



Health Transformation Budget Priorities

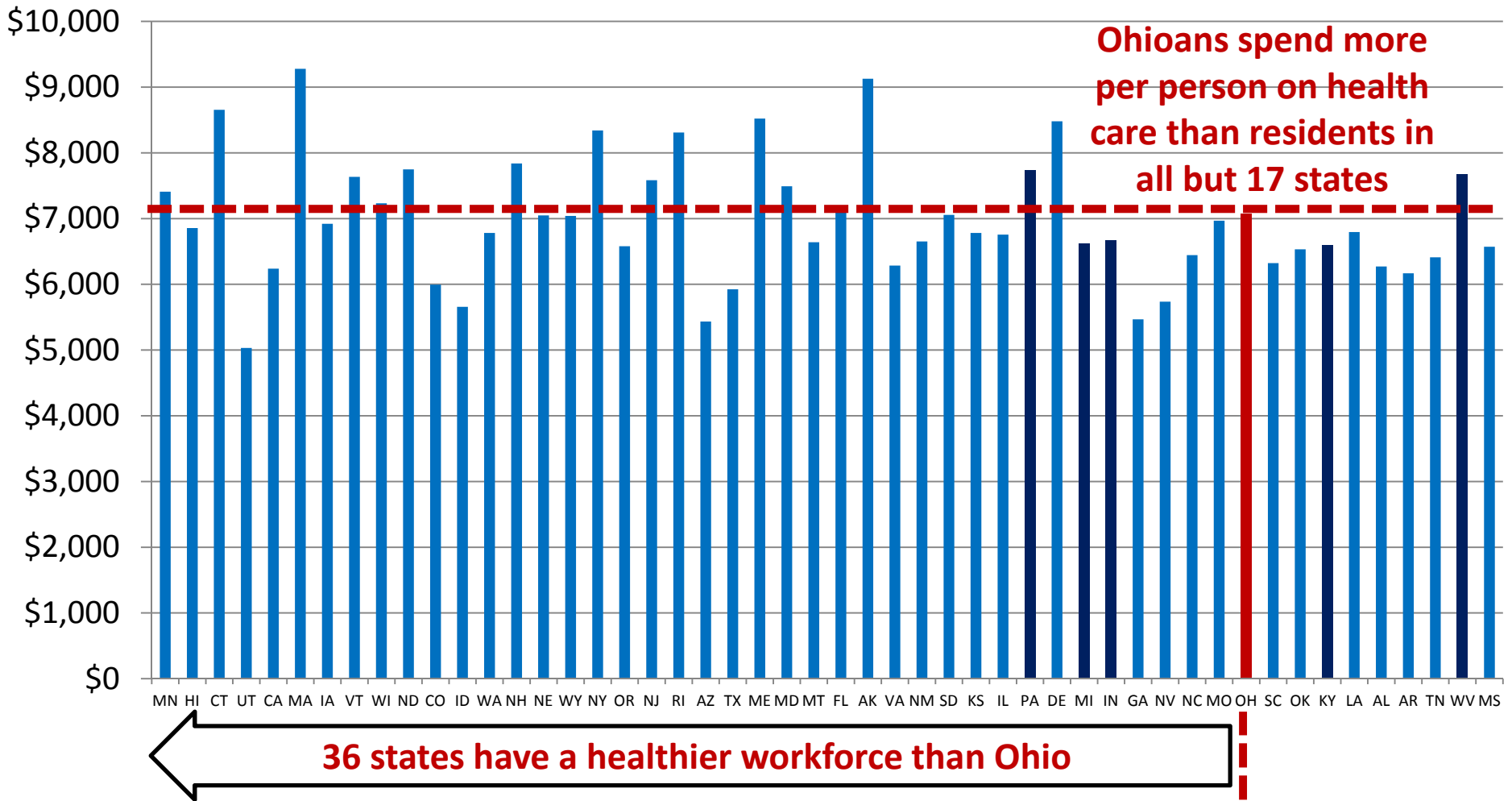
Greg Moody, Director

Governor's Office of Health Transformation

Ohio Health Care Association Winter Meeting

January 30, 2013

Health Care Spending per Capita by State (2011) in order of resident health outcomes (2009)





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Health Transformation

Modernize Medicaid – *reset Medicaid payment rules to reward value instead of volume*

Rebalance Long-Term Care – *enable seniors and people with disabilities to live with dignity in the settings they prefer*

Streamline Health and Human Services – *share services across jurisdictions to improve operational efficiencies*

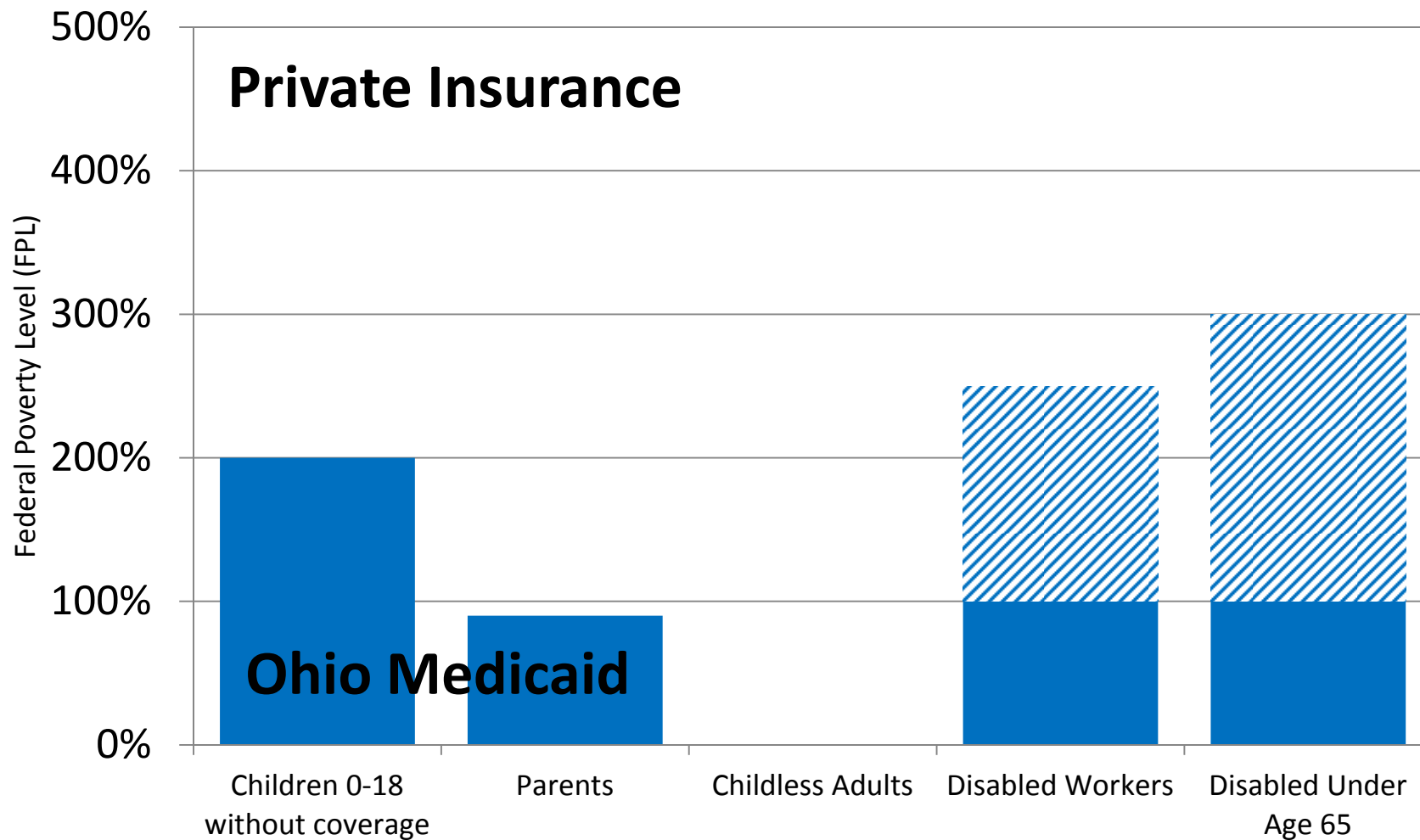
Balance the Budget – *contain Medicaid program costs in the short term and ensure financial stability over time*

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
- Also need to decide whether or not to expand Medicaid



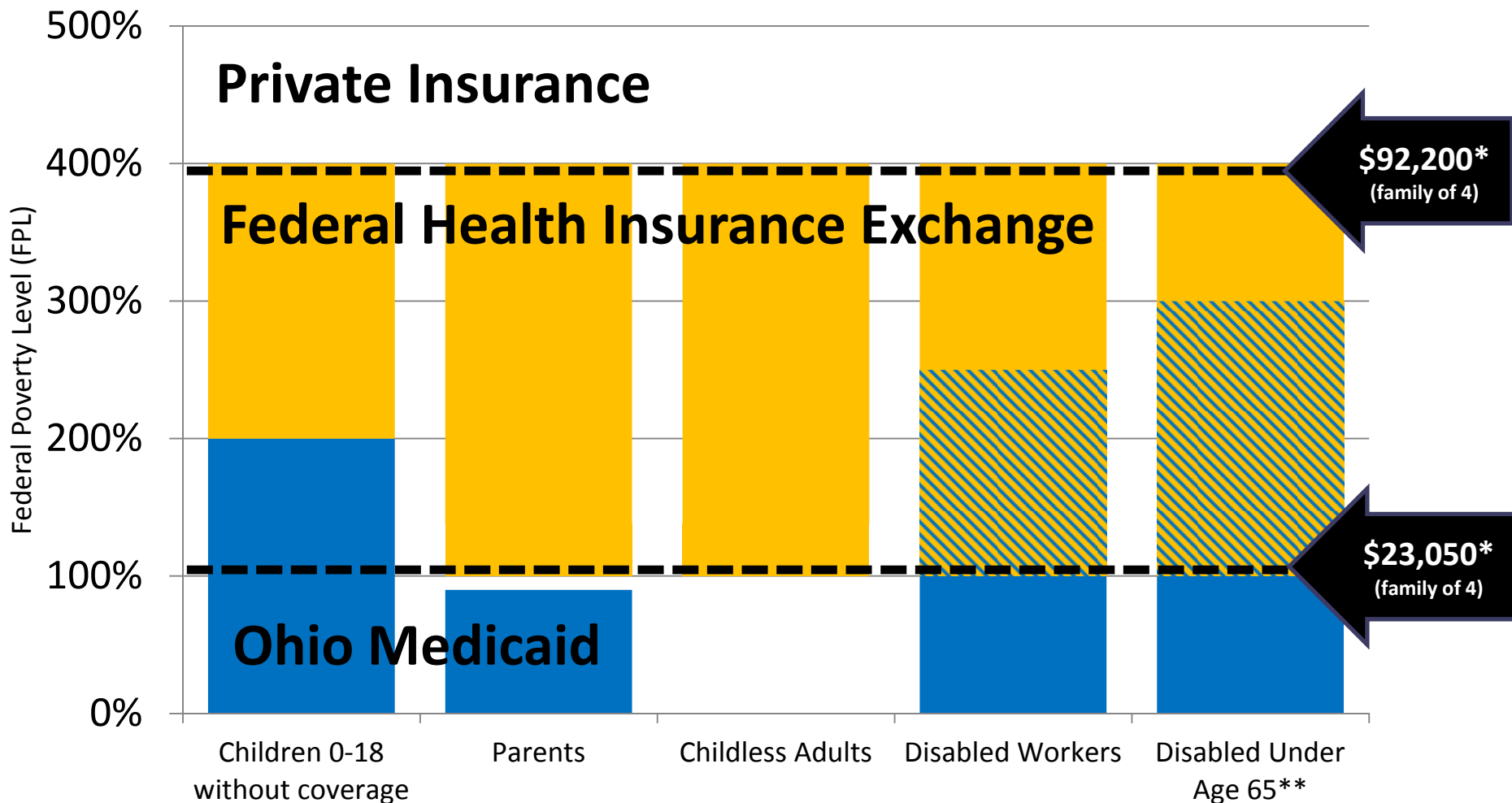
Federal Income Eligibility Levels, January 2013



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* 2012 poverty level is \$11,170 for an individual and \$23,050 for a family of 4

Federal Income Eligibility Levels, January 2014

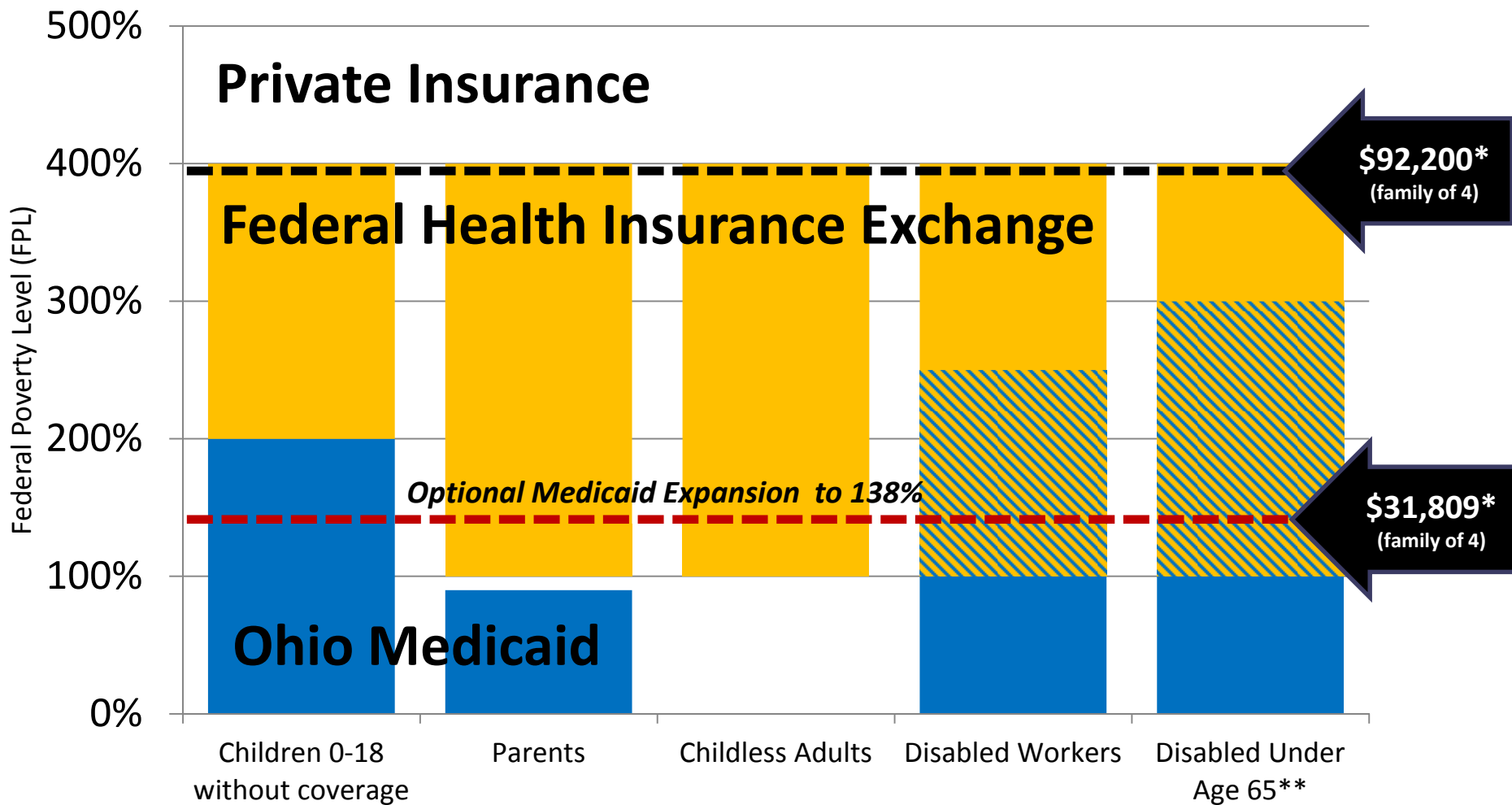


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**Over age 65 coverage is provided through Medicare, not the Exchange.

Federal Income Eligibility Levels, January 2014



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Nursing Facility Reimbursement Subcommittee

Fee-for-Service Payment Changes

- Update the quality incentive rate component
- Provide post-acute rehabilitation in nursing facilities
- Enhance community mental health benefits
- Convert veterans who reside in NFs to federal benefits
- Adjust peer groups, extend “critical access” add-on

Other Related Initiatives

- Clarify definitions for facilities that specialize in care
- Strengthen the survey process through plans of correction
- Update licensure requirements
- Consider additional regulatory relief





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Current Initiatives

Modernize Medicaid

- Reform nursing facility reimbursement
- Integrate Medicare and Medicaid benefits
- Rebalance spending on long-term services and supports
- Create health homes for people with mental illness
- Restructure behavioral health system financing
- 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
- Integrate HHS information capabilities
- 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

Stay Informed

- Sign up for health transformation updates
- Share your common-sense ideas

Recently Added

- OHT submits a State Innovation Model Design Grant Application
- Update: Final Tentative Selection of ICDS Plans
- OHT releases detailed estimates of Medicaid enrollment
- Press Release: Kasich Administration Announces Next Steps to Modernize Medicaid

Related Topics

- Strategic Framework
- Guiding Principles
- Chartbooks
- Accomplishments