



TO: Senate Finance Chairman Matt Dolan
Senate Finance Committee Members
FROM: Kelly O'Reilly, President and CEO
DATE: May 13, 2021
RE: Substitute House Bill 110

On behalf of the Ohio Association of Health Plans (OAHP), thank you for the opportunity to offer written testimony on the value of managed care in relation to Substitute House Bill 110.

OAHP is the state's leading trade association representing the health insurance industry. OAHP's member plans provide health benefits to more than 9 million Ohioans through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare, Medicaid, and the Federal Insurance Marketplace. Our members offer a broad range of health insurance products to Ohioans in the commercial marketplace and are committed partners in public programs.

Managed Care in Ohio, a Proven Approach:

As you know, Medicaid is a safety net for Ohioans that need it the most – including children, parents, grandparents, and individuals with disabilities. Ohio uses public private partnerships to help manage the bulk of the program. Through this public private partnership, the Medicaid managed care plans bring value by improving the lives of Ohioans through access to quality health care while delivering savings for Ohio taxpayers.

Today, managed care plans coordinate health care services for over 2.7 million Ohioans receiving Medicaid benefits, representing 88 percent of the total Medicaid population (total Medicaid population 3.1M).

Quality and Innovation: Ohio's Medicaid plans are held accountable to ensure that members receive quality care and are measured on how well they are improving quality of care and the health of members. They also can quickly create innovative programs to address specific needs of the population. All of Ohio's Medicaid plans scored higher than the national average and the large state subgroup averages on the National Committee for Quality Assurance (NCQA) metrics for measurement year 2019 and 2020.

Cost Savings: A recent analysis by Wakely found that Ohio managed care saved taxpayers 13.5% and 17.1% in 2018 and 2019 compared to what would have been spent in the government run fee-for-service program.¹ This equates to \$4.1 – \$5.4 billion that can be used for other priorities by:

- Promoting wellness and providing a “medical home” for all enrollees;
- Focusing on upstream preventative treatments to avoid costly downstream medical expenses (e.g., prenatal care, diabetes testing etc.); and
- Educating Medicaid enrollees on appropriate settings for care, encouraging relationships with primary care physicians in lieu of regular ER visits.

Over 86% of every Medicaid managed care dollar is directly invested in health care and care management services for Medicaid members. Attached to this testimony is a breakdown of that dollar.²³

Pandemic Response: The COVID-19 pandemic highlighted the value of the Medicaid Managed Care program. Because private business can pivot more quickly than government, Ohio's managed care plans were able to respond to the pandemic and come up with solutions for their members extremely quickly. The largest and most widely used solution was expanding the use and access to telehealth. This ensured members received the care needed safely and when they needed it, without sacrificing health outcomes. Further, plans implemented specific programs such as: delivering prescriptions, providing access to delivered meals for frail members, securing short term memberships to Amazon primeto increase access to delivered groceries and other essentials, and setting up hotlines as a resource to help navigate benefits, among many other programs.

The Medicaid managed care plans also worked collaboratively to implement interventions to ensure continued access to care and the safety of their members. These include:

- Childhood Immunizations – plans partnered to ensure children continued to receive needed immunizationsthat may have been missed.
- Nursing Facility and Assisted Living Members – plans conducted a friendly caller program to help reduce loneliness and worked with facilities on testing.
- Transportation – plans worked with transportation providers to retro-fit protective barriers in vehicles to ensure safety as well as improved access to transportation to health care services and other social need services.
- Telehealth and Provider Support – plans worked together with their provider partners to increase access totelehealth, focusing on assisting behavioral health providers in rural areas.
- Restored Citizens Outreach – plans provided care kits for individuals being released from corrections facilities to help prevent COVID-19 infections. The kits included things such as masks, hand sanitizer and a phone to connect the individual with needed follow up care.

Support for Continued Efforts to Impact Infant Mortality and Extending Post-Partum Coverage: Over the last several years, health plans have been working to impact Ohio's high infant mortality and optimize health outcomes for mothers and their babies. Over the last several years Ohio's Medicaid managed care plans have partnered with ODM and community partners to pursue a community-tailored, population-based approach to engage communities and address the health needs of pregnant women and their families.

Through the funding provided to ODM and the Medicaid managed care plans in the last several biennial budgets, the Medicaid managed care plans and ODM have been able to support community efforts that improve the health of pregnant women and postpartum women and focus on reducing racial disparities and improving outcomes for moms who have substance abuse disorders and their infants. These funds have specifically been awarded to coordinated community programs to target the disparity in the African American infant mortality rate in Butler, Cuyahoga, Franklin, Hamilton, Lucas, Mahoning, Montgomery, Stark, and Summit Counties.

OAHP and its member plans support efforts to extend post-partum Medicaid coverage to 12 months for all women up to 200% of the federal poverty limit. Extending coverage to 12 months post-partum will help ensure mothers continue to receive critical physical and behavioral health care and improve outcomes for both the mother and baby.

This policy will give Ohio another tool in its toolbox to continue our commitment to addressing the state's high infant and maternal mortality crisis.

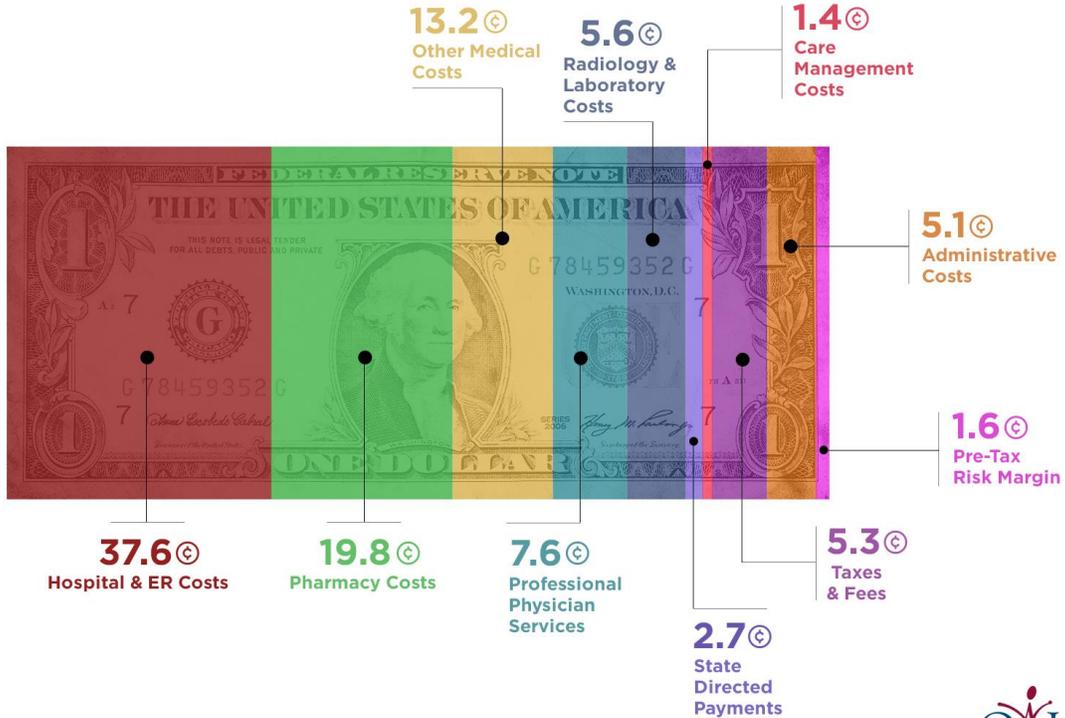
¹ https://oahp.org/wp-content/uploads/2021/02/Wakely_OH-Medicaid-2018-19-Managed-Care-Savings-Analysis-2020.10.23.pdf

² https://oahp.org/wp-content/uploads/2020/07/OAHP_Dollar_Infographic_FINAL.pdf

³ <https://oahp.org/wp-content/uploads/2020/07/Wakely-CY-2020-MMC-Capitation-Rate-Detailed-Breakdown.pdf>

MEDICAID MANAGED CARE DOLLAR

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For more details see "Medicaid Capitation Rate Detailed Breakdown" on OAH's website at <https://oahp.org/wp-content/uploads/2020/07/Wakely-CY-2020-MMC-Capitation-Rate-Detailed-Breakdown.pdf>