

TESTIMONY TO OHIO HOUSE MEDICAID COMMITTEE HOUSE BILL 318

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Ohio Association of Area Agencies on Aging (o4a)
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Chairwoman Gross, Vice Chair Barhorst, Ranking Member Baker, and members of the House Medicaid Committee, thank you for the opportunity to submit testimony on behalf of the Ohio Association of Area Agencies on Aging (o4a) in support of House Bill 318, which would establish fair and reasonable guardrails on Ohio's Medicaid Estate Recovery program and align the state's practices with federal minimum requirements.

The Ohio Association of Area Agencies on Aging represents the state's twelve Area Agencies on Aging, which coordinate and deliver vital services that help older Ohioans remain safe, healthy, and independent in their homes and communities. Every day, our agencies work with older adults, their families and caregivers in navigating the complexities of long-term care and the financial realities that come with it.

For many older Ohioans, Medicaid is the only way to afford long-term care. To qualify, individuals must have very limited income and few assets, often exhausting a lifetime of savings to meet strict eligibility requirements. Their home is typically exempt while they are alive — but under current law, after their passing, the state must attempt to recover the cost of their Medicaid care from their remaining estate.

This process was designed as a way to offset program costs. However, in practice, it undermines the security and dignity of older adults and their families. Fear of losing a family home can cause people to delay applying for Medicaid, even when they desperately need care — putting their health, safety, and well-being at risk.

Estate recovery also deepens economic inequities. For many families of modest means, a home is the only asset that could be passed on to help the next generation achieve stability. When the state recovers the value of that home, it eliminates that opportunity and perpetuates poverty.

House Bill 318 offers a balanced solution. It does not eliminate estate recovery entirely — it simply ensures that Ohio’s program goes no further than what federal law requires. This reform would still meet all federal obligations, while preventing unnecessary hardship for families who have already lost so much.

By limiting recovery efforts to the federal minimum, Ohio can:

- Protect family homes and modest estates, helping families maintain a foundation for future generations;
- Encourage timely access to care, reducing the health risks associated with delaying Medicaid enrollment; and
- Reduce administrative inefficiencies, as many recovery cases cost more to pursue than if they return to the state.

The Ohio Association of Area Agencies on Aging urges your support for House Bill 318. Ohio’s older adults deserve policies that honor their dignity, protect their modest assets, and support the financial security of their families. Aligning Ohio’s Medicaid Estate Recovery program with federal minimum standards is a common-sense, fiscally responsible, and compassionate reform that will help older Ohioans age with dignity while preserving opportunity for future generations.