REFLECTIONS ON FUTURE DIRECTIONS FOR OHIO MEDICAID

From a Child Advocacy Perspective

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Voices for Ohio’s Children
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INTRODUCTION

As Governor DeWine has taken the helm of Ohio government, there is palpable excitement about his commitment to children’s development and well-being. It is in this context that Voices for Ohio’s Children offers some thoughts on steps that Ohio’s Department of Medicaid and the Ohio General Assembly can take to impact the lives of children.

We propose two areas of forward movement. First, since health coverage is vital to children’s health we believe that Medicaid must grab hold of the declining enrollment of children in Medicaid and the rising rate of uninsured children, to assure that all uninsured children eligible for Medicaid are getting Medicaid, and help those no longer eligible for Medicaid to secure minimum essential coverage that is affordable.

Second, there is much Ohio Medicaid has done and still can do to improve the quality of health care for children with Medicaid as their payer source. Voices has recently held five forums to learn from Ohioans who work with pregnant women and very young children what Ohio can do to optimize a child’s first thousand days when brain architecture is rapidly developing, and physical, social and emotional well-being is formed. In December 2018 we released The First 1,000 Days: a Report from Voices for Ohio’s Children’s Fall 2018 Regional Forums. (https://docs.wixstatic.com/ugd/a395ee_5e2aa848bdff4e9e82191c935d3b6de7.pdf) The report is a summary of the participants’ observations and recommendations about how Medicaid can improve the developmental opportunities associated with very young children. Now we believe it is time to initiate a broad stakeholder process that engages the DeWine Administration, the Ohio General Assembly and the public to forge a plan for Medicaid to use its full power to influence a child’s first thousand days.

Ohio is Losing Ground in the Effort to Cover All Children

For the first time in a decade Ohio saw a reduction in the percentage of children with health coverage. Census data detailed in a report by the Georgetown University Center for Children and Families shows Ohio’s child uninsured rate jumped from 3.8 percent in 2016 to 4.5 percent in 2017.¹

This loss of coverage occurs in Medicaid, employer-sponsored coverage and Marketplace ("Obamacare") coverage. Focusing on Medicaid there was a drop of 38,000 children enrolled in Medicaid between March 1, 2017 and December 31, 2017. Children with employer-sponsored coverage dropped by 44,829 between 2015 and 2017. The federal Marketplace ("Obamacare") coverage of Ohio children dropped by 1,747 between the 2017 and 2018 Open Enrollment Periods (fourth quarter of 2016, 2017 respectively).

According to the Ohio Medicaid Assessment Survey taken in 2017 there were 60,000 children with family incomes that would make them eligible for Medicaid who were uninsured at the time the survey was taken in 2017. This was an increase from 34,000 uninsured children at the time the 2015 survey was taken.

An important question in looking at the uninsured is to determine the duration of the lack of insurance. While any period of time being uninsured is undesirable, lengthier periods of unemployment are more undesirable. In addition, the duration of the uninsured period shapes the kind of outreach and enrollment work that needs to be done to interrupt the increase of uninsured children. For short periods of unemployment, more focus may be needed on retention. For longer periods of unemployment, more focus may be needed on outreach, both to capture those who are income eligible and to link families to coverages available to those whose incomes have increased beyond the eligibility levels for Medicaid on a long-term basis. We will discuss what the data shows and our recommendations later in this brief.

**Putting Ohio’s Child Medicaid Enrollment Decline in Context**

In any enrollment shift, the first question is whether the shift is part of a larger trend or is an aberration. As of December 2017, Ohio had close to 50,000 more children ages 0–18 enrolled in Medicaid than at the beginning of 2012. Thus, there is still a net gain of children in looking at the six year period from 2012 through 2017. See Chart One, below.

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2 It takes about a year for Medicaid monthly enrollment numbers to become complete because of retroactive enrollment. We are relying on numbers prepared for Voices for Ohio’s Children by the Ohio Department of Medicaid for the period 2012 through 2018 of children ages 0–18. We chose March instead of January 2017 since enrollment was still climbing until March, and then took a downturn.

3 2017 Ohio Medicaid Assessment Survey (Combination of Tables of All Insurance Coverages, All Incomes). [http://grcapps.osu.edu/OMAS/](http://grcapps.osu.edu/OMAS/)

4 Marketplace Open Enrollment Period Public Use Files, downloaded from Centers for Medicare and Medicaid Services web site 3/6/19. [https://go.cms.gov/2U8LmGX](https://go.cms.gov/2U8LmGX) This data does not capture children who became enrolled at times other than Open Enrollment through Special Enrollment Periods (SEPs).

5 2017 Ohio Medicaid Assessment Survey (Table of Uninsured Children). [http://grcapps.osu.edu/OMAS/](http://grcapps.osu.edu/OMAS/)
A portion of Ohio’s enrollment increase was due to the suspension of periodic eligibility redeterminations, with Centers for Medicare and Medicaid Services permission, during a one year period in 2014-2015. The suspension was requested to avoid inadvertently removing children and adults from Medicaid as the state implemented the new Ohio Benefits enrollment system. In early 2015 redeterminations resumed and by early 2016 most of the impact of the redetermination suspension was removed.

The period between 2014 and 2016 was also a time of national child enrollment upswing. This upswing occurred as Ohio expanded Medicaid, bringing in many parents with incomes between 90 and 138% of the Federal Poverty Level. The research is clear that expanded coverage of parents results in greater coverage of children. In addition, the Affordable Care Act led many families to apply for coverage through the federal marketplace, and in turn to be directed to the state Medicaid agency when it turned out their children were eligible for Medicaid. Thus while some of Ohio’s child enrollment growth was accelerated by the 2014-2015 redetermination suspension, it is fair to say that child enrollment in Ohio was also trending upward. Post redetermination suspension peaked at 1.285 million children enrolled in March 2017. Since then there has been a steady decline throughout 2017 and 2018. Sticking with the 2017 numbers, which reflect more complete enrollment data, the drop in child enrollment is 38,000 from March 2017 through December 2017. The increase in the rate of uninsured children from 3.8 to 4.5% tells us that these children are not moving from Medicaid to private coverage.

Chart One:  

[Graph showing Ohio Medicaid Enrolled Children Ages 0-18 from 2013 to 2018]

July through December 2018 includes estimates for unreported retroactive and backdated enrollment.

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7 Ohio Department of Medicaid, March 2019.
Why Are Ohio Children Losing Medicaid?

Some insight into Medicaid disenrollment can be gleaned from the “reason codes” that are assigned to Medicaid case closures. We have looked at ODM’s case closure data for the period 2015 – 2018 for individuals age 0-20. The largest percentage of case closures fall into the category “failure to comply.” About half of the case closures are in this category. These are cases where ODM does not have child-specific information to either continue eligibility or to assign a more specific reason for the termination. Disenrollment for “failure to comply” could be the result of a missed notice, confusion about the notice, an unsuccessful attempt to provide requested information, or failure to act because the child has other coverage or a parent “self-determines” that the child no longer qualifies.

The second largest group of case closures are cases that were closed because the enrollee “already has Medicaid.” This category ranges from 15% to 24% of the case closures over the four year period. According to Department of Medicaid sources, such closure could occur when a child enrolled in Medicaid is removed from the home and placed in foster care and a custody-related Medicaid case is open, or as a result of the “presumptive eligibility” process. Combined, “failure to comply” and “already has Medicaid” account for 60% to 70% of the reason codes.

In 2017 and 2018, the third largest reason code was disenrollment due to an “income related issue.” This percentage rose from 3.4% in 2016 to 15.6% in 2017, and fell to 11.6% in 2018. “Income related issue” as a reason for case closure accounts for less than 16% of the documented case closures during 2017, and accounts for fewer case closures in all the other years.

While we know that some of the “failure to comply” coded case closures are likely due to income related ineligibility, we conclude that increased earnings explains only a portion of the child Medicaid enrollment decline, and that a large portion of children disenrolled with no clear reason to explain their disenrollment. We hope that the Department of Medicaid and the Ohio General Assembly, particularly its Joint Medicaid Oversight Committee, take interest. We should explore further outreach to children and families disenrolled from Medicaid to determine whether they actually remain eligible and to remove any barriers to rapid reenrollment.

Many Children Who Lose Medicaid “Churn” In and Out of the System

“Churn” has become shorthand to describe the process by which people lose and regain eligibility due to temporary changes in eligibility (such as overtime or extra seasonal work) or due to challenges in responding to requirements for demonstrating continued eligibility. In March 2019 the Ohio Department of Medicaid reviewed the cases of children who “churned” in and out of the Medicaid program over a recent four year period. ODM found that in that period 250,000

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8 In this situation designated providers are authorized to presumptively determine that a child meets Medicaid eligibility requirements.
children left and returned to Medicaid. The average gap in Medicaid coverage was 190 days and only 33,000 children who churned in this four-year period did not currently have coverage.\(^9\)

It is a concern that 250,000 children are churning on and off Medicaid over a four year period. While some churn is inevitable because of fluctuating hours in the low wage market, 190 day gaps in coverage can result in loss of ongoing preventive care, missed prescriptions and delays in accessing needed therapies. Dr. Gerry Fairbrother of the Child Policy Research Center analyzed 2004-2008 Ohio Medicaid data, and found that after a gap in Medicaid coverage there was a spike in hospitalizations, particularly for behavioral health issues and complications of pregnancy, primarily affecting teens age 15-18.\(^{10}\)

To its credit, the Ohio Department of Medicaid has taken significant action in the past to reduce churn. Voices and other advocacy groups have worked with the Department to reduce the number of children leaving Medicaid. Streamlining of paperwork and 12 month continuous eligibility are two of the major steps the Department has taken to reduce churn. However, we believe there is more that can be done. Below is a list of actions that we believe would reduce churn and maximize the number of eligible children who are enrolled in Medicaid.

**Recommendations for Action to Support Child Enrollment in Medicaid**

- All stakeholders, including the Department of Medicaid and JMOC, should acknowledge that there is a decline in Medicaid child enrollment that is only partially explained by rising incomes.
- All stakeholders should acknowledge that there is a significant “churn” problem in Medicaid, and that even uninsured periods of 1-2 months put children at risk for lack of access to needed medical care, particularly preventive care.
- The Ohio Department of Medicaid and interested stakeholders should collaborate to create a plan to reduce unnecessary Medicaid disenrollment and link families who become ineligible for Medicaid to other minimum essential health coverage. Voices and the Ohio’s Children’s Budget has asked the Ohio General Assembly to add $4 million in GRF to pay for outreach and enrollment retention efforts statewide. Conservatively, that should generate at least $8 million in total spending over the biennium and could place at least one outreach worker in every county, and multiple workers in larger counties.
- The Department of Medicaid should explore creative options for helping families to maintain coverage, such as
  - Identifying policy/procedural barriers in the redetermination process that interrupt continuous eligibility, and make recommendations for reducing unnecessary barriers;

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\(^9\) ODM Data Relevant for Voices for Ohio’s Children Report on Ohio Kids’ Insurance Status (March 15, 2019).

\(^{10}\) Fairbrother, G., Review of Ohio Medicaid Enrollment and Retention Trends (Power Point Presentation, Voices for Ohio’s Children).
Ohio Medicaid Has a Strong Role to Play in the First 1,000 Days of Ohio Children’s Lives

As aforementioned, Voices has recently held five forums throughout Ohio to learn from Ohio women and men who work with pregnant women and very young children what Ohio, and particularly the Department of Medicaid, can do better to optimize a child’s first thousand days. The participants identified what is working well, where there are gaps, and policy changes that could result in the optimization of the health of very young children.

In his 2020-2021 budget Governor DeWine has identified and proposed funding key Medicaid initiatives that form a two year plan Improving Health for Moms and Babies. These proposals are particularly focused on supporting healthy pregnancies, healthy births and reducing infant mortality. They include funding for home visiting, behavioral health coordination, and special supports for moms being treated for substance use disorder and babies with neonatal abstinence syndrome. While we whole-heartedly support these investments, we believe it is time to leverage these initial investments into a longer-term investment in young children, guided by a broad stakeholder process with a goal of nurturing the parent-infant bond, reducing and addressing adverse childhood experiences, and better integrating the services provided under multiple funding streams throughout the child’s first 1,000 days.

Governor DeWine has shown his respect for the value of stakeholder input and the importance of one tool—home visitation—in the support of pregnant women and the development and education of young children. We believe there should be a process specific to Medicaid that examines Medicaid’s many policy levers to impact a child’s first thousand days. We note with excitement that New York State has gone through such a process, and was able to gather the input of hundreds of stakeholders, including very busy physicians and other health workers, by creatively using in-person meetings, phone participation and on-line participation. What came of the process was a ten point plan, where each project proposal was measured on these criteria: affordability, collaboration across sectors, feasibility, evidence-based and high impact. We think that a collaborative consensus-building process in Ohio focused on Medicaid’s considerable policy and financial power would enrich Ohio’s investment in its children.
**Other Considerations**

We also offer one very concrete near term proposal that we believe would further the health of young children. This pertains to Ohio’s reporting of child core measures to the Centers for Medicare and Medicaid Services (CMS). With broad stakeholder input, CMS has developed measures of health care quality for adults and for children. These measures are updated annually. Thus far reporting this data has been voluntary on the part of the states. However, with the enactment of the Bipartisan Budget Act of 2018, states will be required to report the pediatric measures by 2024. The 2019 measures were released in November 2018, and there are 26 measures. [https://bit.ly/2IcQvMy](https://bit.ly/2IcQvMy) In the past, Ohio has reported data for about half of the measures. In general, Ohio reports the measures that are based on HEDIS data, because that is what Ohio’s contracted managed care plans track. Now that Governor DeWine has announced the Procurement of managed care plans, it is time to make sure that the plans are required to report data in the form that matches *all* the pediatric core measures. This is not only so that Ohio is ready to meet the 2024 reporting deadline, but so that Ohio is better positioned to evaluate the quality of care received by its child Medicaid enrollees. To the extent that existing Ohio law prevents the disclosure of data that are part of the pediatric core measures, efforts should be made to modify such laws.

As Ohio positions itself to meet the 2024 reporting requirements, we think Ohio should begin to report on Measure 1448* OHSU Developmental Screening in the First Three Years of Life (DEV-CH). This measure is reported by 27 states. [https://bit.ly/2Z1PThM](https://bit.ly/2Z1PThM) By reporting on this measure ODM will know the percentage of children from birth through age 3 who are getting a specific screening to assess them for developmental delays. In a state that is now laser-focused on making sure children are receiving early intervention where needed, this is a logical, doable and powerful step to take. Our neighbor Pennsylvania is performing in the highest quartile, and West Virginia is reporting developmental screens in the second from highest quartile. It’s time.
Governor DeWine has reaffirmed his commitment to the health and education of children in his first State of the State address and singled out areas for investment, including the reduction of infant mortality. He has incorporated the Medicaid expansion into his 2020-2021 budget, which will help protect the health of many parents and many young women who are contemplating becoming parents. Medicaid coverage is the underpinning for the health of children with low incomes, especially during their first thousand days of life when so much development occurs. Yet nearly a quarter of a million children have churned in and out of Medicaid in a recent four year period, and the rate of child uninsurance in Ohio has jumped from 3.8 to 4.5% in 2017. It is time for Ohio to take bold action to assure that Ohio does not lose its hard-fought gains in covering children. It is also time to invest in a broad and deep stakeholder process to establish a plan that will guide Medicaid in investing in the first thousand days of children’s lives. Medicaid is the strongest tool in the state’s toolbox because of Medicaid’s strong federal-state payment structure and Medicaid’s system for measuring quality across states and through time.

**LET’S BUILD ON IT!**