



**TESTIMONY OF MICHAEL R. SMALZ, FOR
OHIO CONSUMERS FOR HEALTH COVERAGE AND OHIO POVERTY LAW CENTER
HOUSE FINANCE: HEALTH AND HUMAN SERVICES SUBCOMMITTEE**

Chairman Romanchuck, Ranking Minority Member Sykes, and Subcommittee Members:

My name is Michael R. Smalz. I am testifying on behalf of the Ohio Poverty Law Center (OPLC) and Ohio Consumers for Health Coverage (OCHC). I am a senior attorney with OPLC. OPLC is a statewide law office that pursues statewide advocacy to protect, enforce and expand the legal rights of low-income Ohioans. OPLC is a member of Ohio Consumers for Health Coverage (OCHC). OCHC is a coalition of over 20 organizations that has worked since 2007 to unite consumer voices – including tens of thousands of health care consumers - with the goal of achieving affordable, high quality healthcare for all Ohioans. To that end we urge the General Assembly to continue the Medicaid expansion and to reject any mandatory waivers that would jeopardize access to health care by low-income Ohioans.

We believe that Ohio should strive to attain the highest level of health for all of its people. As noted in the recently published Ohio 2017-2019 State Health Improvement Plan, “achieving health equity requires valuing everyone equally with focused and ongoing societal efforts to address avoidable inequalities, historical and contemporary injustices, and the elimination of healthcare disparities.” Healthcare disparities in Ohio occur by gender, race, ethnicity, education, income, and disability. The most glaring health disparities in Ohio are related to income and race.

Fortunately, great strides have been made in extending healthcare access to low-income Ohioans because of the Ohio Medicaid expansion implemented in 2014. The expansion of Medicaid to cover all Ohioans with household incomes up to 138% of the federal poverty level has dramatically reduced barriers to healthcare for low-income Ohioans. Today there are more than 700,000 Ohioans covered in the expansion category. According to the Ohio Group VIII Medicaid Expansion Assessment released by the Ohio Department of Medicaid last December, there has been a 56% reduction in the uninsured rate among low-income Ohio adults, and 89% of the new Medicaid enrollees had no health insurance at the time of enrollment.

Moreover, healthcare coverage gains under the Medicaid expansion have translated into real gains in access to healthcare and health outcomes. The Medicaid Expansion Assessment found that 94% of the Medicaid expansion enrollees reported improved or the same access to care, and 59% of the newly eligible Medicaid recipients who did not have a regular medical provider before the Medicaid enrollment have obtained one since enrollment. Meanwhile, 34% of the newly eligible Medicaid enrollees reported visiting hospital emergency departments less often since enrollment in Medicaid. A study by Cleveland-based MetroHealthCare of its Medicaid enrollees had similar findings: health outcomes improved, emergency hospitalization went down, and enrollees improved their utilization of preventive care and behavioral health services.

Being able to see a primary care provider as a result of the Medicaid expansion has in turn led to improved healthcare and outcomes. For example, 27% of the Medicaid expansion enrollees received a chronic

disease diagnosis, and the majority of the enrollees with chronic diseases such as diabetes or hypertension found it easier to manage those conditions. Notably, 48% of the enrollees reported improvements in their self-rated health.

Moreover, Medicaid expansion is an essential component of the Ohio 2017-2019 State Health Improvement Plan. The State Plan focuses on improved health outcomes and the elimination of health disparities in three priority areas: mental health and addiction; chronic disease; and maternal and infant health. The Plan identifies various health care system and access strategies as being necessary to achieve improved health outcomes in those priority areas. The Plan specifically identifies “maintaining current Medicaid extension eligibility levels” as a key strategy for addressing all three priority areas.

However, the adoption of any mandatory waivers that jeopardize access to health care would undermine the effectiveness of the Medicaid expansion in attaining improved health outcomes and reducing health disparities. The State should not impose—through the waiver process or otherwise—additional financial barriers to Medicaid participation in the form of unaffordable premiums or cost sharing that would cause significant attrition in Medicaid participation. Especially troubling would be any proposal to impose premiums on individuals with household incomes of less than the federal poverty level. Large numbers of people dropped from Medicaid coverage when other states implemented premiums.¹ Some people – especially people experiencing recurrent crises such as drug addicts and the mentally ill – would inevitably miss some premium payments and suffer disruptions of health care (churning) that harm their recovery.

Notably, both the State Plan and local addiction service providers have highlighted the important role of the Medicaid expansion in fighting the state’s epidemic of opioid addiction that has devastated so many lives in Ohio. Without the Medicaid expansion many opioid addicts would not be able to afford necessary treatment. Let me give you two client examples. K. is 22, lives in Clermont County, is addicted to heroin, and is receiving group counseling and medication for her addiction. She has Medicaid only because of the expansion and is doing well in treatment. Another example: T. is 25, lives in Highland county, is addicted to heroin, and is now getting the monthly shot that supports his recovery because he was found eligible for the Medicaid expansion. The Medicaid expansion has proven to be a lifesaver for these individuals and countless others like them.

The imposition of premiums and the resulting loss of Medicaid coverage would also exacerbate health disparities. Infant mortality is a glaring example. Black infants are more likely than white infants to die in Ohio during their first year of life. The health of a baby is tied to the mother’s health before, during, and after childbirth. Women without health coverage are less likely to see a doctor before their pregnancy. Therefore, the Medicaid expansion is an essential component of the State’s efforts to reduce the high rate of infant mortality in communities of color.

In summary, continued Medicaid expansion without the creation of financial barriers such as Medicaid premiums is essential to ensuring access to healthcare for low-income Ohioans, reducing health disparities, and achieving better health outcomes in Ohio’s low income population. It is also a critical tool in the State’s efforts to address priority areas in the State Health Improvement Plan: mental health and addiction; chronic disease; and maternal and infant health. For all these reasons, OCHC urges the General

¹ For example, in Indiana 30% did not make their premium payments, and U.S. Department of Health and Human Services research found that even modest co-payments can reduce access to medical care. In addition, a 2014 study published in the Journal of Health Economics found that among the poorest Medicaid enrollees, a monthly premium of up to \$10 results in fewer months of continuous enrollment for adults and children.

Assembly to continue Ohio's highly successful Medicaid Expansion and to reject any mandatory waivers that would jeopardize access to healthcare by low-income Ohioans.

Thank you. I would be happy to answer any questions.

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