TESTIMONY

MEDICAID PROPOSALS
IN HB 64

HOUSE FINANCE COMMITTEE
HON.RYAN SMITH, CHAIR

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Ohio Consumers for Health Coverage is a nonpartisan coalition uniting the diverse consumer voice with the goal of achieving affordable, high quality health care for all. Our membership includes AFSCME Council 8 AFL-CIO, Alliance for Retired Americans in Ohio, American Cancer Society East Central Division, Center for Closing the Health Gap; Contact Center, Faith Community Alliance of Greater Cincinnati, Legal Aid Society of Southwest Ohio, National Alliance on Mental Illness of Ohio, National Multiple Sclerosis Society Ohio Chapters, Ohio Asian American Health Coalition, The Ohio Association of Centers for Independent Living, AIDS Resource Center Ohio; Ohio Citizen Advocates for Addiction Recovery, Ohio Council of Churches, Ohio Federation of Teachers, Ohio Olmstead Task Force, Progress Ohio, Service Employees International Union District 1199, Toledo Area Jobs with Justice and Interfaith Worker Justice Coalition, Urban Minority Alcoholism and Drug Abuse Outreach Program (UMADAOP Cincinnati), United Food and Commercial Workers Local 1059, UHCAN Ohio. www.uhcanohio.org

CHAIRMAN SMITH, Members of the Committee. My name is Cathy Levine. I am the Executive Director of UHCAN Ohio, a statewide, nonprofit consumer health advocacy organization. I co-chair Ohio Consumers for Health Coverage, on whose behalf I speak today.

Thank you for your committee's tireless efforts to consider massive stakeholder input into House Bill 64, as introduced, with regard to Medicaid and health provisions.

I am here today to express grave concerns about the provision requiring ODM to seek waivers for the Healthy Ohio program to Medicaid (beginning at section 5166.52 of Sub. HB 64). I'd like to lay out our objections briefly.

This plan will worsen health status for low income individuals and increase overall health care spending. Research shows that premiums and cost-sharing adversely affect low-income people, because they act as a barrier for obtaining and retaining both coverage and regular care. [1]

Conditioning Medicaid eligibility on monthly payments will cause recipients to drop coverage and stop seeking regular preventive services, especially the **12-month shutout provision**. What will happen to the many low-income people with chronic conditions, such as diabetes, asthma, hypertension, or early stage cancer or other diseases? They delay care until they are in a more advanced stage of disease, requiring more extensive care in more expensive settings, with worse outcomes. People without insurance live sicker and die sooner.[2] The Office of Health Transformation's move to preventive care in low-cost settings is designed to save money. The financial barriers this waiver puts in the way of people will cost money.

This plan adds bureaucracy, red tape, administrative costs, and inefficiency to the Medicaid program and providers. One of the great cost drivers in US health care is administrative complexity. This proposal just adds more. Who is going to bear the costs of setting up this complicated tracking system, monitoring, collecting premiums? The state of Virginia found they were losing money on administration of their premium program and abandoned such premiums because of the administrative cost. Does Ohio expect different outcomes? At the same time Ohio stakeholders are promoting enhanced primary care to improve health and lower costs, co-pays and other rules put additional strains on providers.

This plan goes farther than other state waivers, applying to all Medicaid recipients, including families and children. Erecting such barriers to the health of adults and children will take us backwards in Ohio. The current Ohio Medicaid program is making progress in improving the health of low-income families. Director McCarthy has added requirements for the managed care plans, which are expanding their efforts to improve the health of their enrollees. Give both time to implement and test their improvements. Ohio and national students of Medicaid expansion waivers also doubt that CMS will approve several components of this proposal, such as the 12-month lockout and monetary spending caps. This plan requires much more public scrutiny before legislators vote on it.

In addition, we are disappointment that the Sub.Bill does not restore Medicaid eligibility for pregnancy, family planning services, and Breast and Cervical Cancer treatment for individuals 138-200% FPL.

Thank you, and I'm happy to answer any questions you have.

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[1] National Health Law Program, http://www.healthlaw.org/publications/browse-all-publications/Medicaid-Premiums-Cost-Sharing#.VS8qx0TD-Uk

[2] Institute of Medicine, National Academy of Sciences, Consequences of Uninsurance, Policy Brief, 2009, http://bit.ly/1ziGYnQ updating their early series on the Consequences of Uninsurance.