



OHIO Medicaid Innovation

Economic & Workforce Development by Focusing on Social Determinants of Health

EXECUTIVE SUMMARY

Chairman Hackett, Ranking Member Thomas, and members of the Senate Finance Subcommittee on Health and Medicaid, thank you for the opportunity to testify today. I am Karin VanZant, Vice President, Integrated Community Partnerships at CareSource. I am a social worker and community developer and have spent the past 22 years working on behalf of low-income individuals. I, myself was a recipient of Medicaid, TANF and SNAP benefits and understand the complexities of safety net programs from both the consumer side as well as the provider side. Today I am here to discuss some of the work that CareSource has implemented to address these complexities.

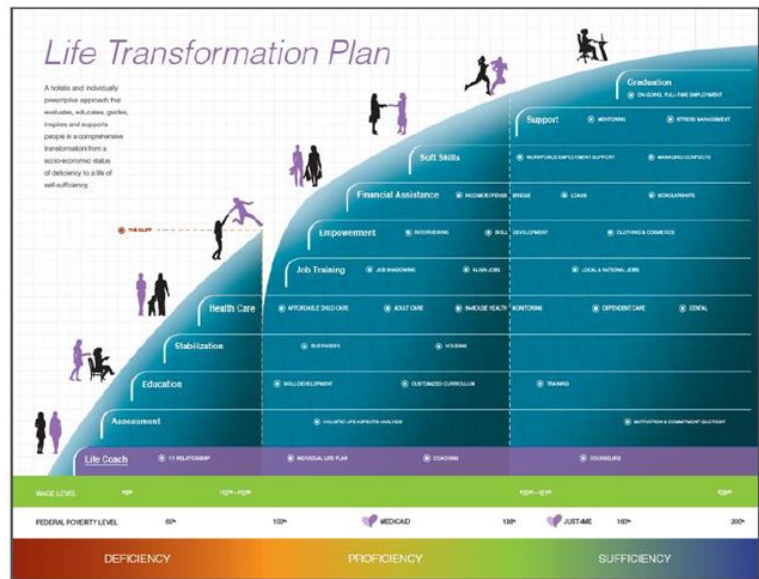
CareSource would be remised if we did not recognize the work being led by Governor DeWine and the House of Representatives in this budget to support innovative programming targeted at addressing social determinants of health needs of Ohioans. This budget makes additional investments in meaningful programs dedicated to driving better health outcomes and ultimately long term savings to the State. This includes funding to address dangerous lead exposure, investments in the Home Visiting Program, expanding the Comprehensive Primary Care Initiative, and increasing the smoking age to 21. We also applaud efforts by the House of Representatives to include language that would require the Department of Medicaid to request a waiver from the federal government to allow the Department to provide benefits to address social determinants of health. Additionally, we are encouraged by a House provision to request approval from the federal government to allow MCOs to reimburse for any service that would have a beneficial effect on enrollee's health and likely reduce costs within three years.

We applaud the attention and focus on the comprehensive needs of Ohioans and want to share the work that we started in 2015 through our Population Health and Life Services initiatives that leverage the clinical case management services that CareSource has provided in Ohio for nearly 30 years to include a comprehensive focus on socio-economic needs of our members such as housing, transportation, child care, education and ultimately employment. We know that many of our members want to work and want to be able to take care of themselves and their families, yet have barriers that have allowed them to secure and retain long-term employment. When surveyed in 2014, Medicaid recipients shared with us that the single thing that they felt could make a significant impact on their overall health and well-being is to secure employment and have financial stability. This led to CareSource developing and launching the JobConnect program in 2015

Over recent decades, the percentage of Americans living in poverty has yet to experience a sustained downward trend, and no single government program encompasses a holistic anti-poverty solution. Poverty is a **social determinant of health** (SDOH) and is associated with a range of negative health outcomes. In fact, social and economic factors influence up to 80% of health outcomes, while only 20% are attributed to medical services. Employment, like poverty status, is a social determinant of health. Lack of employment can lead to diminished income, an absence of stable medical insurance coverage, poorer health, and other negative social and community implications.

Both unemployment and underemployment can result in a reliance on low-income subsidy safety nets. Meanwhile, government subsidy programs are often structured in ways that create roadblocks for beneficiaries on the path to social and economic security. Distinct government programs often serve the same people but are administered at the federal, state, county, and local levels with different eligibility criteria and re-enrollment intervals. Each subsidy program addresses needs within a specific area such as health, food stability, or housing, and these services are not interconnected for beneficiaries. This piecemeal approach does not effectively address person-level challenges, which are often complex and interrelated. Addressing social factors along with physical and mental health issues can be critical to a person obtaining and maintaining employment and economic security. This is particularly true as it relates to today's opioid epidemic, as substance use can take a significant toll on well-being and job readiness.

For beneficiaries who are employed, a “cliff effect” occurs when their income increases to the extent that they become ineligible for government subsidy programs. Thus, they may find themselves in a more precarious financial situation than before any increases in salary. In essence, beneficiaries are disincentivized to seek or accept salary increases and might decline potential work opportunities to maintain government-subsidized stability if no reasonable alternative exists.



As re-envisioned care management entities who oversee health and socioeconomic needs, innovative CMOs are able to connect low-income individuals to a much wider network of services beyond health care. When we meet individuals where they are, the path is cleared to lead healthier individuals to greater economic opportunities, such as education and employment, which were previously inaccessible. By addressing these barriers head on through an innovative care model and influencing policy to recognize population challenges, Ohio can become a clear leader in implementing our program that improves health outcomes for its working population and transitions low-income individuals off public assistance. Meaningful changes at program, agency and policy levels could result in a significant impact on Ohio's economy and workforce, which have been negatively impacted by poor health outcomes, lack of access to providers, transportation, social services, and few employers.

OUR PROGRAM

CareSource, one of the fastest growing non-profit managed care plans in the United States, uses comprehensive, member-centric care models to address the health and social needs of its almost two million members. Core to CareSource's mission is Life Services, a program created in 2015 that provides a holistic approach to enhancing economic wellbeing and social connectedness. The program's long-term goal is to help low-income individuals to become economically and socially secure so that they are able to

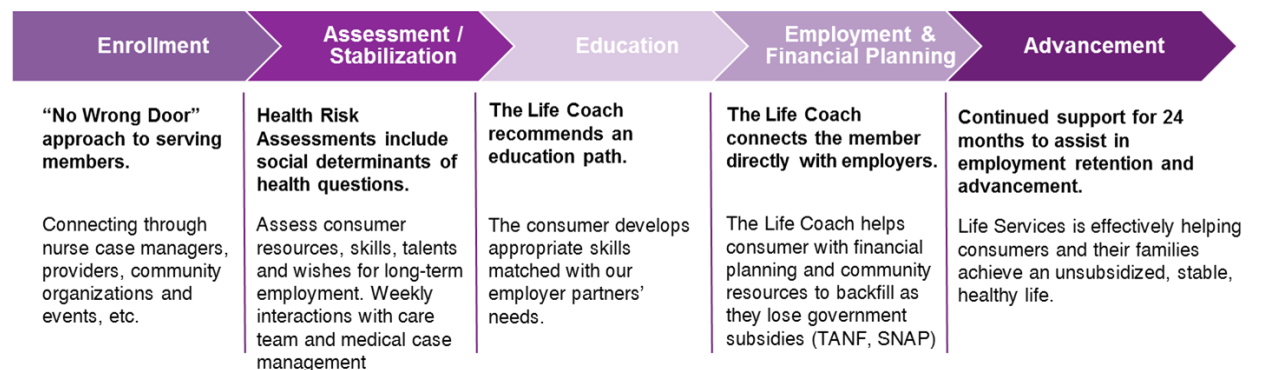
live subsidy-free. A key component of Life Services is JobConnect, a program that helps low-income individuals to increase skills and attain connections to long-term employment.

The CareSource JobConnect program is a voluntary program for CareSource individuals and non-Medicaid individuals in Ohio. When individuals opt in to the program, a **Life Coach** is assigned to them to serve as a support system. The Life Coach utilizes a baseline “milestone” assessment to help individuals identify resource strengths and prioritize areas that need reinforcing—for example, emotional support, food stability, childcare, or physical health. After needs are identified, Life Coaches coordinate and connect individuals with community services such as food banks, transportation, or child care, and manage their existing state and federal resources such as Temporary Assistance for Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP). Once all immediate needs have been satisfied, such as housing, food, and physical health, individuals are connected with education and/or employment opportunities.

CareSource JobConnect helps individuals to increase skills and attain connections to long-term employment. Life Coaches first seek to understand the job needs and preferences of individuals and prepare them for job attainment and success—for example, by providing information about local companies or jobs available, coaching on possible career paths, and assisting with interview preparation. Unlike many other workforce development programs, our Life Coaches continue to work with them for up to 24 months, even after individuals gain employment, to help them navigate the work world, prepare for their loss of government subsidies (i.e., the “cliff effect”), increase their financial literacy, and strategize future career steps. Throughout the process, Life Coaches connect individuals to needed community services to reduce barriers to employment success.

JOBCONNECT OUTCOMES

As of March 2019, 7,803 members have expressed interest in participating in JobConnect, and 2,377 of these individuals voluntarily opted in to the program. On average, each of the members who completed the opt-in phase received three referrals to community resources, such as connections to food banks and housing assistance. Of those who worked with a Life Coach, 1,014 have gained employment, whether hired during the program or prior to opt-in. Further, 83% of members who were employed at any time while in JobConnect have retained employment at 90 days. CareSource has over 150 employer partners that work with Life Coaches to identify qualified members and once hired will work to help with retention efforts. Life Coaches continue to provide support to members for up to 24 months past the point of employment, leading to higher retention rates than most workforce development programs as well as helping members to navigate the “subsidy cliff” or the loss of government benefits as wages increase.





Some differences were evident for care utilization among 392 JobConnect participants when comparing the 6 months pre- and post-opt in. There was a significant decrease in ED visits (-15.5%) as well as a marginally significant increase in pharmacy claims paid (+37.1%) among the overall sample, which may indicate adequate disease management that tends to result in lower eventual healthcare costs.

CONCLUSION

The JobConnect program demonstrates strong potential to help low-income individuals become economically and socially secure. Many JobConnect members attain and retain employment and experience favorable changes such as increase in income and decreases in barriers to daily life. Ongoing JobConnect evaluation efforts will measure program achievements over a longer period utilizing additional analytic techniques. However, these early successes illustrate the promise of integrating medical, behavioral, and social services to address the social determinants of health for low-income individuals and how managed care plans such as CareSource—as leaders in case management, service coordination, and person-centered care—are optimally suited for this role. The JobConnect model represents the large-scale potential for an integrated solution.