TESTIMONY

# MEDICAID PROPOSALS
# IN SENATE SUBSTITUTE HB 64

SENATE FINANCE COMMITTEE

HON. SCOTT OELSLAGER, CHAIR

June 11, 2015


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*Ohio Consumers for Health Coverage is a nonpartisan coalition uniting the diverse consumer voice with the goal of achieving affordable, high quality health care for all. Our membership includes AFSCME Council 8 AFL-CIO, Alliance for Retired Americans in Ohio, American Cancer Society East Central Division, Center for Closing the Health Gap; Contact Center, Faith Community Alliance of Greater Cincinnati, Legal Aid Society of Southwest Ohio, National Alliance on Mental Illness of Ohio, National Multiple Sclerosis Society Ohio Chapters, Ohio Asian American Health Coalition, The Ohio Association of Centers for Independent Living, AIDS Resource Center Ohio; Ohio Citizen Advocates for Addiction Recovery, Ohio Council of Churches, Ohio Federation of Teachers, Ohio Olmstead Task Force, Progress Ohio, Service Employees International Union District 1199, Toledo Area Jobs with Justice and Interfaith Worker Justice Coalition, Urban Minority Alcoholism and Drug Abuse Outreach Program (UMADAOP Cincinnati), United Food and Commercial Workers Local 1059, UHCAN Ohio. www.uhcanohio.org*

CHAIRMAN OELSLAGER, Ranking Member Skindell, members of the Committee. My name is Cathy Levine. I am the executive director of UHCAN Ohio, a statewide, nonprofit consumer health advocacy organization. I am also co-chair of Ohio Consumers for Health Coverage, on whose behalf I speak today.

**Medicaid Program:** OCHC and its member organizations are pleased that the Medicaid expansion is working as intended and remains in the budget. Low income Ohioans, especially those with chronic health conditions and mental illness, are now receiving timely regular health care in low-cost community settings so that they can succeed in the workforce and in life. We support the move toward value-based payment in health care.

We thank Senators for their compassion and wisdom in modifying the House version of "Healthy Ohio," the requirement for the administration to obtain a waiver to impose Health Savings Accounts, premiums and cost-sharing on Medicaid recipients. We are grateful that the Senate version exempts from these provisions people with very low incomes, pregnant women and children under 21.

However, we remain concerned that cost-sharing and complex HSAs may deter working people with near-poverty incomes from using their new health coverage to obtain recommended screenings, treat their chronic physical and mental health conditions, and learn how to improve their health. Research shows that even modest premiums cause people to drop off of Medicaid[1], only to return when sicker and make it harder for managed care and providers to work with patients to improve value. These provisions also add administrative expense to the whole health care system.

The Senate's goal of targeting 50% of Medicaid toward value-based outcomes by the year 2020 is laudable. Such dramatic payment and delivery reforms need robust consumer participation to protect Ohioans from unintended consequences. Ohio Consumers for Health Coverage looks forward to working closely with the administration, legislators, and other stakeholders to ensure that these targets lead all Ohioans, including those with Medicaid and private coverage, to receive better care and achieve improved health, at lower costs.

We also applaud restoration of pregnancy coverage and breast and cervical cancer screening and treatment services for people with incomes between 139-200% FPL. These provisions will protect low-income women when they most need health coverage for their own health and the health of their families. We regret the loss of Family Planning Services for uninsured persons at the same income levels. Family planning coverage is an internationally recognized vital tool for reducing infant mortality and improving birth outcomes, by encouraging safe spacing between pregnancies. [2]In addition, controlling the timing of pregnancies is vital to women's ability to advance in job training and the work force in order to achieve self-sufficiency. OCHC recommends that the family planning benefit be restored to present levels.

We thank the Senate for extending by one year the deadline for integrating behavioral health into Medicaid managed care so that the administration and community stakeholders can take the time necessary to determine how to improve care coordination for people with serious and persistent mental illness and very complex needs.

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[1] In 2003, enrollment of people with no income in Oregon's pre-ACA waiver program fell by 58% after the state began requiring them to pay $6 per month. And 36% of enrollees in Washington's waiver program lost coverage in 2002, when the state made premiums mandatory for people with incomes below 200% FPL. Jessica Schubel and Judith Solomon, States can Improve Health Outcomes and Lower Costs in Medicaid Using Existing FlexibilityStates can Improve Health Outcomes and Lower Costs in Medicaid Using Existing Flexibility, p. 3 (Center on Budget and Policy Priorities, April 9, 2015).

[2] Institute of Medicine of the National Academies, "Vital Sign: Core Metrics for Health and Health Care Progress," 2015, www.iom.edu, released April s8, 2015. "Unintended pregnancy presents a significant challenge for both individual and community health…The literature on unintended pregnancy shows that infants and children whose births were unintended by the mother have a variety of elevated risks, including adverse social, economic and health outcomes." At page 4-18 to 4-19.

We urge the administration to maximize input from consumers, advocates and providers to ensure that vital services are not interrupted during the transition. OCHC has followed the start-up of Medicaid managed care for MyCare Ohio, in which the rapid enrollment of 100,000 people with complex conditions and needs caused many months of turmoil and harm to consumers. Based on that experience, we urge lawmakers to proceed with behavioral health integration into Medicaid managed care with appropriate timelines and guardrails.

We cannot improve the health of low-income Ohioans unless we provide for their other needs, including child care, child welfare, food and nutrition programs, housing, and behavioral health services. We stand with our partners in Advocates for Ohio's Future in requesting additional funding for these programs.

Thank you for considering my testimony and I'll be happy to answer any questions you may have.

**2014 Annual Federal Poverty Level by Family Size**

| # | 100% | 138% | 200% |
|---|---|---|---|
| 1 | 11,670 | 16,105 | 23,340 |
| 2 | 15,730 | 21,707 | 31,460 |
| 3 | 19,790 | 27,310 | 39,580 |
| 4 | 23,850 | 32,913 | 47,700 |
| 5 | 27,910 | 38,516 | 55,820 |
| 6 | 31,970 | 44,119 | 63,940 |