

Medicaid Updates

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Ohio

Department of
Job and Family Services

Overview

- Economic Climate
- JFS Medicaid & the Budget
- Medicaid Program Initiatives, FY 2010
- Support for Sister Agencies (particularly DD)
- Q & A

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- November 2007 – Last presentation @ OACB
- February 2008 –OBM Deputy Director, Budget
- March 2008 – Gets married & changes name
- February 2, 2009 – Exec. Budget finalized
- February 17, 2009 – Federal stimulus passed; budget re-writes ensue
- March 7, 2009 – Felix Falco Plouck (FFP)
- October 2009 – State Medicaid Director, redux



National Economy

- General consensus (albeit still unofficial) that national recession ended this summer
- Real GDP increased 3.5% in 3rd quarter of CY 2009, after 4 consecutive decreases
- October national unemployment rate 10.2%
 - Largest since March 1983
 - Up from 9.8% in September
- Recovery expected to be lengthy & largely jobless

Ohio's Economic Climate

- Ohio generally tends to lag the curve
- September unemployment 10.1%, down from 10.8% in August
 - May be due in part to discouraged workers
- October unemployment rate = 10.5%
 - Highest = Highland @ 15.1%
 - Lowest = Geauga @ 6.7%

Medicaid Caseload

- **2,000,000+** enrolled for the first time ever – September 2009
- Increase of almost 187,000 people since July 2008
 - Most covered families & children (170,000)
 - Most entering @ lower income levels (categorically eligible, non-expansion populations)

FY 10 (after 4 months...)

- Ohio tax receipts are generally in line with estimates
 - Non-auto sales tax below estimate
 - Personal income tax slightly above estimate
- Total tax receipts are 0.4% above estimate, FY to date
- Holiday retail season will be critical factor

Looking Ahead in FY 10

- If tax receipts continue to perform as expected, cautious optimism that state budget can avoid further reductions this FY
- **BUT** several unknowns exist:
 - VLT revenue assumption gap (HB 318)
 - Tobacco litigation
 - Other pressure points

JFS Medicaid & the Budget

- Pays traditional “card costs” for program
 - Acute & preventive care
 - Long term care services
- Includes 3 JFS-administered waivers
- Includes Medicare Buy-In and Part D costs
- Includes Disability Medical Assistance
- Does NOT include sister agency Medicaid expenditures or related FFP

JFS Medicaid & the Budget, 2

- Specific HB 1 strategies included:
 - Cost containment
 - Leveraging non-GRF resources to offset GRF
 - Tobacco fund resources for specific services
 - Provider assessments
 - ARRA e-FMAP assumptions

JFS Medicaid & the Budget

Specific Highlights Only

	FY 10	% Change	FY 11	% Change
JFS All Funds	\$13.094 b	7.2%	\$14.312 b	9.3%
JFS GRF	\$9.022 b	(11.9%)	\$10.579 b	17.7%
Tobacco	\$31.8 m		\$129.8 m	
Tobacco Fed.	\$88.1 m		\$292.1 m	

Medicaid & the Budget, 3

- Even with non-GRF leveraging strategies and cost containment, ODJFS portion of Medicaid is approximately 35% of GRF resources in FY 10
 - Including “regular” federal reimbursement deposited to GRF
 - Including ARRA e-FMAP deposited to GRF

Medicaid & the Budget, 4

- Ability to implement cost containment & revenue strategies are critical to balance overall budget
- HB 1 assumes \$2.5 billion in cost containment/leveraging for JFS Medicaid
 - Approx. 30 separate initiatives
 - Require separate rules, CMS negotiations, etc.

Example Leveraging Initiatives...

- Establish or change provider assessments and implement related rate adjustments:
 - Hospitals
 - Nursing facilities
 - ICFs/MR (including Developmental Centers)
- 5 ancillary services now bundled into nursing facility rates (impacts franchise fee)

Example Cost Containment Initiatives...

- Pharmacy carve-out from managed care
- Retroactive managed care payments
- Reimbursement rate decrease for specific community providers (specific CPT codes)
- Reduce Rx dispensing fee to \$1.80
- Timing of 24th ICF/MR payment
- Eliminate Disability Medical Assistance Program November 2009

Other HB 1 Medicaid Initiatives...

- Home care attendant services
- 12 month eligibility re-determination and process streamlining
- Add swine flu vaccine
- Add swine flu pharmacy admin. for FFS
- Children's Buy-In**
- Kids 200-300%**

JFS as Single State Agency

- Priority work is to deliver cost containment in order to balance budget; also MITS
- Recognize sister agency initiatives related to Medicaid & will collaborate to achieve
 - Timing will be key
 - Proposals must be “baked” prior to CMS review in order to keep focus & stay on track

Single State Agency Oversight

- ODJFS required to review all sister agency-administered waivers per CMS
- Additional CMS review occurs also
- ODJFS process changing per new CMS quality performance measures
 - Instead of once/5 year waiver, JFS will review a smaller sample annually
 - Begins January 2010

IO Waiver Quality Review

- JFS completed comprehensive quality assurance review on the IO Waiver
- Review included interviews with approx. 400 individuals and providers, as well as case record reviews at county boards of DD
- JFS will finalize & release the report in January 2010

New IO Waiver Services

- JFS will participate in the development of:
 - Remote monitoring
 - Out of home respite to include summer camp
 - Adult family living
- Waiver amendment expected early CY 2010

Cost Projection Tool

- System has great potential to help Service and Support Administrators in their key role with service plan development
- From a Medicaid perspective, system will show evidence of standard & consistent implementation of Ohio's waiver programs
- JFS is working collaboratively to align functionality with current waivers

Level One

- Due for CMS renewal in 2011
- Work just beginning on that project
- Compiled and submitted an evidence package in late September 2009; awaiting initial response from CMS

JFS Transitions Waiver

- Closed waiver; renewal July 2010
- Redesign focus areas:
 - Personal care service might include DODD certified HPC providers
 - Respite services to include in-home and out of home respite
 - New service to address service needs for kids aging out of the schools system
 - New service package for children with intensive behavioral needs

Medicaid Schools Program

- First claims submitted in March 2009
- Over 400 enrolled providers
 - Approximately 217 submitting claims so far
 - Received over \$16.5 million in federal reimbursement through September 2009.
- CBs are not qualified providers under MSP
 - May provide services via contract with a school district
 - Not eligible for back claiming

Contact Information

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