



Process To Make Controversial Changes To Ohio's Medicaid Program Starting Soon

Written by: Karen Kasler, February 19, 2016

The state will soon start the process that could allow for controversial changes for around a million Ohioans on Medicaid. But it's a long, tough road to getting those changes put in place.

For more on this topic, watch "The State of Ohio" this weekend on your local PBS station or [here](#).

Just under three million Ohioans are on Medicaid now, including around 650,000 people who enrolled under Medicaid expansion. Republican lawmakers say they're worried about the program's sustainability, and came up with a plan in the last budget to require up to a third of those recipients to pay small monthly premiums – which would add up to \$99 annually. And their coverage would be suspended if they miss two months of payments unless they're pregnant. The plan also creates a point-based reward system for healthy lifestyle choices while penalizing non-emergency ER visits. Greg Lawson of the conservative Buckeye Institute said while this plan isn't perfect, he's happy with it.



“This is actually probably more complicated than any other that has ever been tried in any other state in terms of how it's operationally done and some of the ramifications in there,” Lawson said. “But we believe very strongly that there has to be that element of personal responsibility.”

But critics are very concerned. John Corlett was the Medicaid director under Democratic former Gov. Ted Strickland and now heads the research organization the Center for Community Solutions. He calls the program a bureaucrat's dream, and thinks it will cost more to operate than it brings in. He noted there are estimates that 15% of recipients will drop out of the program if premiums are required. But he thinks that number is conservative, based on another state's record. “The experience in Oregon over a two year period when they imposed premiums of a similar amount on people below 100% of poverty was after those two years, 73% of the people had dropped off the program.” Corlett said.

The state needs to get a waiver from the federal government to go forward with the plan. And it'll send that waiver application after a 30-day comment period. But those comments might not have much impact. Ohio Medicaid said in a statement – quoting here – “The legislative language is very prescriptive as to what is included in the waiver submission, and we are following what was specified.” Among the groups opposed to the waiver is the Universal Health Care Network of Ohio. Executive Director Steve Wagner said that's the way he understands how the process works. “Ohio Department of Medicaid is in a bad place,” Wagner said. “They have to take what the legislature has instructed them to do no matter how they might feel about the coverage changes that this impacts.”

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Office of Health Transformation director Greg Moody has been supportive of premiums for Medicaid recipients, but he's noted that no other state has been approved for a plan as extensive as Ohio's. The plan's chief architect is Rep. Jim Butler (R-Dayton). He said in September that Indiana has a similar program, and Ohio's program is even stronger toward getting more recipients engaged, resulting in better overall outcomes. "This waiver was granted to Indiana for a majority of 70% of the people in the program are under 100% of poverty. So they're exactly the population we're talking about," Butler said. "So the federal government does grant the waiver, and they only grant the waiver if you're going to provide better care, and this is exactly what this does."

The premium requirements and the suspension of coverage for people who fall behind on payments have critics concerned about people revolving in and out of the program, especially those with chronic health concerns or mental health issues who need ongoing treatment. But Corlett notes that outside parties can pay up to 75% of a recipient's premium – which he can see happening when a recipient with a suspended policy shows up at the hospital. "They find out they're Medicaid eligible. They'll say 'we will help you pay your back premium because we want to make sure we get paid by the Medicaid program,'" Corlett said. "So I don't know what that accomplishes other than it just requires a lot of administrative work."

Lawson admitted that's troubling to him too. "I'm not sure that we love that particular idea quite as much because that actually reduces that thing that we want to accomplish by getting people to put skin in the game. But it is what it is."

Public comment on the changes will open this spring. And the comments recorded during that 30-day period will be forwarded along to the feds with the application for the waiver.