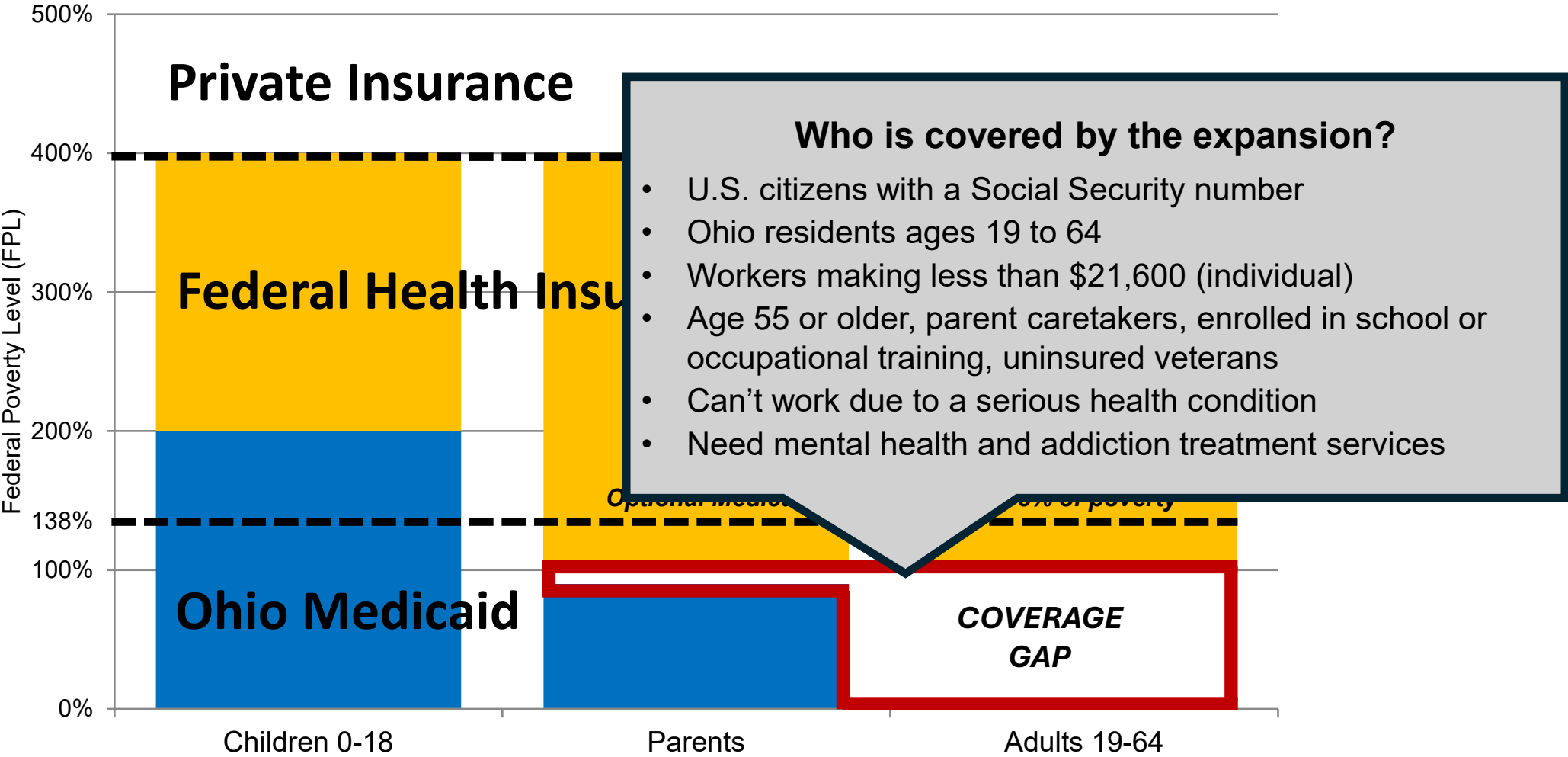
Source: Ohio Governor's Office of Health Transformation (2013).

The Supreme Court made expansion optional for states



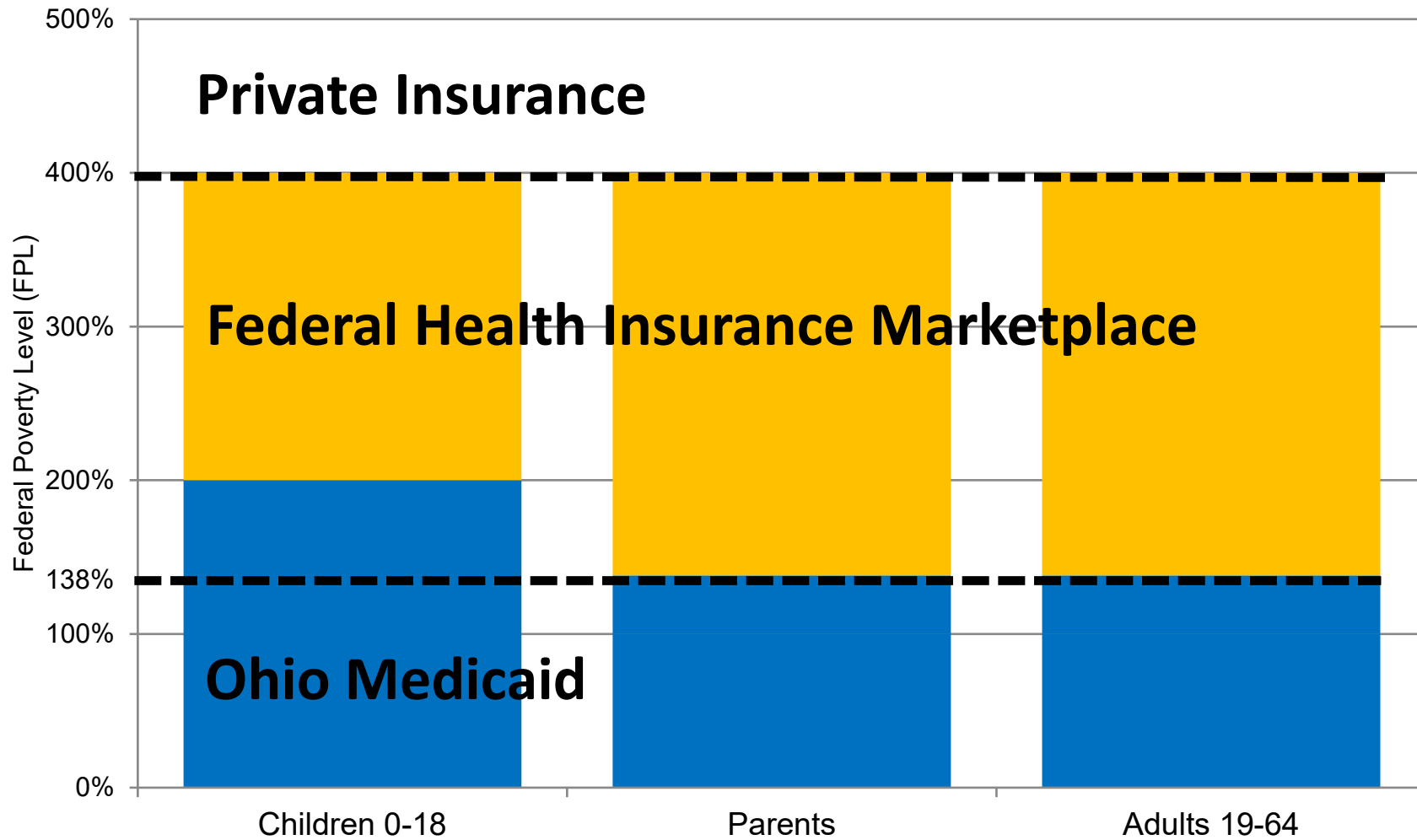
Source: Ohio Governor's Office of Health Transformation (2013).

The Supreme Court made expansion optional for states



Source: Ohio Governor's Office of Health Transformation (2013). Note: \$21,600 is 138 percent of the poverty level for an individual in 2025.

Current Ohio Medicaid and Marketplace Eligibility Levels



Source: Ohio Governor's Office of Health Transformation (2013).

Coverage Works

Over 700,000 Ohioans gained access to health care coverage under the expansion, resulting in:

- a large decline in the uninsured rate to the lowest level on record (19% in 2010 to 6% today)
- most reported Medicaid coverage made it easier to working (84%)
- it was easier to care for family members (76%), buy food (58%) and pay rent (48%)
- medical debt fell by nearly half (from 56% to 31%)
- health status was better (31%) or the same (59%) for most and worsened for a few (10%)
- improved access to primary care and reduction in unmet medical needs
- high-cost emergency department use decreased (17%)
- many (27%) detected previously unknown chronic conditions

Ohio Medicaid Expansion Net Fiscal Impact, FY2024

	(in millions)
This much state share (10%)	\$838
Draws this much federal share (90%)	\$7,538
And results in this much expansion spending (100%)¹	\$8,375

Notes: (1) Direct spending from [Medicaid Caseload and Expenditure Forecast Report](#) (page 9), Ohio Office of Budget and Management (February 3, 2025).

Ohio Medicaid Expansion Net Fiscal Impact, FY2024

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Draws this much federal share (90%)	\$7,538	
And results in this much expansion spending (100%)¹	\$8,375	
Medicaid expansion costs this much in state share	\$838	} These amounts are estimated and need to be updated by Ohio Medicaid
But saves this much by converting state-funded programs to 90% federal ²	(\$68)	
And generates this much in prescription drug rebates ³	(\$72)	
And generates this much in managed care taxes ⁴	(\$415)	
So, the net fiscal impact of the expansion on Ohio's budget is	\$283	
<i>And the effective matching rate for Ohio's state share is</i>	<i>3.4%</i>	

Notes: (1) [Medicaid Caseload and Expenditure Forecast Report](#) (page 9), Ohio Office of Budget and Management (February 3, 2025). (2) Includes corrections medical expense savings (\$32 million, calculated using [OhioCheckbook](#)) and hospital upper payment limit programs (\$36 million, calculated by the Office of Budget and Management in 2018 for FY 2021). (3) Office of Budget and Management estimate in 2018 for FY 2021. (4) Ohio Medicaid does not release this information. This amount is based calculations by Wakely Actuarial Consulting for health plan Group VIII franchise fees (\$269 million) and health insuring corporation taxes (\$58 million), and my estimate of SPBM Group VIII franchise fees (\$88 million).

Eliminating Ohio's Medicaid expansion
might save the state \$283 million,

but it would **forfeit \$8.4 billion** that goes directly to
health care providers across communities statewide,
including a **\$500 million cut** in critical mental health
and addiction treatment services statewide.

“The Trump Administration will not cut Medicaid.
President Trump himself has said it (over and over and over again).”

— White House Press Release

“We’re not looking to make cuts to Medicaid.”

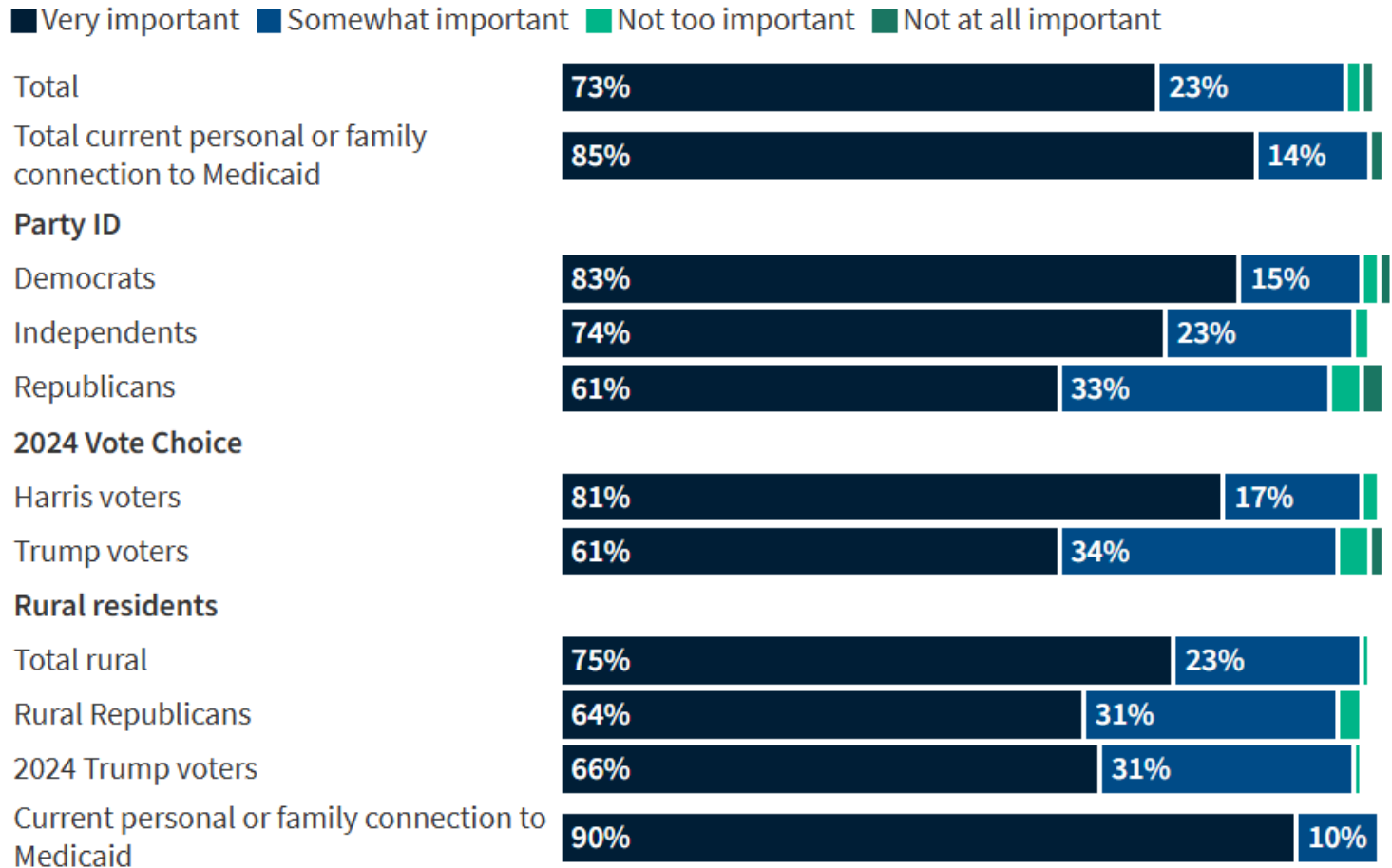
— U.S. Congressman Jim Jordan

“Republicans are not going to cut Medicaid benefits at all.”

— Ohio Senator Bernie Moreno

9 in 10 say Medicaid is important to their local community

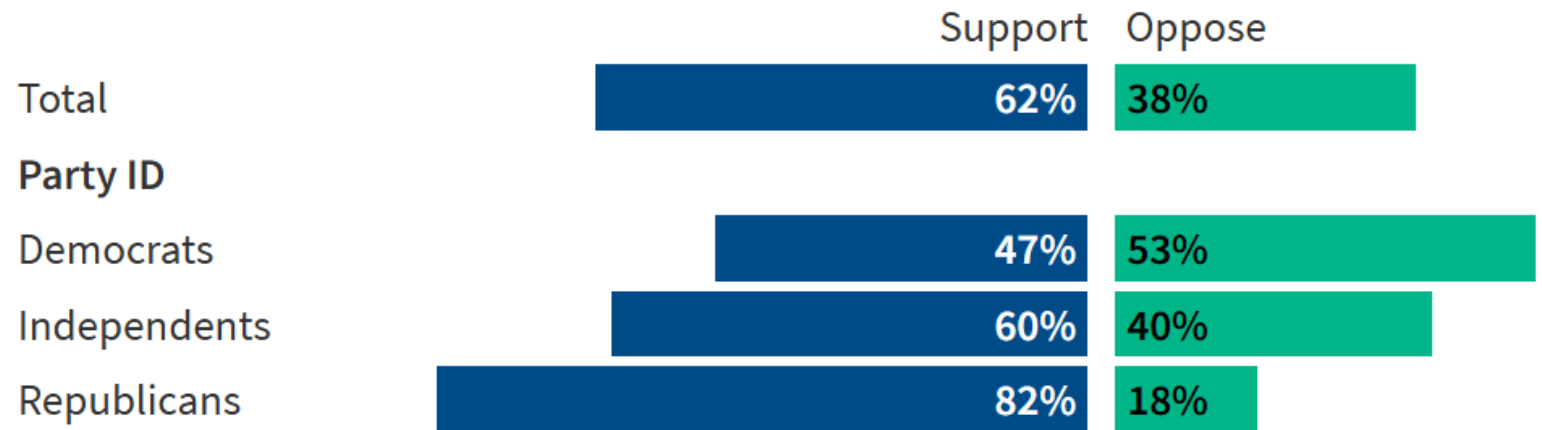
“How important, if at all, is Medicaid for people in your community?”



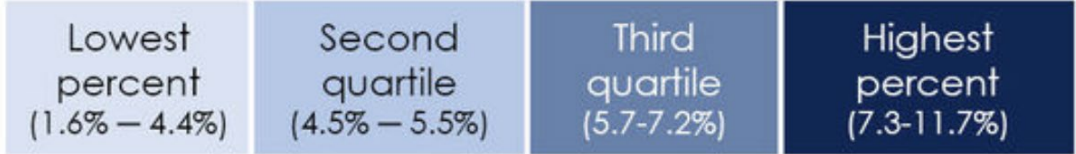
Source: [The Public's Views on Potential Changes to Medicaid](#), Kaiser Family Foundation Health Tracking Poll (February 18-25, 2025).

Most support Medicaid work requirements

“Do you support or oppose requiring nearly all adults to work or be looking for work in order to get health insurance through Medicaid?”



Percent of County Population Enrolled in Medicaid Expansion, January 2025 and location of Critical Access Hospitals

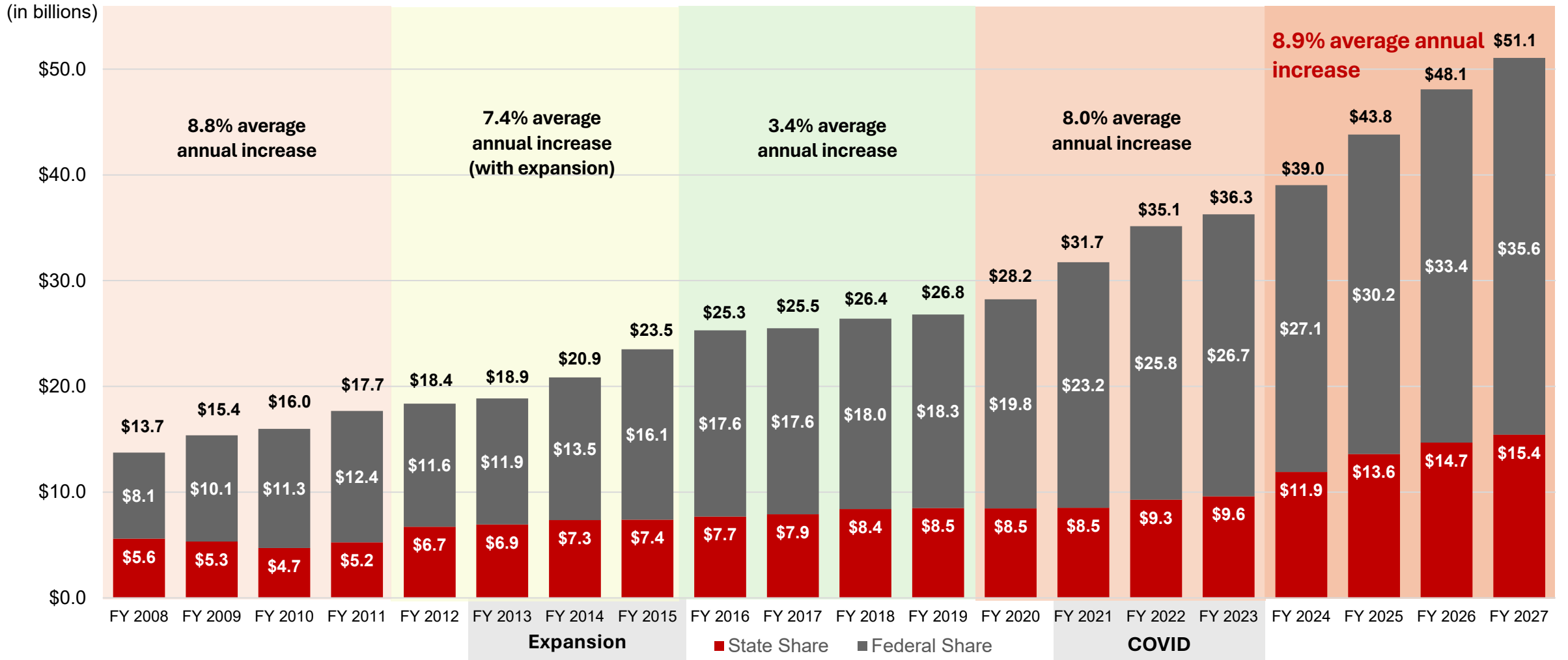


Location of Critical Access Hospitals by Ohio Congressional, House, and Senate District

Congress	Ohio House	Ohio Senate
David Taylor (6) Jim Jordan (4) Bob Latta (8) Michael Rulli (4) Max Miller (2) Warren Davidson (1) Marcy Kaptur (4) David Joyce (2) Mike Carey (1) Bernie Moreno (32) Jon Husted (32)	Jodi Salvo Kellie Deeter (2) Adam Bird David Thomas Sharon Ray Marilyn John Meridith Craig Matt Huffman James Hoops (3) Roy Klopfenstein (2) Ty Matthews Angela King	Tim Barhorst Riordan McClain (3) Gary Click D.J. Swearingen Justin Pizzulli Bob Peterson (3) Mark Johnson Jason Stephens Kevin Ritter Don Jones (2) Sarah Fowler Arthur Rob McColley (6) Theresa Gavarone Susan Manchester (3) Nathan Manning (2) Terry Johnson Shane Wilkin (6) Mark Romanchuk (2) Bill Reineke (4) Brian Chavez (3) Al Landis Sandra O'Brien (2)

Source: [Health Policy Institute of Ohio analysis](#) of Ohio Department of Medicaid Demographic and Expenditure Dashboard, and U.S. Census Bureau, American Community Survey 2023 5-year estimates (February 19, 2025) and [Critical Access Hospital Locations Map](#), Universities of Minnesota, North Carolina at Chapel Hill, and Southern Maine (accessed March 6, 2025).

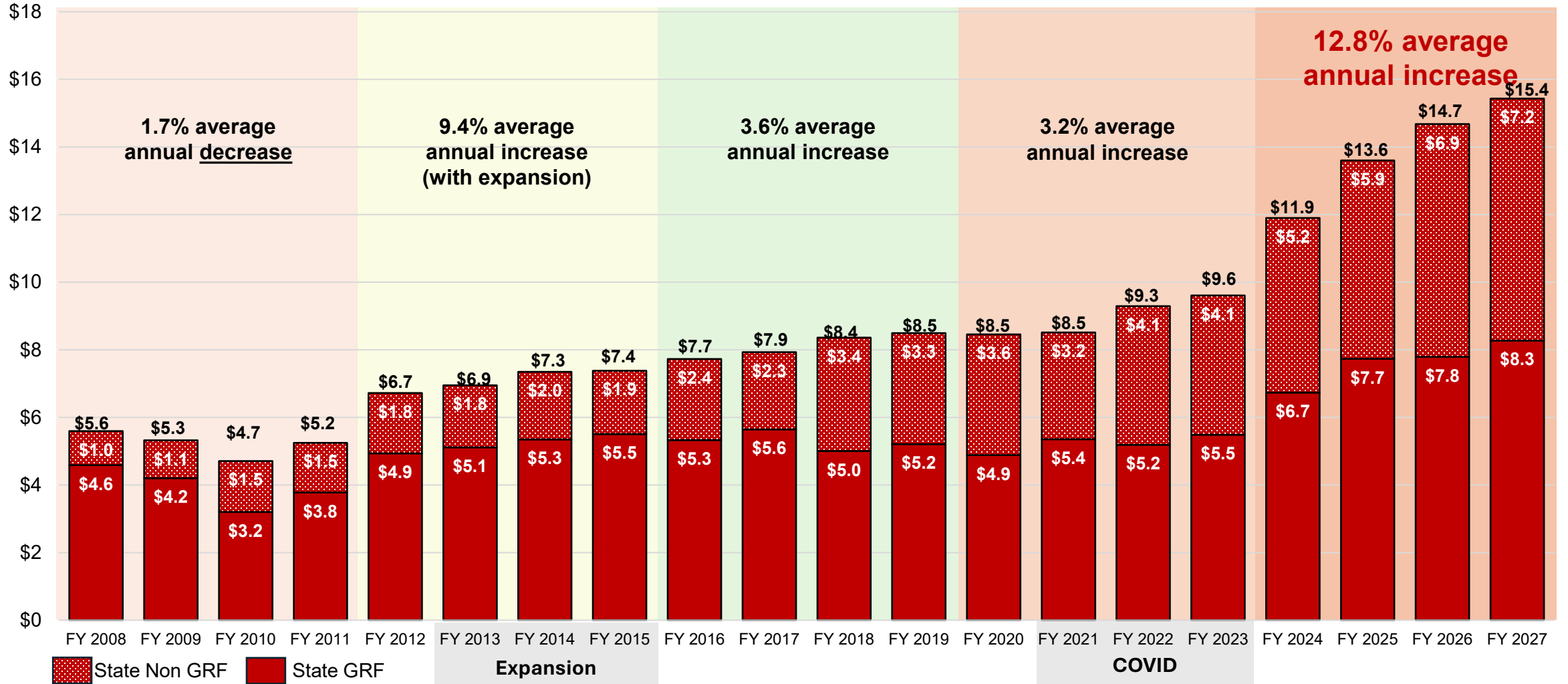
Ohio Medicaid All Funds Spending



Source: [All Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History, FY 2022-2027 (pages 3-5), Ohio Office of Budget and Management (February 3, 2025).

Ohio Medicaid State Share Spending

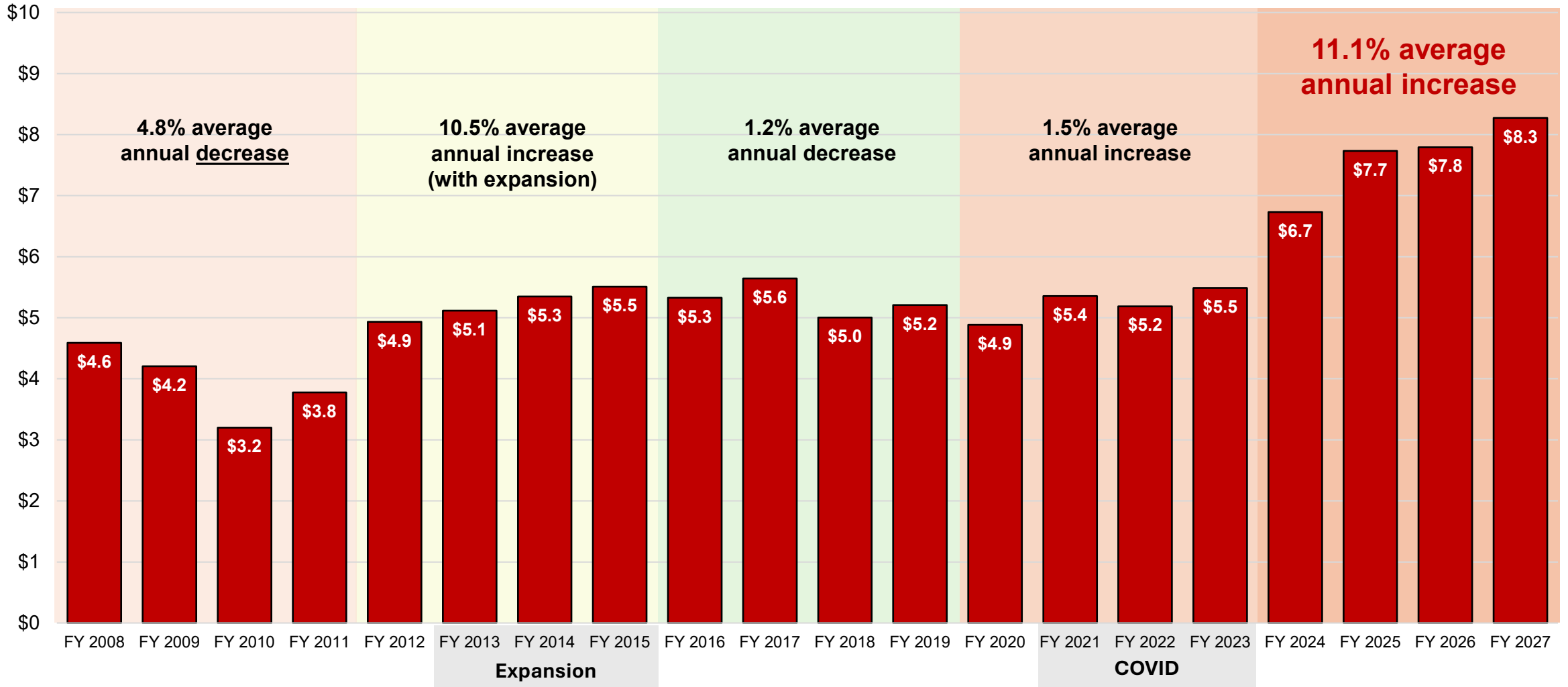
(in billions)



Source: [All-Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History, FY 2022-2027 (pages 3-5), Ohio Office of Budget and Management (February 3, 2025).

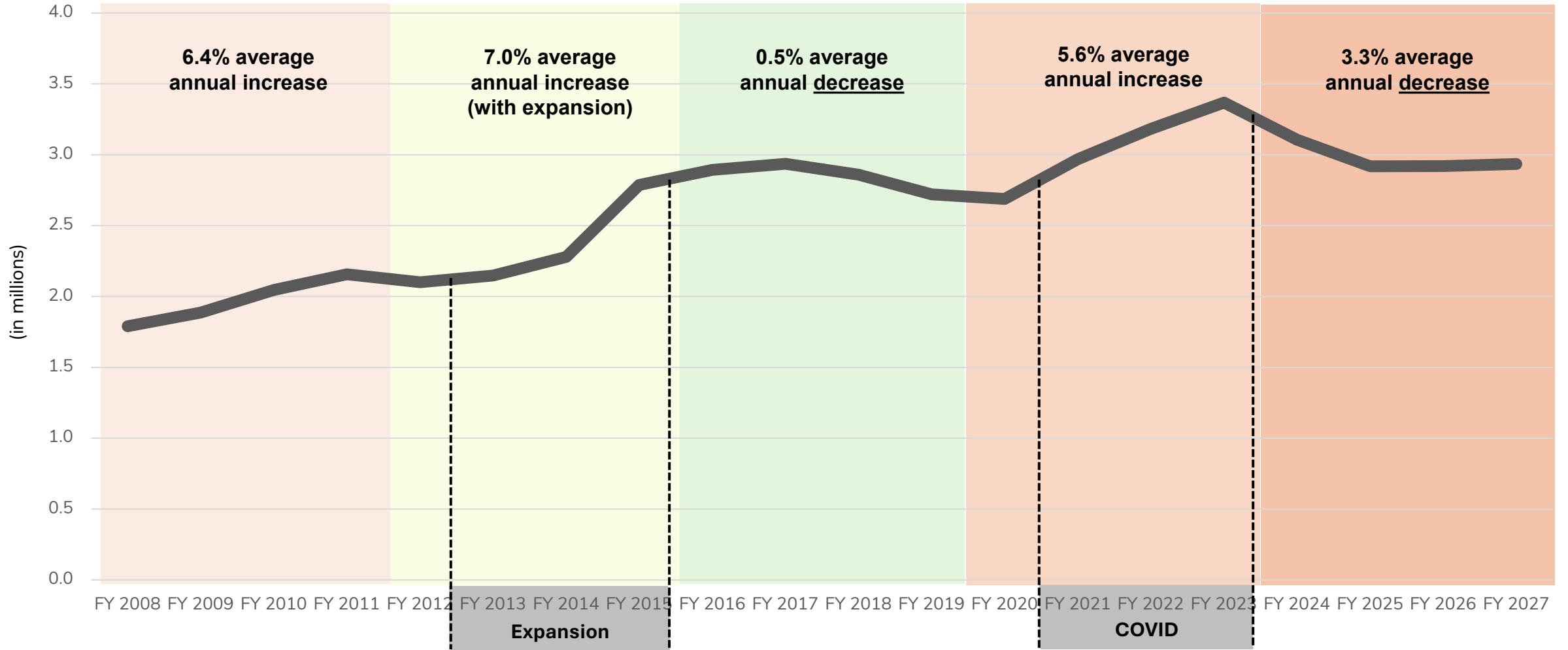
Ohio Medicaid State General Revenue Fund Spending

(in billions)



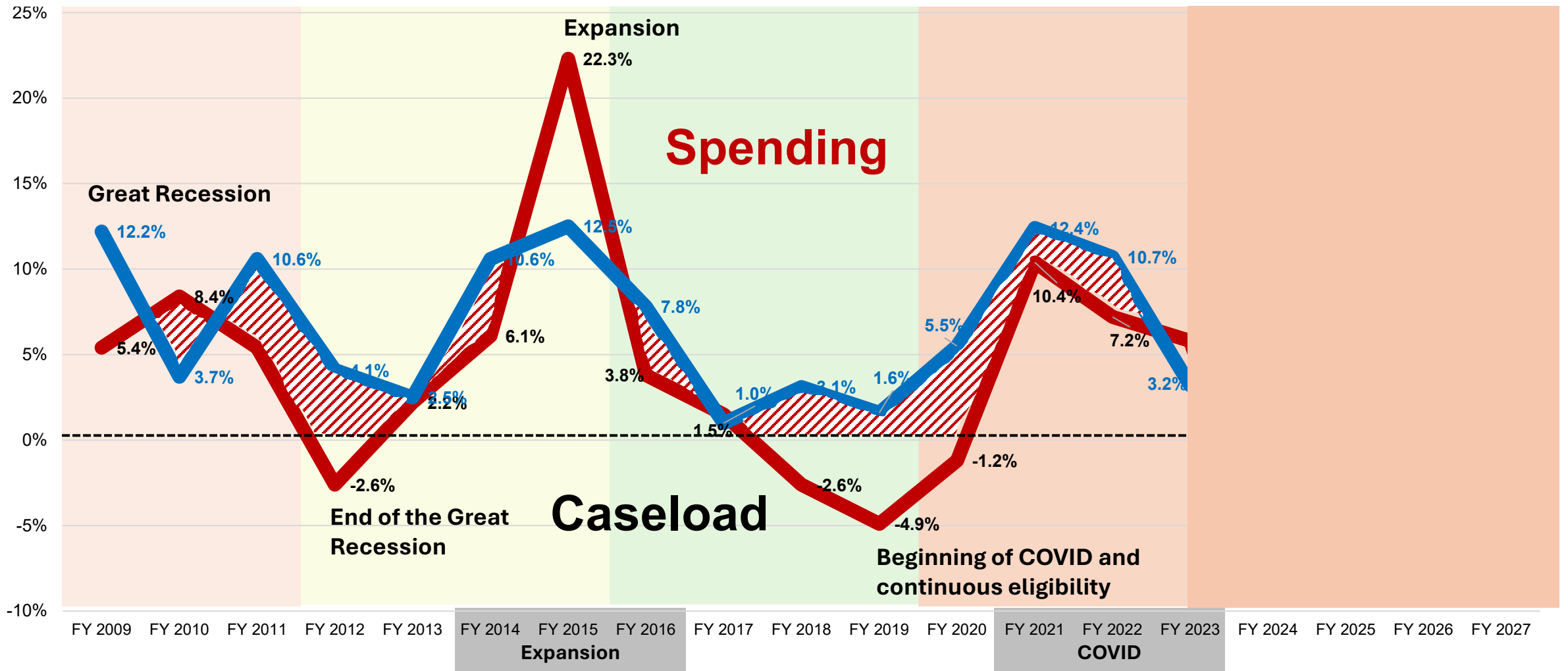
Source: [All-Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History, FY 2022-2027 (pages 3-5), Ohio Office of Budget and Management (February 3, 2025).

Ohio Medicaid Full Benefit Caseload



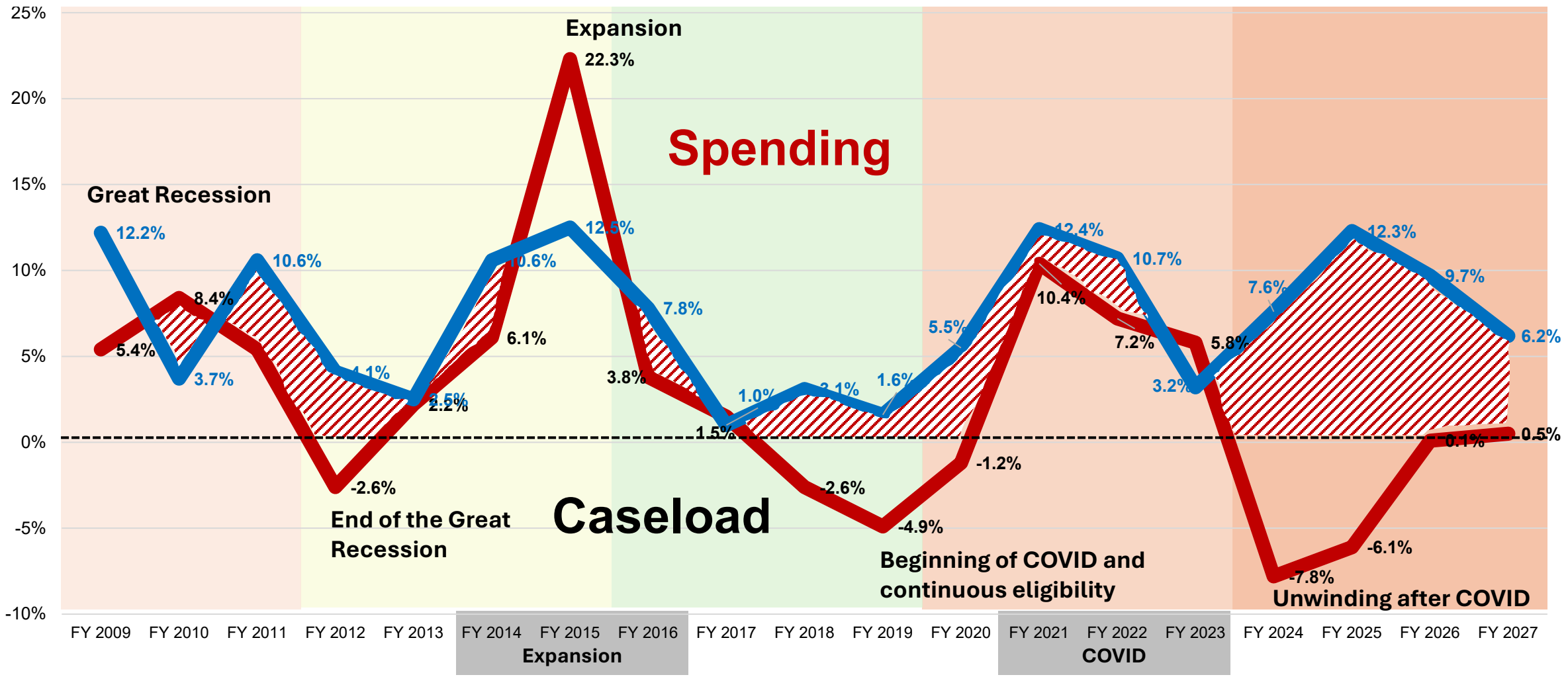
Source: [Medicaid Caseload and Expenditure Forecast Report](#), Full Benefit Medicaid Caseload, FY 2012-2027 (page 6), Ohio Office of Budget and Management (February 3, 2025)

Ohio Medicaid Percent Change in Spending and Caseload



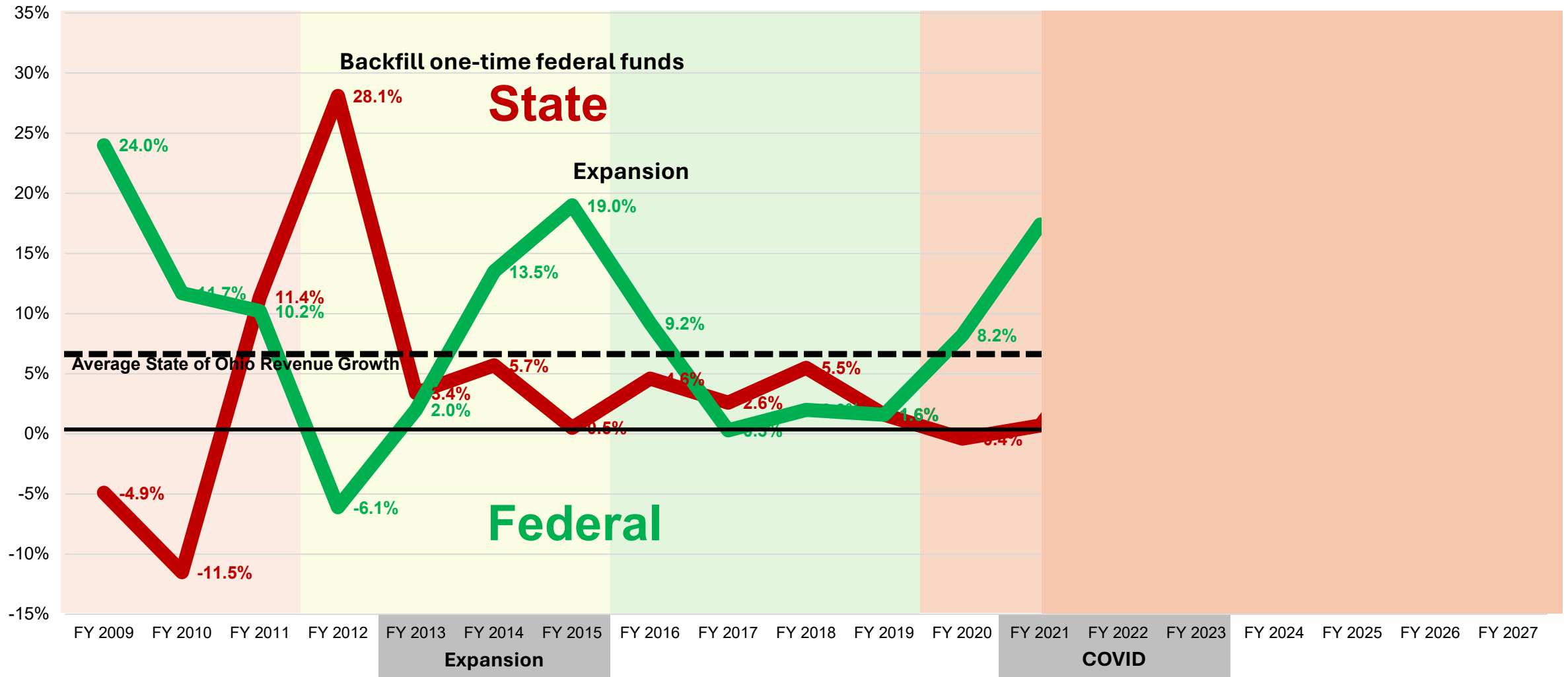
Source: Cost from [All Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History (pages 3-5) and Full Benefit Medicaid Caseload (page 6), FY 2012-2027, Ohio Office of Budget and Management (February 3, 2025).

Ohio Medicaid caseload goes down but spending goes up after 2023



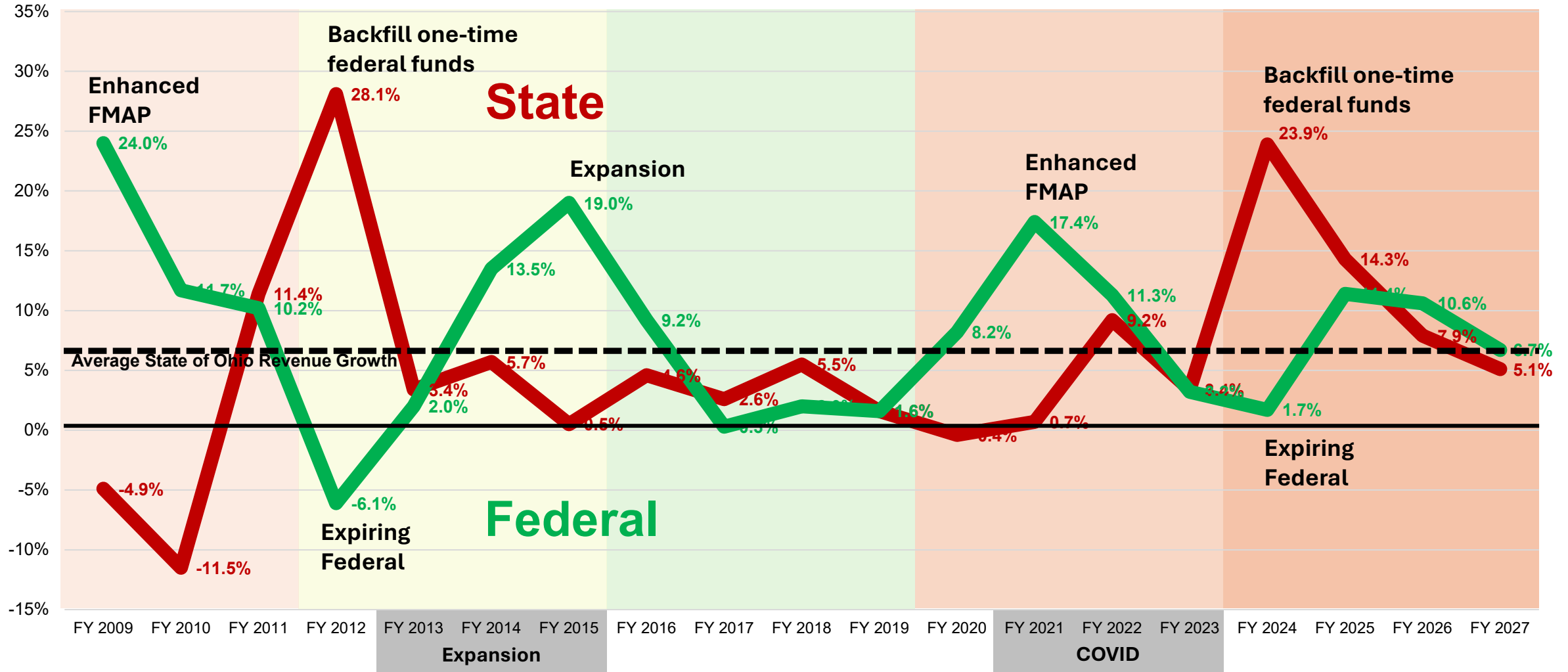
Source: Cost from [All Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History (pages 3-5) and Full Benefit Medicaid Caseload (page 6), FY 2012-2027, Ohio Office of Budget and Management (February 3, 2025).

Ohio Medicaid Percent Change in Spending by State and Federal Share



Source: [All Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History, FY 2022-2027 (pages 3-5), Ohio Office of Budget and Management (February 3, 2025).

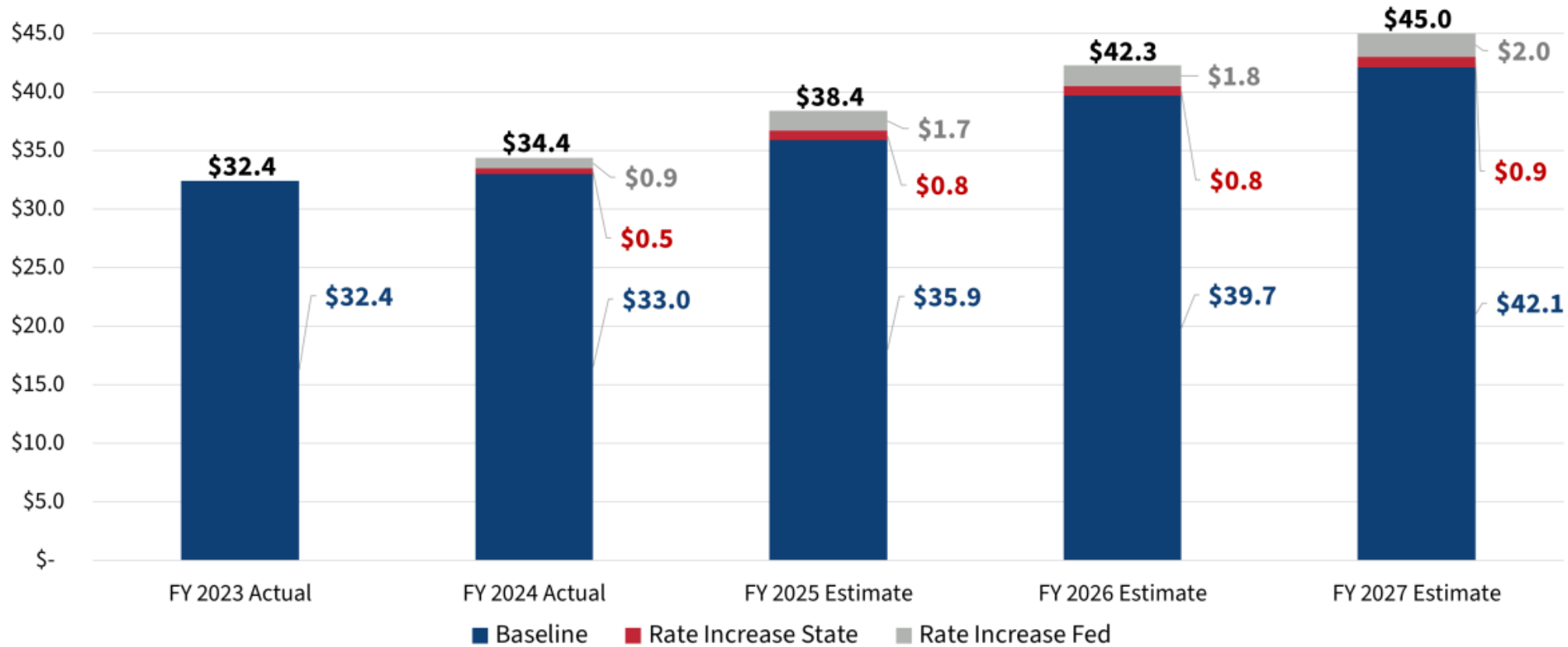
Ohio Medicaid state share spending is not sustainable after 2021



Source: [All Funds Medicaid Expenditure History](#), FY 2008-2021, Ohio Legislative Service Commission (February 2025) and [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Program - Service Expense History, FY 2022-2027 (pages 3-5), Ohio Office of Budget and Management (February 3, 2025).

Provider rate increases add \$9.6 billion to Ohio Medicaid spending over four years

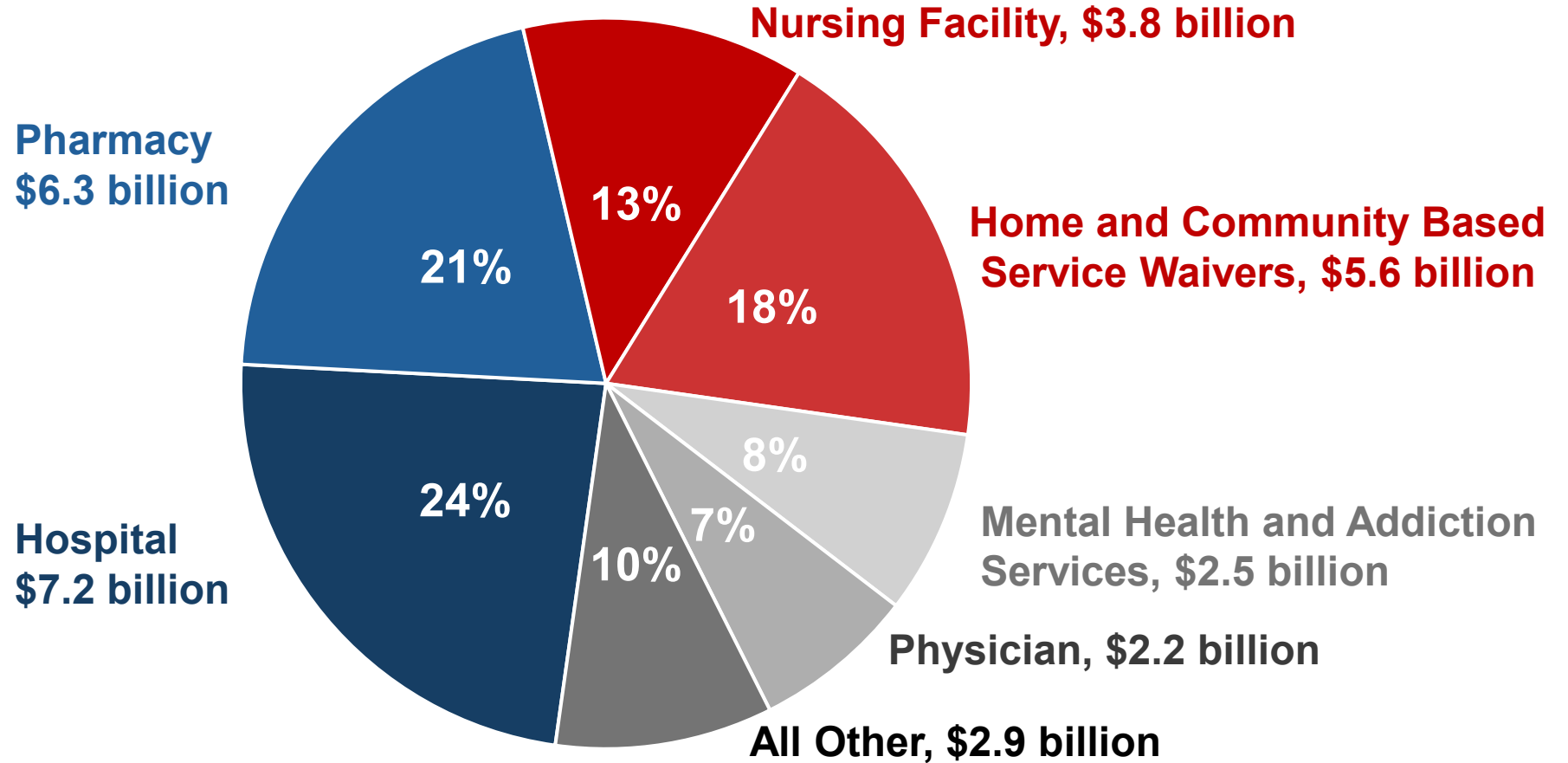
State Share increases \$3.2 billion and Federal Share increases \$6.4 billion



H.B. 96 includes \$1.7 billion in state share for provider rate increases

Source: Ohio House Medicaid Committee Testimony, Director Kimberly Murnieks, Ohio Office of Budget and Management (February 11, 2025).

Hospitals, drugs, and long-term care providers account for 76 percent of Ohio Medicaid spending (in 2024)

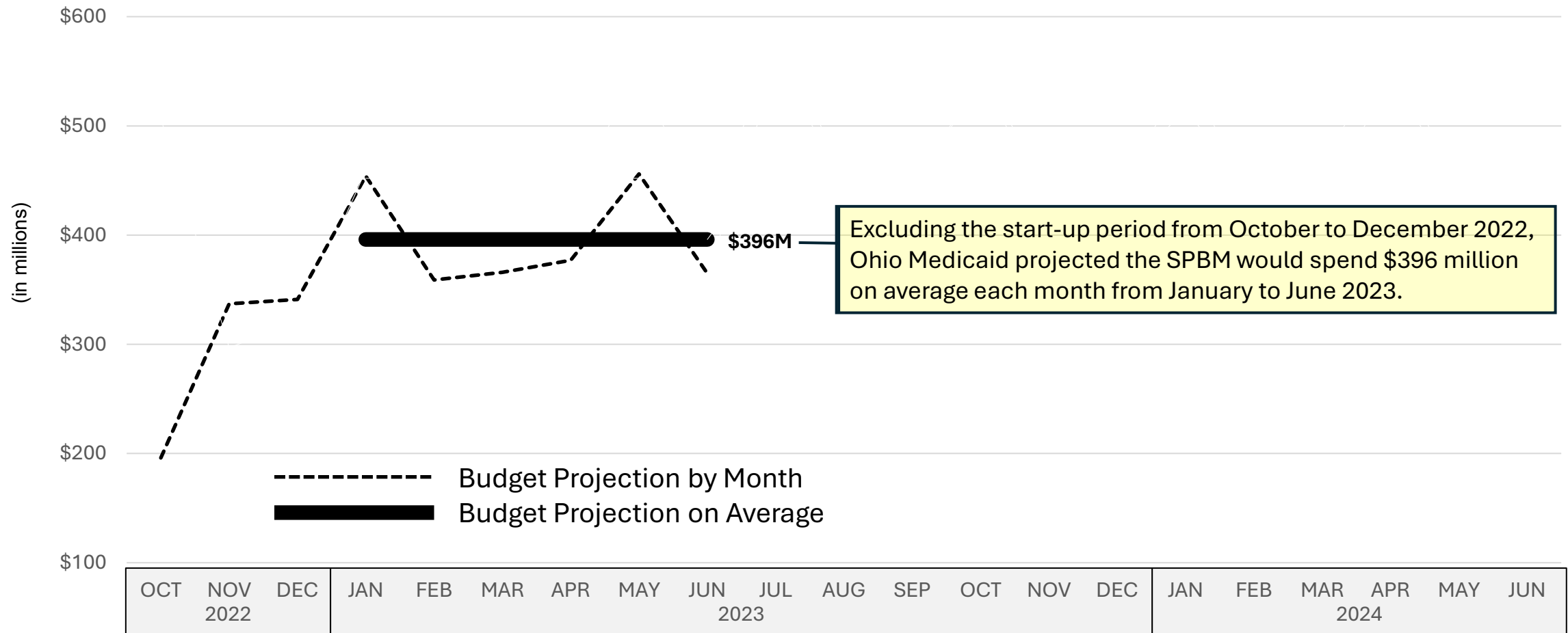


Source: [Medicaid Caseload and Expenditure Forecast Report](#), Medicaid Expenditures by Provider Type, CY 2022-2024 (page 15), Ohio Office of Budget and Management (February 3, 2025). Other includes intermediate care facility, durable medical equipment, dental, hospice, renal, ambulance, ambulatory surgery center, Medicaid schools program, wheelchair van, vision.

Ohio Medicaid NextGen Projects

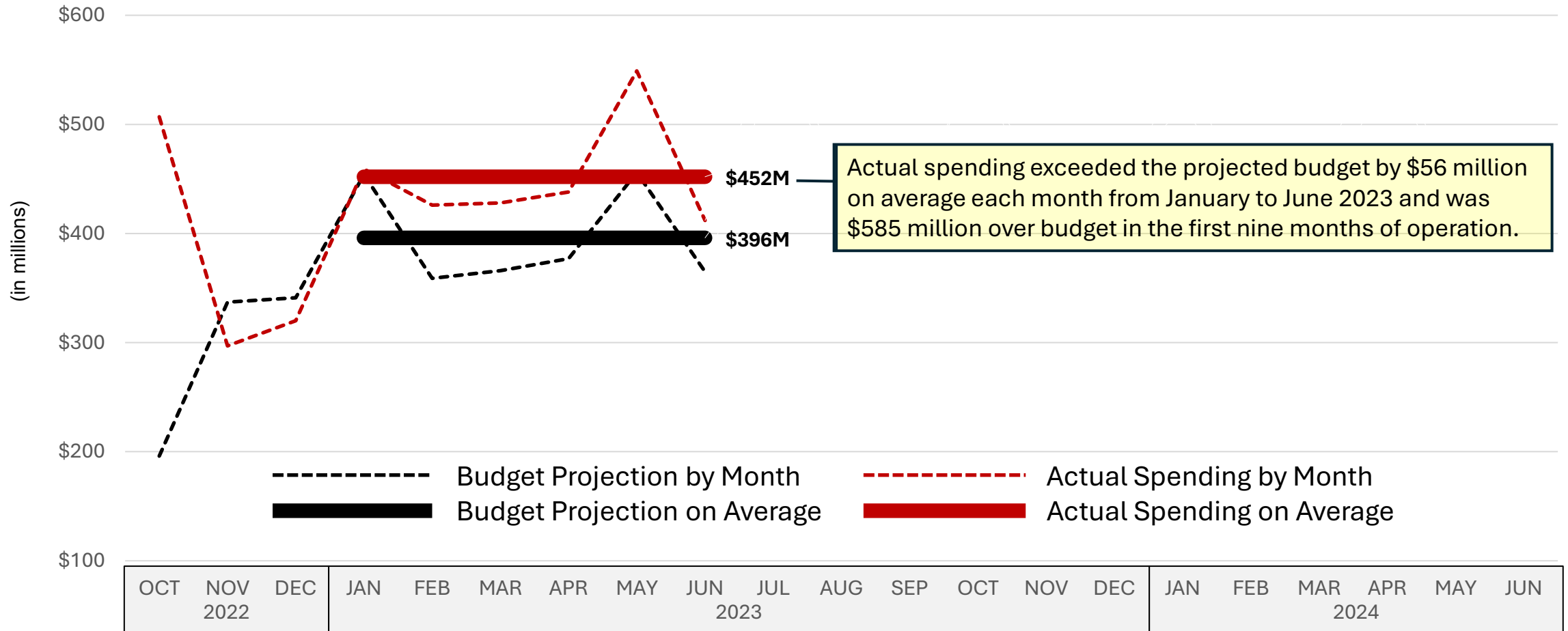
- Managed care procurement
- OhioRISE for youth with complex behavioral health needs
- Fiscal intermediary centralized claims processing
- Provider network management and centralized credentialing
- Single pharmacy benefit manager (SPBM)

Ohio Medicaid Single Prescription Benefit Manager (SPBM) budget projection and actual spending



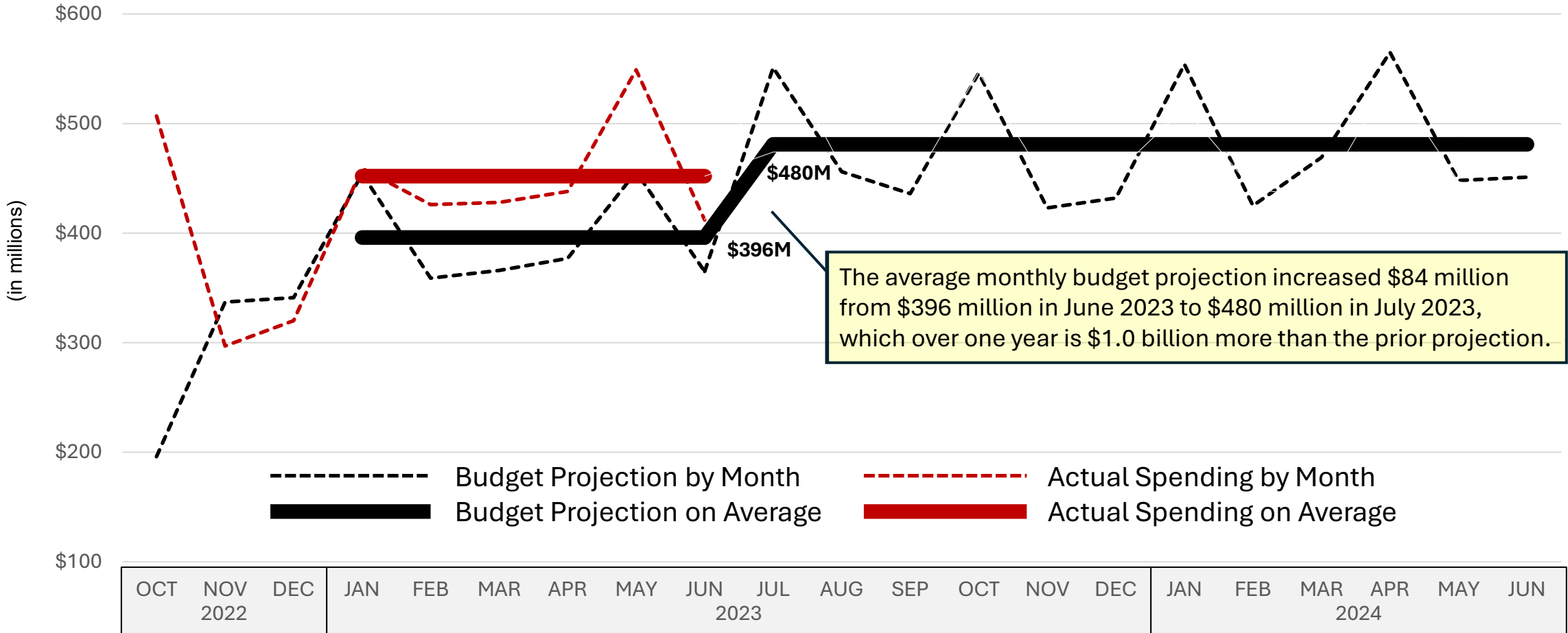
Source: [Ohio Medicaid Budget Variance Reports](#) (October 2022 to June 2024). Note: The July 2023 variance report is missing, but the August report that shows the year-to-date projection (\$1.0 billion) including July and August (\$456 million), so July is the difference between those amounts (\$551M).

Ohio Medicaid SPBM spending exceeded budget projections by \$585 million in the first nine months of operation



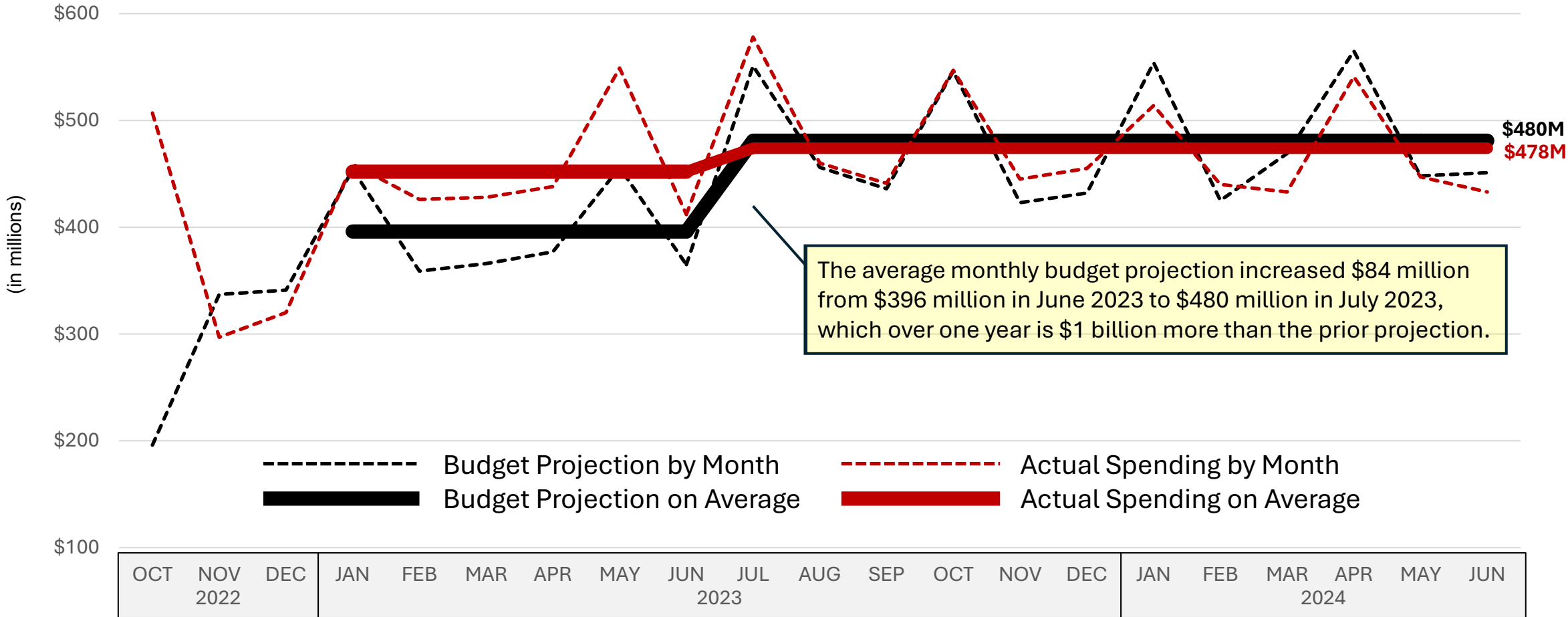
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Ohio Medicaid increased SPBM spending projections \$1 billion from FY 2023 to FY 2024



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2009 - 2011	2024-2027
Over reliance on one-time federal money	Over reliance on one-time federal money
Across-the-board provider rate increases	Across-the-board provider rate increases
Payment not tied to quality	Payment not tied to quality
34 inefficient health plan regions	Less efficiency going from 5 plans to 7
Prescription drugs carved out of managed care	Prescription drugs carved out of managed care
No coordination between Medicare and Medicaid	Plan to expand MyCare statewide in 2026
8.9 percent annual growth	8.9 percent annual growth

Source: Ohio Governor's Office of Health Transformation (2009-2011), and [Medicaid Caseload and Expenditure Forecast Report](#), Ohio Office of Budget and Management (February 3, 2025).

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