



House Bill 49
Interested Party Testimony

Gary Dougherty
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American Diabetes Association
Senate Finance Subcommittee on Health and Medicaid – May 17, 2017

Chairman Hackett and Members of the Committee:

On behalf of the 1.3 million Ohioans with diabetes, as well as the additional 3.1 million with prediabetes, the American Diabetes Association recognizes that the state operating budget contains hundreds of provisions, some of which are favorable to those with or at risk of diabetes and some that we believe are harmful.

In separate testimony, I will share the Association's support for continued funding for the Healthy Food for Ohio (HFFO) program. This written testimony will focus on the Association's support for expansion of the National Diabetes Prevention Program as well as two provisions regarding Medicaid which the Association finds troubling.

1.) National Diabetes Prevention Program

HB 49 was amended in the House to include an appropriation of \$250,000 in each of the next two fiscal years for certain tax-exempt organizations providing the National Diabetes Prevention Program to assist in the expansion of the program in Ohio.

With 3.1 million Ohioans, about one-third of the adult population, having prediabetes, they are at risk of developing type 2 diabetes unless they modify their diet and exercise routine. The National Diabetes Prevention Program is approved by the Centers for Disease Control and Prevention (CDC) and is a proven lifestyle change program designed to postpone or prevent type 2 diabetes. Working in a small group with a lifestyle coach specially trained to lead the program, program participants focus on healthy eating, increasing physical activity, weight loss, stress reduction and coping skills, and lifestyle change.

By improving one's diet, exercising 150 minutes a week, and maintaining a weight loss of 7%, participants can reduce their risk of developing type 2 diabetes by more than 50%.ⁱ Imagine



1 in 11
Americans has
diabetes today.



Every **23 seconds**,
someone in the
United States
is diagnosed
with diabetes.

More than
18,000
youth are
diagnosed with
type 1 diabetes
every year.

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the medical savings that could be realized by an expansion of the National Diabetes Prevention Program in Ohio.

The American Diabetes Association urges support for funding to expand the National Diabetes Prevention Program in Ohio.

2.) Medicaid

Sub. HB 49 requires the Department of Medicaid to again apply for the Healthy Ohio waiver and also declares the intent of the legislature to use the Healthy Ohio Program as a model for making medical assistance available to qualifying residents if Congress transforms the Medicaid program into a block grant.

The American Diabetes Association submitted comments to former Director McCarthy last year expressing significant concerns with some of the provisions in the Healthy Ohio Program 1115 Demonstration Waiver. In particular, we believe the monthly contribution requirements for enrollees, the cost-sharing amounts for services, and the “incentives” for individuals to not use medical care in order to reduce their contribution requirements in the future could have a negative impact on Ohio Medicaid enrollees with diabetes.

The Kaiser Commission on Medicaid and the Uninsured reports that “a large body of research shows that premiums and cost-sharing can act as barriers in obtaining, maintaining and accessing health coverage and health care services, particularly for individuals with low incomes and significant health care needs.”ⁱⁱ The Association is concerned by the amount of monthly contributions enrollees will be required to pay in order to continue Medicaid coverage. In general, cost-sharing deters individuals from seeking medical care, while premium requirements deter individuals from enrolling in coverage. According to a recent study conducted by staff at the Agency for Healthcare Research and Quality (AHRQ), a premium increase of \$10 per month is associated with a decrease in public coverage of children in families with incomes above 150% of the federal poverty level (FPL), with a greater decrease in coverage for those below 150% FPL.ⁱⁱⁱ The price sensitivity of households with low incomes *must* be a consideration when imposing premium or co-payment requirements for any public health program.

Additionally, Sub. HB 49 contains language directing the Medicaid Director to establish a waiver component that, among other things, would impose a work requirement on those in the expansion group. The Association’s concern is that someone with diabetes who loses their job or a recent college graduate with diabetes who is job hunting may lose their health insurance.

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Instituting a work requirement would lead to higher uninsured rates and higher emergency room visits by uninsured Americans who would have been eligible for Medicaid coverage.^{iv,v} Research shows work requirements are not likely to have a positive impact on long-term employment.^{vi}

On behalf of the nearly 4.5 million Ohioans living with or at risk of developing diabetes, the American Diabetes Association urges you to eliminate the requirement to re-apply for the Healthy Ohio waiver as well as the proposal to impose a work requirement on members of the Medicaid expansion group.

Thank you very much for your consideration.

ⁱ <http://www.diabetes.org/are-you-at-risk/prediabetes>

ⁱⁱ Premiums and Cost-Sharing in Medicaid: A Review of Research Findings, Kaiser Commission on Medicaid and the Uninsured, February 2013.

ⁱⁱⁱ Abdus S, Hudson J, Hill SC, Selden TM, Children's Health Insurance Program Premiums Adversely Affect Enrollment, Especially Among Lower-Income Children, 33 Health Affairs 8, August 2014.

^{iv} Robert Rector, Work Requirements in Medicaid Won't Work. Here's a Serious Alternative, Heritage Foundation, March 2017, available at: <http://www.heritage.org/health-care-reform/commentary/work-requirements-medicaid-wont-work-heres-serious-alternative>.

^v Hannah Katch, Medicaid Work Requirements Would Limit Health Care Access Without Significantly Boosting Employment, Center on Budget and Policy Priorities, July 2016, available at: <http://www.cbpp.org/research/health/medicaid-work-requirement-would-limit-health-care-access-without-significantly>.

^{vi} Kaiser Family Foundation, Are Uninsured Adults Who Could Gain Medicaid Coverage Working?, February 2015, available at <http://kff.org/medicaid/fact-sheet/are-uninsured-adults-who-could-gain-medicaid-coverage-working/>.

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