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Committees:

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Chair Hackett, Vice Chair Lang, and members of the Senate Insurance Committee thank you for the opportunity to provide testimony on SB 177, the Ohio Health Care Plan Act, with my joint-sponsor Senator DeMora.

To put simply what Senator DeMora has previously stated, this bill will ensure access to adequate healthcare to all Ohioans through a simplified healthcare delivery and billing process that will guarantee savings on both the side of the consumer and diminishing administrative costs accrued by insurance providers.

Among the dynamic and pervasive economic burdens that face Ohioans and our state today, healthcare is one that continues to be the most pressing. Healthcare expense, though affecting low-income and minority populations most viciously, is not a challenge that is relegated to a particular population of Ohioans alone. Even for financially solvent of Ohio citizens, the costs associated with a major health crisis can be overwhelming. According to the 2023 Health Value Dashboard from the Health Policy Institute of Ohio (HPIO), last year Ohio ranked as 44th in the overall health value for residents, meaning that Ohioans' lives are less healthy despite their relative high healthcare spending. In the same report it was noted that Ohioans on average have dramatically higher healthcare spending than their counterparts across the nation, with Ohio ranking at the 40th place for out-of-pocket healthcare spending.¹ Additionally, the 2024 HPIO Health Value Dashboard cited a 2021 study that reported nearly 1/5 of Ohioans paid more than 10% of their annual income in out-of-pocket medical expenses.²

There are a number of policies that SB 177 will implement to ensure accessible healthcare that bolsters Ohio's economy and protects our tax payers:

¹ <https://www.healthpolicyohio.org/files/publications/2023healthvaluedashboardfinal.pdf>

² [2024healthvaluedashboardfinal2.pdf \(healthpolicyohio.org\)](#)

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- Firstly, and most importantly, this bill will offer every Ohioan the opportunity to access comprehensive health care. Ohioans would have a varied choice of providers and be fully covered for all necessary health services and related medical expenses, such as routine out-patient services, prescription drugs, medical supplies, and medical transportation. These services would be provided without a co-payment or deductible. Furthermore, coverage would not be denied on the basis of pre-existing conditions. Payment to health care providers for all covered benefits will be made from a single-public fund, called the Ohio Health Care Fund.
- The Ohio Health Care Plan will be administered by the Ohio Health Care Agency, which will operate under the direction of the Ohio Health Care Board. The Board will have a given protocol to verify proof of Ohio residency. The Board will also seek all necessary waivers, exemptions, agreements, or legislation to allow various federal and state health care payments to be made to the Ohio Health Care Agency, which would then assume responsibility for all benefits and services previously paid for by those funds. In the absence of waivers for Medicare and Medicaid, both of which will be considered primary insurers, the Ohio Health Plan will be the secondary insurer. Until such time as waivers are obtained, the Plan will not pay for services for persons otherwise eligible for the same benefits under Medicare or Medicaid.
- This legislation also requires the establishment of a Technical and Medical Advisory Board, made up of health care providers and representatives of consumers, to help establish policy on medical issues. Subsequently a Division of Consumer Affairs will be created to represent consumer interests.
- Through the Ohio Department of Jobs and Family Services, workers who lose employment as a result of the plan's implementation will be eligible for training and assistance to acquire new employment. The Ohio Health Care Agency will determine in each case the appropriate amount of payment based on information from the ODJFS.
- Funding for the Plan shall be obtained from a mix of revenue sources including payroll, gross receipts and income taxes. These funds are in addition to existing state and federal dollars already used in Ohio for services rendered under Medicaid and Medicare. Under this legislation 91% of Ohio residents will experience no tax increase whatsoever.

To once again echo my joint-sponsor Senator DeMora, I implore you to consider the profound benefit that this legislation will have on the lives of each of our constituents throughout

the great state of Ohio. Thank you for your consideration of our testimonies. We would be happy to answer any questions that you may have at this time.

