Building Momentum: Transforming Ohio's Health and Human Services

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Governor's Office of Health Transformation

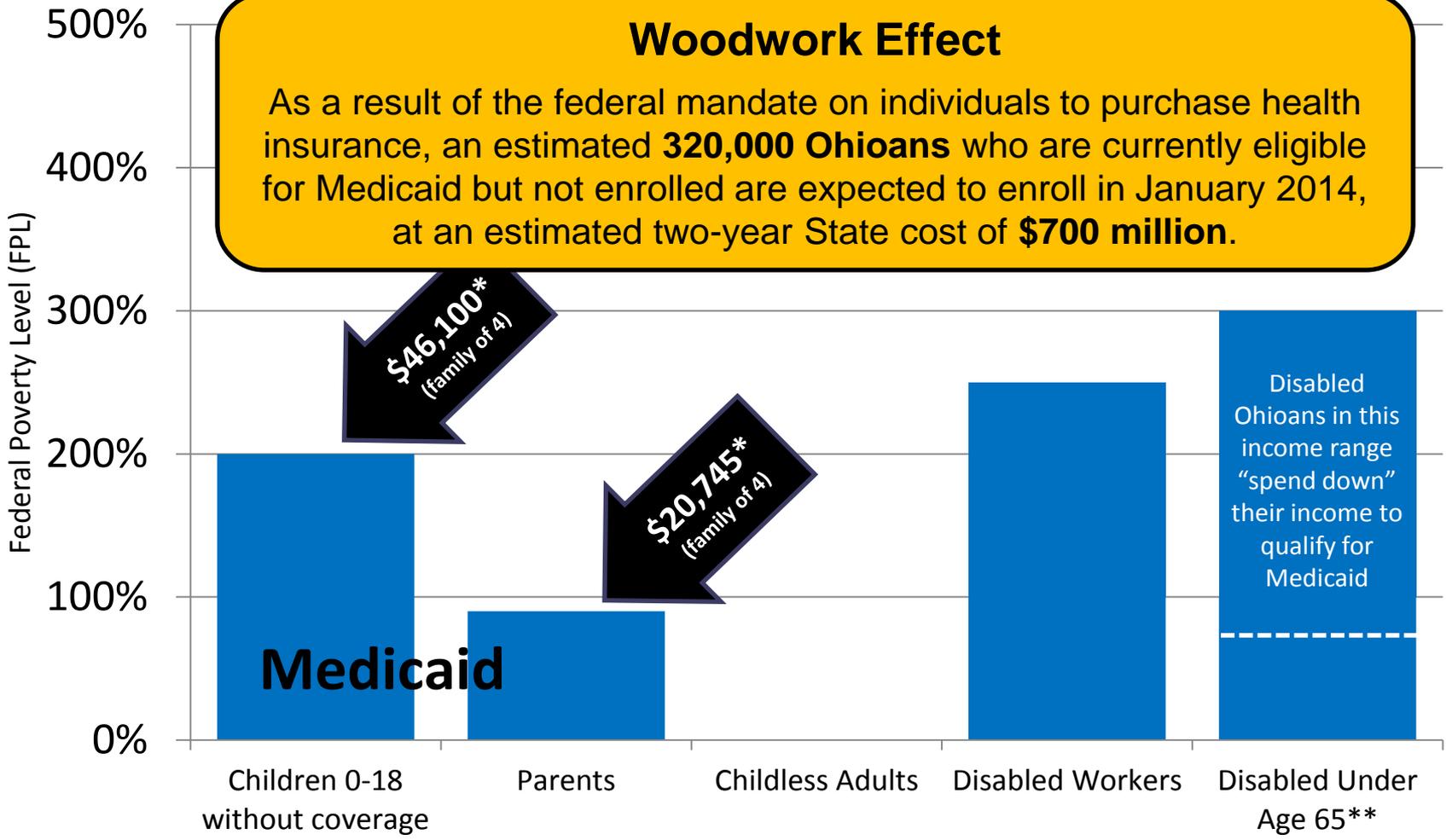County Commissioners Association Winter Conference
December 10, 2012

Federal Health Care Reform:
Patient Protection and Affordable Care Act (ACA)

- Individual mandate to purchase health insurance

- Insurance market reforms: limit preexisting conditions, guaranteed issue, community rating

- Health benefit exchange: provide individuals with income between 100% and 400% of poverty a sliding-scale federal subsidy to purchase private insurance

- Expand Medicaid to everyone below 138% of poverty

- The Supreme Court upheld all provisions of the ACA but made the Medicaid expansion *optional* for states

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Current Ohio Medicaid Coverage
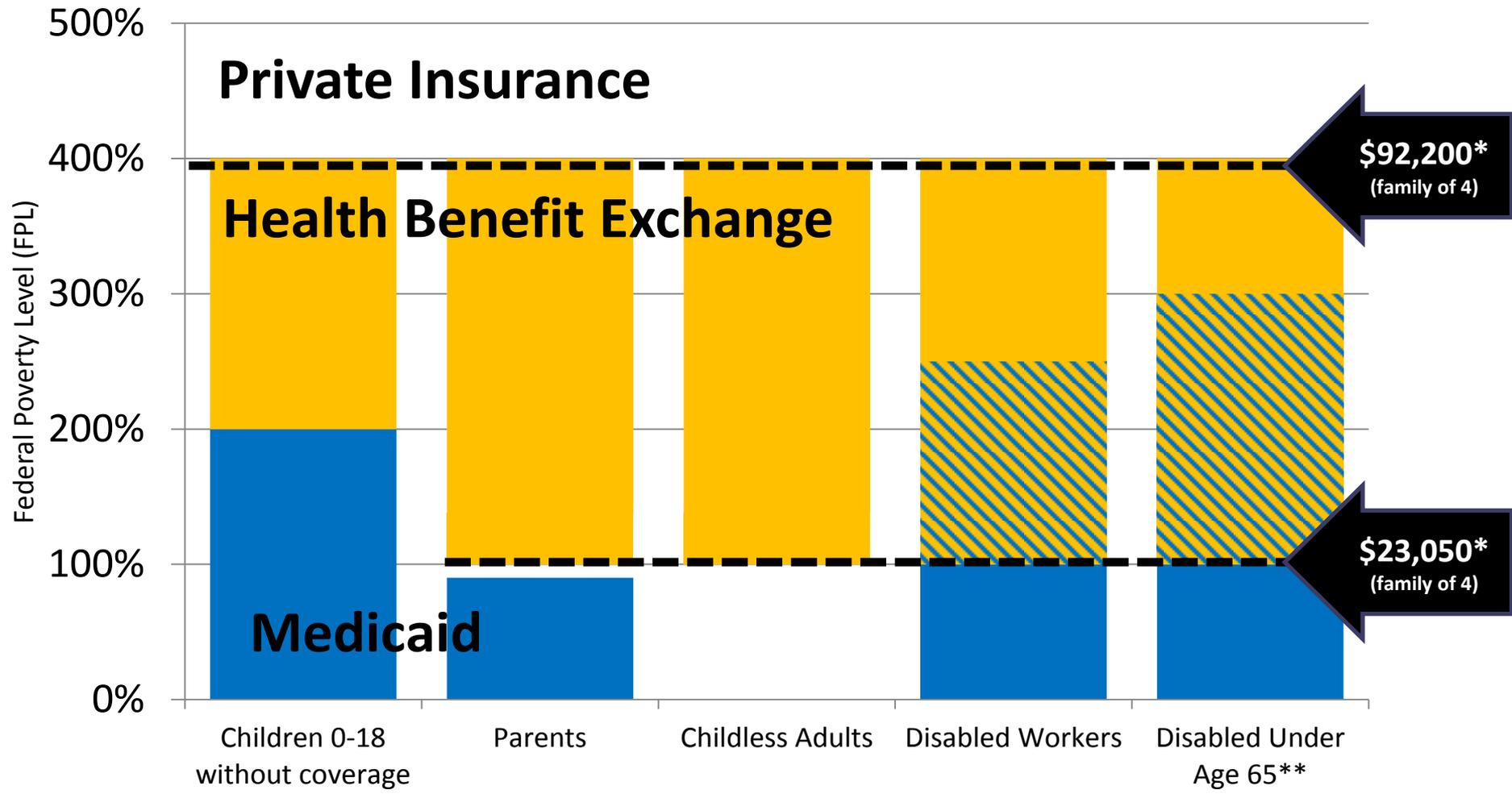
Federal Poverty Level (FPL)

Woodwork Effect

As a result of the federal mandate on individuals to purchase health insurance, an estimated **320,000 Ohioans** who are currently eligible for Medicaid but not enrolled are expected to enroll in January 2014, at an estimated two-year State cost of **$700 million**.

$46,100*
(family of 4)

$20,745*
(family of 4)

Medicaid

Disabled Ohioans in this income range "spend down" their income to qualify for Medicaid

500%

400%

300%

200%

100%

0%

Children 0-18 without coverage

Parents

Childless Adults

Disabled Workers

Disabled Under Age 65**

Current Ohio Medicaid Eligibility

* The 2012 poverty threshold is $11,170 for an individual and $23,050 for a family of four.

Affordable Care Act:
# Federal Income Eligibility Levels in 2014

Private Insurance

Health Benefit Exchange

Medicaid

$92,200*
(family of 4)

$23,050*
(family of 4)

Federal Poverty Level (FPL)

500%
400%
300%
200%
100%
0%

Children 0-18 without coverage | Parents | Childless Adults | Disabled Workers | Disabled Under Age 65**

■ Current Ohio Medicaid Eligibility   ■ Federal Exchange Eligibility

* The 2012 poverty threshold is $11,170 for an individual and $23,050 for a family of four.
**Over age 65 coverage is provided through Medicare, not the Exchange.

Affordable Care Act:
Federal Income Eligibility Levels in 2014
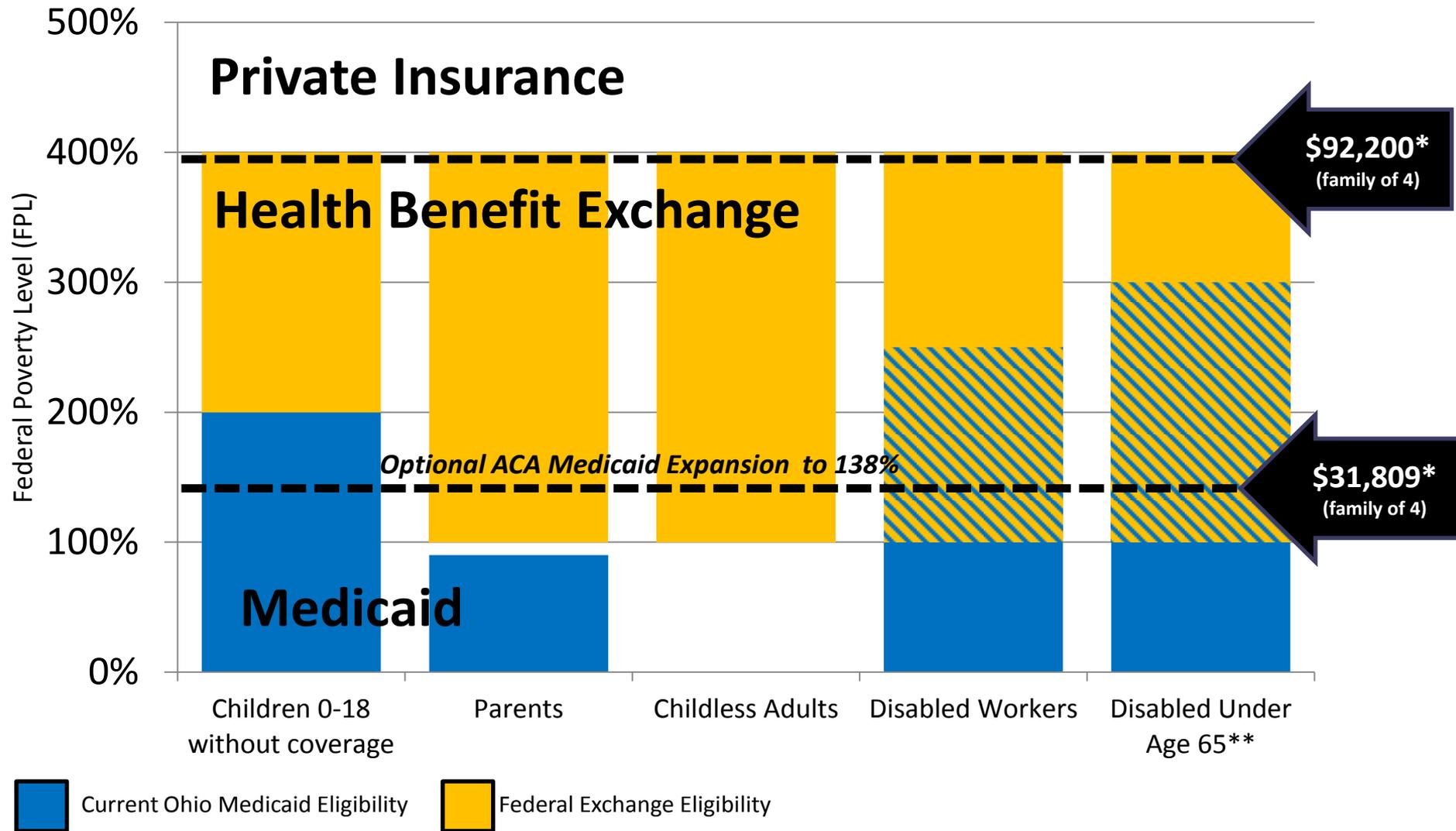
* The 2012 poverty threshold is $11,170 for an individual and $23,050 for a family of four.
**Over age 65 coverage is provided through Medicare, not the Exchange.

After the Supreme Court Decision: Key Health Policy Questions for Ohio

- Can Ohio further reform its insurance market to promote competition and affordability?

- Should Ohio build a state-run health benefit exchange or coordinate with a federal exchange?

  - *Federally-run exchange but Ohio retains authority to regulate plans and determine Medicaid eligibility*

- Should Ohio expand Medicaid eligibility or not?

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Ohioans spend more per person on health care than residents in all but 17 states[1]
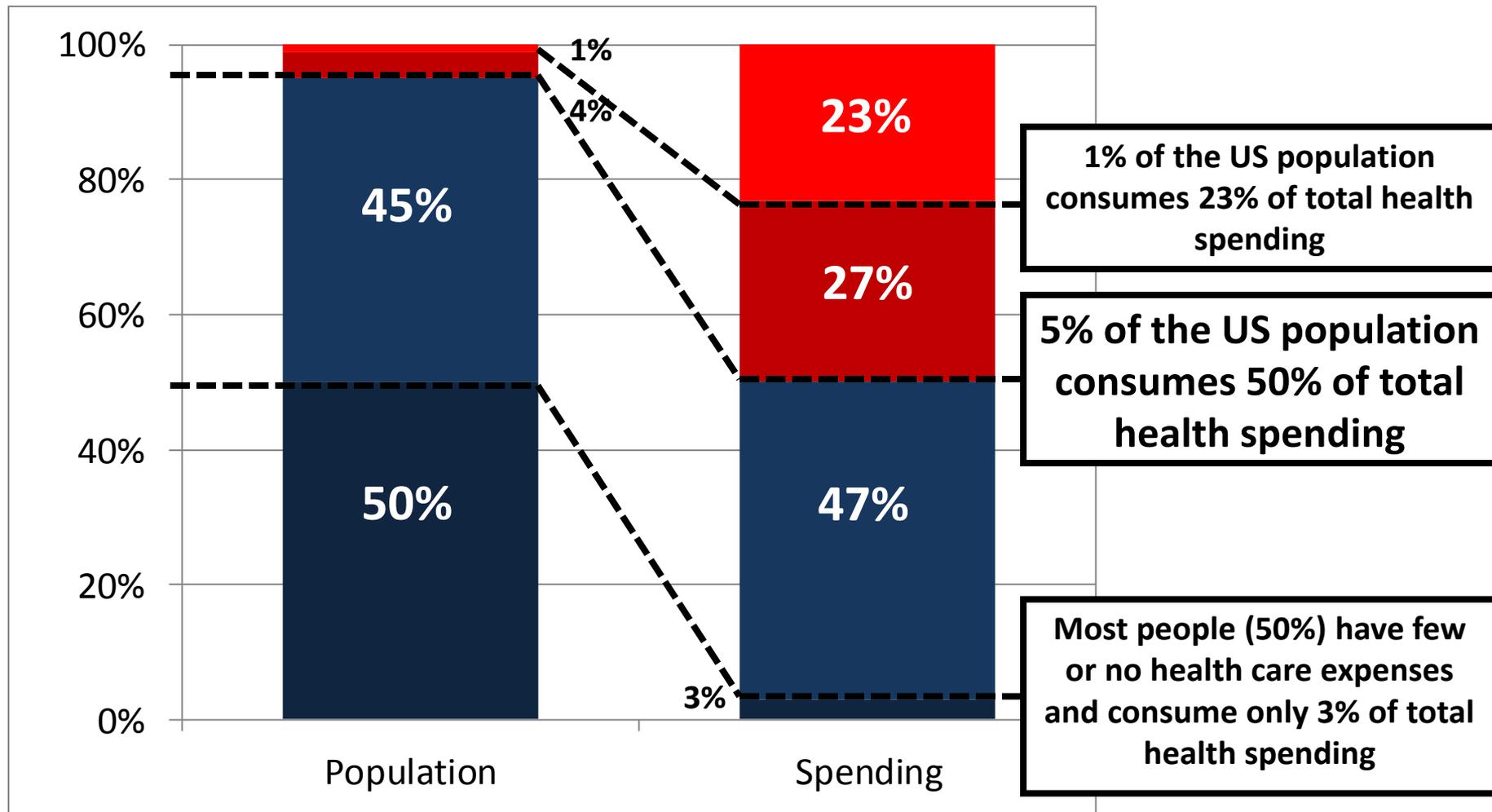
Rising health care costs are eroding paychecks and profitability

Higher spending is not resulting in higher quality or better outcomes for Ohio citizens

36 states have a healthier workforce than Ohio[2]

Sources: (1) Kaiser Family Foundation State Health Facts (December 2011), (2) Commonwealth Fund 2011 State Scorecard on Health System Performance

Medical Hot Spot:
A few high-cost cases account for most health spending

1% of the US population consumes 23% of total health spending

5% of the US population consumes 50% of total health spending

Most people (50%) have few or no health care expenses and consume only 3% of total health spending

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Health Care System Choices

Fragmentation	vs.	Coordination
• Multiple separate providers		• Accountable medical home
• Provider-centered care		• Patient-centered care
• Reimbursement rewards volume		• Reimbursement rewards value
• Lack of comparison data		• Price and quality transparency
• Outdated information technology		• Electronic information exchange
• No accountability		• Performance measures
• Institutional bias		• Continuum of care
• Separate government systems		• Medicare/Medicaid/Exchanges
• Complicated categorical eligibility		• Streamlined income eligibility
• Rapid cost growth		• Sustainable growth over time

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Ohio Health and Human Services Innovation Plan

Modernize Medicaid	Streamline Health and Human Services	Improve Overall Health System Performance
Medicaid Cabinet: Aging, ODADAS, ODMH, DODD, Medicaid; with connections to JFS	**HHS Cabinet:** DAS, OBM, OHT (sponsors); JFS, RSC, AGE, ADA, MH, DD, ODH, Medicaid; with connections to ODE, DRC, DYS, DVS, ODI, TAX	**Payment Reform Task Force:** Medicaid, BWC, DAS, DEV, DRC, JobsOhio, OHT, OPERS, ODI, TAX
• Reform nursing facility payment • Update provider regulations to be more person-centered • Integrate Medicare and Medicaid benefits • Create health homes for people with mental illness • Restructure behavioral health system financing • Improve Medicaid managed care plan performance • Transfer ICF program to DD • Coordinate Medicaid with other state programs	• Create a unified Medicaid budget, accounting system • Create a cabinet-level Medicaid department • Consolidate ODMH/ODADAS • Integrate HHS information capabilities, incl. eligibility • Coordinate housing and workforce programs • Coordinate programs for children • Share services across local jurisdictions • Recommend a permanent HHS structure (coming soon)	• Participate in Catalyst for Payment Reform • Provide access to medical homes for most Ohioans • Use episode-based payments for acute medical events • Pioneer accountable care organizations • Accelerate electronic health information exchange • Promote insurance market competition and affordability • Support local payment reform initiatives

Priorities to Coordinate with Counties

- Restructure behavioral health system financing

- Consolidate mental health and addiction services

- Create a cabinet-level Medicaid department

- Simplify eligibility policy

- Modernize eligibility systems (replace CRIS-e)

- Share services across local jurisdictions

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Shared Health and Human Services

- 18-county DD Region V planning collaborative to standardize processes and share administrative services

- 15 counties share DD superintendents and other key staff

- 9 counties (Westcon) coordinate expanded training for early intervention and autism therapy- P.L.A.Y

- 41 county JFS departments are combined with public children's services, child support enforcement, and workforce

- City of Akron, City of Barberton, and Summit County created a single, county-wide health district

- 7-county Collabor8 virtual call center and case management system pools applications for Medicaid, food stamps, and cash assistance

- Four County JFS joined to create and maintain Job-A-Bego

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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

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