



Governor's Office of
Health Transformation

Health Transformation: Next Steps in Ohio

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Governor's Office of Health Transformation

Ohio Health Care Association Winter Meeting

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www.HealthTransformation.Ohio.gov

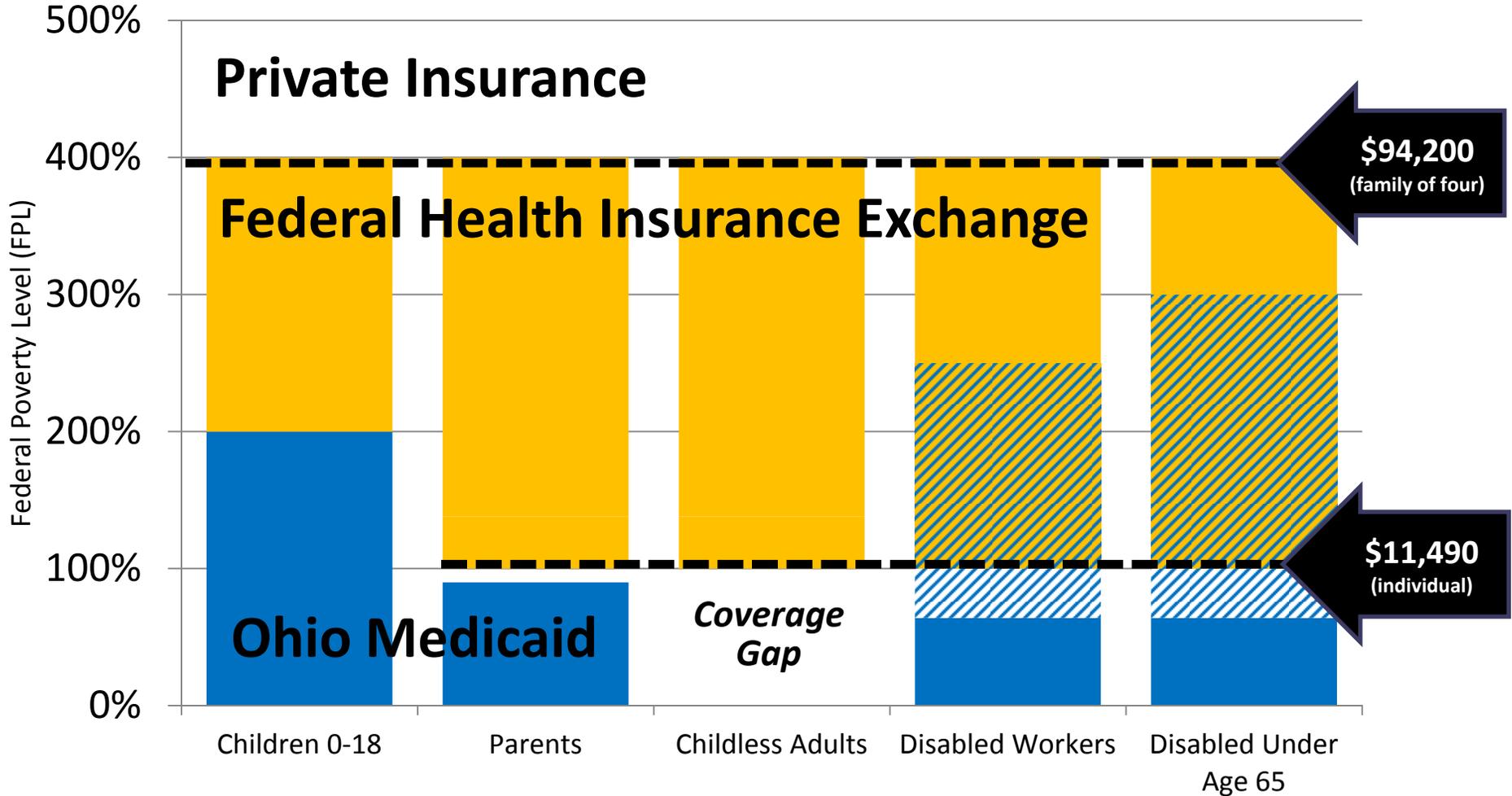
From January 30, 2013:

Challenges in the Next Budget

- Federal insurance mandates go into effect January 2014
- Individual mandate will increase enrollment in Medicaid because individuals who are currently eligible but not enrolled will come out of the “woodwork” to enroll
- Woodwork costs are at regular match (36% state share) and expected to cost Ohio \$520 million over two years
- Provider cuts are necessary to cover woodwork costs
 - Hospitals = \$500 million
 - Health plans = \$646 million
 - Other Medicaid providers = \$165 million
- Also need to decide whether or not to expand Medicaid



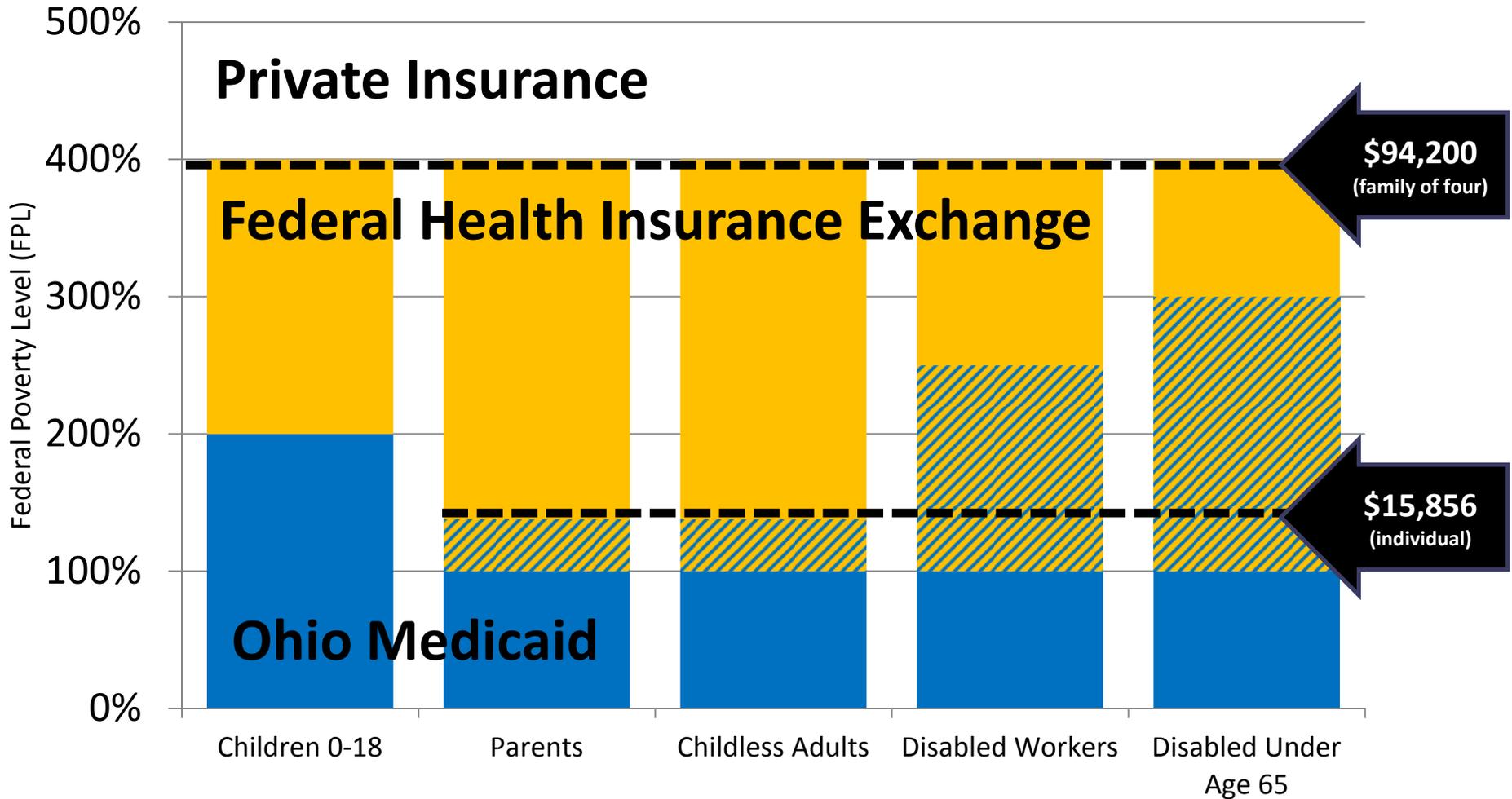
Ohio Medicaid and Insurance Exchange Eligibility (as of January 2014 without Medicaid expansion)



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SOURCE: Ohio Medicaid; Medicaid eligibility as of February 2013; Federal Health Insurance Exchange eligibility as of January 2014; 2013 poverty level is \$11,490 for an individual and \$23,550 for a family of 4; over age 65 coverage is through Medicare, not the exchange.

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Jobs Budget 2.0 (enacted June 2013)

- Balancing Incentive Program: commit to 50/50 institutional/community spending and free up \$120 million in state funds over 2 years
- Increase rates for aides, nursing services, adult day, and assisted living
- Flat funding for nursing homes with some exceptions (\$36 million over two years to update peer groups and remove wheelchairs from the rate)
- Ensure core competencies in the direct care workforce
- Strengthen quality measures for nursing facility incentive payments
- Enhance community mental health benefits: allow money to follow 1,200 nursing home residents who want to move back to the community and prevent inappropriate admissions into nursing homes
- Convert veterans who reside in NFs to federal benefits
- Provide post-acute rehabilitation in nursing facilities (incentives through rate adjustments, MyCare Ohio, and payment innovation)

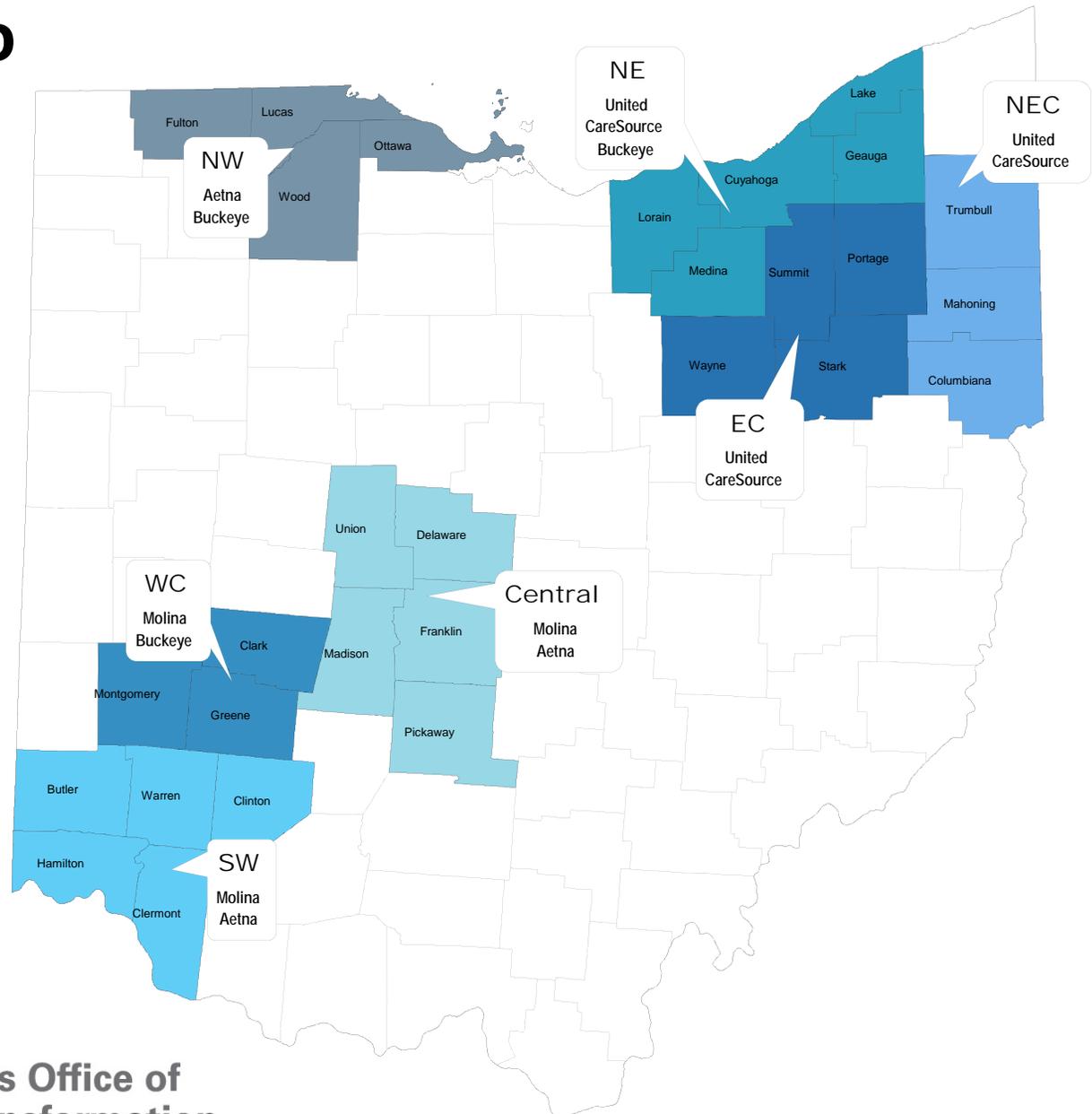


Implement *MyCare Ohio*

- 182,000 Ohioans are eligible for Medicare and Medicaid
 - 14% of Medicaid enrollment and 34% of costs
- Ohio was the 3rd state in the nation approved to implement a Medicare-Medicaid “integrated care delivery system” pilot:
 - 115,000 people (63% of Ohio’s Medicare-Medicaid population)
 - 7 regions (29 counties)
 - 5 health plans (Aetna, Buckeye, CareSource, Molina and United)
- Implementation schedule:
 - Medicaid services: phased in over three months beginning May 1, 2014
 - Medicare services: added to *MyCare Ohio* plan benefits beginning in Jan. 2015 (earlier if the individual chooses, or not at all if they opt out)



MyCare Ohio Regions



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www.healthtransformation.ohio.gov

CURRENT INITIATIVES

BUDGETS

NEWSROOM

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Current Initiatives

Modernize Medicaid

- Extend Medicaid coverage to more low-income Ohioans
- Reform nursing facility reimbursement
- Integrate Medicare and Medicaid benefits
- Prioritize home and community based services
- Create health homes for people with mental illness
- Rebuild community behavioral health system capacity
- Enhance community developmental disabilities services
- Improve Medicaid managed care plan performance

Streamline Health and Human Services

- Consolidate mental health and addiction services
- Create a cabinet-level Medicaid department
- Modernize eligibility determination systems
- Coordinate health sector workforce programs
- Coordinate programs for children
- Share services across local jurisdictions

Improve Overall Health System Performance

- Pay for health care based on value instead of volume
- Encourage Patient-Centered Medical Homes
- Accelerate electronic Health Information Exchange
- Federal Health Insurance Exchange