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**TESTIMONY OF MICHAEL R. SMALZ,  
ON BEHALF OF THE OHIO POVERTY LAW CENTER AND OHIO CONSUMERS  
FOR HEALTH COVERAGE, REGARDING MEDICAID AND HOUSE BILL 49,  
TO SENATE FINANCE COMMITTEE**

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell and Committee members:

I am an attorney with the Ohio Poverty Law Center and a member of the Executive Committee of Ohio Consumers for Health Coverage. The Center seeks to protect and expand the legal rights of low-income Ohioans and works closely with Ohio's legal aid programs. Ohio Consumers for Health Coverage is a coalition of over 20 organizations that advocates for improved healthcare access. We are testifying in support of Ohio's Medicaid expansion and in opposition to the Medicaid work requirements in Sub HB 49.

The expansion of Medicaid to cover Ohioans with household incomes up to 138% of the federal poverty level has dramatically reduced barriers to healthcare and improved health outcomes for low-income Ohioans. According to the Department of Medicaid's Ohio Medicaid Expansion Assessment, there has been a 56% reduction in the uninsured rate among low-income Ohio adults, and 89% of the new Medicaid enrollees had no health insurance at the time of enrollment. The Medicaid Expansion Assessment found that 94% of the new enrollees reported improved or the same access to care, and 59% of the enrollees who did not have a regular medical provider before Medicaid enrollment obtained one after enrollment. Meanwhile, 34% of the new enrollees reported visiting hospital emergency departments less often since Medicaid enrollment, 27% of the enrollees received a first-time chronic disease diagnosis, and 48% of the enrollees reported improvements in their health.

My legal aid colleagues have also highlighted the key role of the Medicaid expansion in fighting the state's opioid epidemic. For example, client K. is 22, lives in Clermont County, is addicted to heroin, is receiving group counseling and medication for her addiction, and is doing well in treatment. Similarly, T. is 25, lives in Highland County, is addicted to heroin, and is now getting the monthly shot that supports his recovery because of the Medicaid expansion.

However, denying or terminating coverage for those who are unable to comply with work requirements would penalize many people who need the coverage. The waiver language exempts from the work requirements those persons who are over 55 years of age, in school, "in recovery" from addiction, or who "have intensive healthcare needs." But these exemptions would still leave

many people who face significant barriers to employment without coverage, including people waiting for a spot in drug addiction treatment but not yet “in recovery.”

People should be allowed to obtain health coverage if they are seeking work and need medical treatment. Denying coverage for those may have lost their job or have not yet found work punishes them for not being employed if they have a major health condition or their chronic health problems are exacerbated due to lack of continuous care. For example, a coal miner or warehouse worker suffering from back problems associated with opioid use could fail to secure work because of his back troubles or opioid dependency. If he were subject to a Medicaid work requirement, he might be denied eligibility for the very program – Medicaid – that would pay for treatment that might allow him to reenter the workforce. This could lead to a downward spiral of sickness, poverty, and greater disability.

Furthermore, Medicaid is already a work support program. Nearly half of the adults qualifying for coverage under the Medicaid expansion already work. Many others are caretakers of persons with disabilities, spouses of working adults, or have serious health conditions that do not rise to the level of a “disability” under the Social Security definition but interfere with their ability to work. The Medicaid Expansion Assessment found that Medicaid expansion has made it easier for enrollees to secure and maintain employment. Among enrollees who are currently employed, 52.1% reported that having Medicaid made it easier to continue working. Among unemployed enrollees looking for work, 74.8 percent reported that Medicaid made it easier to look for work. For example, one enrollee reported that she had been unable to work because of a severe hernia, but after enrolling in Medicaid she received needed surgery and returned to work.

It is also noteworthy that our neighboring state of Indiana rejected the idea of work requirements because, as the Secretary of Indiana’s Family and Social Services Administration stated, “Increasing barriers is not the name of the game.”<sup>1</sup>

In summary, we strongly support the continuation of the Ohio Medicaid expansion but oppose the Medicaid work requirements in Sub HB 49 because they create major barriers to health care for low-income Ohioans and would undermine the effectiveness of existing work supports.

Thank you. I would be happy to answer any questions.

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<sup>1</sup>R. Pradhan, “Pence’s experiment confounds expectations on the left and right,” Politico, April 15, 2017, at 6, found at <http://www.politico.com/story/2017/04/mike-pence-medicaid-indiana-23724>.