

5162.70 Joint Medicaid Oversight Committee Cost Containment Provisions

In 2014, the Ohio General Assembly enacted ORC 5162.70, requiring the Ohio Department of Medicaid (ODM) to limit the per-person growth of the Medicaid program by enacting reforms that accomplish various goals identified in the statute. ODM compiled the following list of such reforms to provide an update on current and proposed program and fiscal policy that address the requirements in ORC 5162.70 (B)(2)(a-g), which charges the Director of ODM with:

- a) “Improving the physical & mental health of Medicaid recipients.
- b) Providing for Medicaid recipients to receive services in the most cost-effective & sustainable manner.
- c) Removing barriers that impede Medicaid recipients’ ability to transfer to lower cost, and more appropriate services, including home & community-based services (HCBS).
- d) Establishing Medicaid payment rates that encourage value over volume & result in Medicaid services being provided in the most efficient & effective manner possible.
- e) Implementing fraud/ abuse prevention & cost avoidance mechanisms to the fullest extent possible.
- f) Reducing the prevalence of comorbid health conditions and mortality rates of Medicaid recipients.
- g) Reducing infant mortality rates among Medicaid recipients.”

Additionally, on February 1, 2023, the new managed care provider agreement went into effect, ushering in the Next Generation program with seven managed care entities (MCEs) and OhioRISE. Highlights of the **Next Generation** program include:

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| 1) Enhanced services for newborns & pregnant women | 7) Telehealth | 14) Increased accessibility re: information |
| 2) Focus on wellness & preventative care | 8) 24/7 medical advice line | 15) Administrative cost reductions |
| 3) Collective impact & other quality efforts | 9) After-Hours BH crisis access | 16) Centralized credentialing |
| 4) Community investment | 10) OhioRISE for multi-system youth | 17) Provider enrollment-PMF source of truth |
| 5) Individualized care coordination | 11) Additional services/support for youth | 18) Uniform claims submission |
| 6) Commit to health & cultural respect | 12) Single Pharmacy Benefit Manager (SPBM) | 19) Easing provider burden |
| | 13) Enhanced member transportation | |

Updated April 13, 2023

ODM Initiatives	Examples and Details	Criteria Met from ORC 5162.70 (B)(2)(a)-(g) <i>and</i> Next Generation (1) to (19)
<p>Prioritizing behavioral health (BH) services. Since 2019, Medicaid has been a key partner in implementing Governor DeWine’s RecoveryOhio Initiative,</p>	<ul style="list-style-type: none"> The Governor’s SFY 24-25 budget increases rates for key community treatment services equal to 10% of SFY 23 spend, focusing on intervening early and supporting long-term recovery so individuals can get well and participate fully in the community and economy. The SFY 24-25 budget invests in a new mental health peer recovery support service – a key crisis response component – that adds new people with lived experience to enhance the workforce, as well as reducing the use of more costly emergency room services. 	<ul style="list-style-type: none"> (c) Remove barriers (a) Improve physical & BH (d) Rates = value (f) Reduce comorbidity

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<p>which aims to improve mental health and substance use prevention, treatment, and recovery support services.</p> <p>Medicaid’s SFY 24-25 budget proposals aim to further improve access to appropriate services so people with behavioral health needs can get and stay well.</p>	<ul style="list-style-type: none"> • Medicaid is currently enhancing coverage of Applied Behavioral Analysis (ABA) for children and youth with Autism Spectrum Disorder (ASD). This early intervention service helps kids with ASD reach their maximum potential. Benefit enhancements will help to clarify coverage for a seamless approach across the Medicaid delivery system. 	<ul style="list-style-type: none"> • (2) wellness and preventative care • (6) health and cultural respect • (10) OhioRISE • (11) Additional services for youth
<p>Expanding access to care via telehealth</p>	<ul style="list-style-type: none"> • ODM responded immediately to the pandemic by introducing telehealth flexibilities. • ODM is maintaining access to remote care to help patients conveniently and quickly access the high quality physical and behavioral health care they need. It also expands access to services or types of specialty providers who would otherwise be more difficult to schedule appointments with or require a longer distance commute. Appropriate use is monitored to ensure that face to face meetings occur. 	<ul style="list-style-type: none"> • (b) Cost effective, sustainable services • (d) Rates = value • (2) wellness and preventative care • (7) telehealth • (8) 24/7 nurse line • (9) after hours BH crisis • (19) easing provider burden
<p>The Governor’s SFY 24-25 budget proposes rate increases to combat widespread workforce shortages and inflation that are leading to shrinking access to care for Medicaid members. Priority is given to HCBS services, that are in</p>	<p>Rate increases are proposed for:</p> <ul style="list-style-type: none"> • HCBS services providers. Rate increases target improving access to improve access to personal care, nursing, adult day, assisted living/dementia, home delivered meals. The budget also proposes to remove licensure for ‘home making’ service to foster workforce expansion. • Community behavioral health providers. Rate increases to improve access will assist with intervening early and supporting long-term recovery. 	<ul style="list-style-type: none"> • (c) Remove barriers • (a) Improve physical & BH • (b) Cost effective, sustainable services • (f) Reduce comorbidity • Next Gen all rate increases carry over into managed care –

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<p>greater demand and enable individuals to receive services in the most cost effective and sustainable manner. Higher proposed rate increases are targeted at areas of most concern.</p>	<ul style="list-style-type: none"> Pharmacy and non-institutional providers (dentists, transportation providers, dialysis centers, physicians and APRNs, etc.). Key rate increases are needed to alleviate challenges in accessing care. General and psychiatric hospitals: Enhanced reimbursement for inpatient psychiatric services, greater cost coverage of outpatient services, specific attention the changing role of and essential services of critical access and rural hospitals. 	<p>MCOs, OhioRISE, and SPBM, and (19) easing provider burden</p>
<p>To address the needs of individuals with comorbid conditions and reduce mortality rates of Medicaid members, Medicaid’s SFY 24-25 budget proposes:</p> <ul style="list-style-type: none"> Policy changes and rate increases for HCBS to encourage greater independence in community living and to avoid unnecessary and expensive institutionalization. MyCare conversion for members with Medicaid, Medicare coverage. Continuation of Next Generation of Managed Care quality improvement, population health, community reinvestment activities. 	<p>HCBS policy changes in Medicaid’s proposed SFY 24-25 budget include:</p> <ul style="list-style-type: none"> Promoting self-direction for the Ohio Home Care Waiver. Self-direction helps address workforce challenges and is welcomed by consumers and advocacy organizations. Adding a new structured family caregiver waiver service to increase access to caregiver support that can help avoid unnecessary and costly institutionalization. Adding remote monitoring to ODM and ODA waiver programs. This helps extend the workforce and reduces the need to access unnecessary and costly emergency services. Reduce barriers of entry for self-directed caregivers and other providers. Additional waiver reforms to increase efficiency and effectiveness of waiver services, including case management alignment across waivers. Continuing the Home CHOICE program. In CY2022, this transitioned 655 individuals into community settings. <p>HCBS Service Reimbursement Rates:</p> <ul style="list-style-type: none"> Rate increases to maintain or improve access to care, allowing individuals to receive care in their homes and communities rather than higher costs of care settings. Increases are proposed for all seven HCBS waiver programs and similar nursing and aide services, as well as ICF-IIDs. <p>Diabetes CGM & DSME: 2023 MCO Collective Quality Improvement Priority</p> <p>MyCare Conversion</p> <ul style="list-style-type: none"> Will improve care coordination and attention to behavioral health needs for members with Medicare/Medicaid coverage. 	<ul style="list-style-type: none"> (c) Remove barriers (a) Improve physical & BH (b) Cost effective, sustainable services (d) Rates = value (e) cost avoid & prevent fraud (f) Reduce comorbidity (1) enhanced services for newborns and pregnant women (2) wellness and preventative care (3) collective impacts and quality (4) community reinvestment (5) individualized care coordination (10) OhioRISE (13) member transportation

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	<p>Example of Next Generation of Managed Care activities for individuals with comorbid activities: diabetes control quality improvement efforts</p> <ul style="list-style-type: none"> • ODM and the managed care plans are working together on efforts to engage and motivate Medicaid recipients with diabetes in self-management and reducing administration burden for providers. In tandem, these interventions can decrease the high costs associated with preventable hospitalizations. 	<ul style="list-style-type: none"> • (14) increased accessibility re: information • (19) easing provider burden
<p>Medicaid’s Value-Based payment programs and early intervention services encourage value over volume and result in Medicaid services being provided in the most efficient and effective manner possible.</p>	<p>Comprehensive Primary Care (CPC) and CPC for Kids:</p> <ul style="list-style-type: none"> • Alternative payment model programs that invest in helping primary care practices conduct population health activities that are proven to improve outcomes and improve costs. • Practices that reduce costs year-over-year are rewarded by sharing in the savings. <p>Comprehensive Maternal Care (CMC) program:</p> <ul style="list-style-type: none"> • Similar to CPC, the CMC program uses an alternative payment model to invest in up-front activities to improve mom and infant outcomes, aiming to lower the use of costly acute services (hospitalizations, etc.) for moms and babies. CMC started in January 2023, and the first program year enrollment includes 77 OB/GYN practices covering ~19,500 pregnant and postpartum women. • Medicaid enhanced its support for breastfeeding services and supplies and now covers nurse family partnership home visiting, an evidence-based early childhood intervention. Breastfeeding and home visiting help set our youngest Ohioans on a course for health and wellness. <p>Mental Health (MH) Peer Recovery Support</p> <ul style="list-style-type: none"> • The SFY 24-25 budget invests in a new MH peer recovery support service that helps bring new people with lived experience to participate in the workforce. MH peer support, particularly in crisis situations, can efficiently reduce the use of more costly emergency room services. <p>OhioRISE</p> <ul style="list-style-type: none"> • Launched in July 2022, OhioRISE leverages a full-risk managed care contract that incentivizes using community-based services, rather than costlier hospital and psychiatric residential treatment facility services and out of state services. 	<ul style="list-style-type: none"> • (d) Rates = value • (a) Improve physical & BH • (b) Cost effective, sustainable services • (f) Reduce comorbidity • (c) Remove barriers • (1) enhanced services for newborns and pregnant women • (2) wellness and preventative care • (3) collective impacts and quality • (5) individualized care coordination • (6) health and cultural respect • (10) OhioRISE • (11) additional services for youth • (14) increased accessibility re: information

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	<ul style="list-style-type: none"> Introduces new community-based services intended to intervene earlier and prevent emergency room use, costly hospitalizations, and long-term negative life consequences. 	<ul style="list-style-type: none"> (19) easing provider burden
<p>Medicaid is implementing fraud/ abuse prevention & cost avoidance mechanisms to the fullest extent possible.</p>	<p>Unified Preferred Drug List (UPDL), implementation began January 1, 2020.</p> <ul style="list-style-type: none"> Eased administrative burden for providers. Maximized collection of federal and supplemental rebates, ensuring all supplemental rebates are sent directly to ODM. This resulted in net savings to the state of \$61M. <p>Single Pharmacy Benefit Manager (SPBM) and Pharmacy Pricing & Audit Consultant (PPAC), implemented October 1, 2022.</p> <ul style="list-style-type: none"> Eased administrative burden for providers. Provides fair and transparent reimbursement for pharmacy services. Eliminates duplicative administrative cost of PBMs across multiple MCOs. Significantly reduced overall administrative cost to the state. Maximizes collection of federal and supplemental rebates, ensuring all supplemental rebates are sent directly to ODM. Reimbursement and benefit design is based on actual costs/ surveys. Independent program oversight and auditing (PPAC). <p>Eligibility Electronic Database Interfaces</p> <ul style="list-style-type: none"> Use interfaces for eligibility purposes to access quarterly wage reports from the State Wage Information Collection Agency (SWICA); Social Security Administration (SSA); Unemployment compensation; Public Assistance Reporting Information System (PARIS); Bureau of Vital Statistics. <p>Ohio Benefits System Updates</p> <ul style="list-style-type: none"> Since 2019, ODM has prioritized and corrected 1,000 defects with Ohio’s eligibility enrollment system, including use of BOTs (internet robots: 8 w/ 4 in development) to streamline and increase accuracy. One critical example of this work: ODM worked with ODJFS and DAS to reduce the volume of alerts generated to improve the usability of information for CDJFS caseworkers. Alert reduction efforts reduced overall ~29 million backlog alerts and drove a ~22 million annual reduction in new arrival of alerts. <p>Enhanced County Engagement and Training</p> <ul style="list-style-type: none"> During calendar year 2022, ODM provided training updates on over 40 topics. 	<ul style="list-style-type: none"> (e) cost avoid & prevent fraud (d) Rates = value (b) Cost effective, sustainable services (2) wellness and preventive care (12) SPBM (14) increased accessibility re: information (15) administrative cost reductions (16) centralized credentialing (17) provider enrollment – PMF (18) uniform claims submission (19) easing provider burden

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	<ul style="list-style-type: none"> • ODM continues to host monthly webinars with all 88 counties and ODM and JFS host quarterly webinars to discuss training topics affecting multiple programs. • ODM and JFS have partnered to create a new worker training curriculum which is hosted at least 3 times a year and covers TANF, SNAP, Medicaid, Childcare, and Case Maintenance. <p>Securing Third-Party Vendor for Unwinding from Public Health Emergency (PHE)</p> <ul style="list-style-type: none"> • At the direction of the General Assembly, ODM procured Public Consulting Group (PCG). During the unwinding of the PHE, PCG will create lists of likely ineligible cases, and ODM will give county caseworkers these lists so they can prioritize their casework. <p>Risk Corridor</p> <ul style="list-style-type: none"> • The risk corridor ended in July 2022 for Medicaid managed care and December 2022 for MyCare. • ODM has recovered of \$605M from the rates issued in CY2020 and CY2021. <p>Program Integrity</p> <ul style="list-style-type: none"> • Revised the FDR process to increase transparency with managed care plan delegation of administrative functions to vendors. These process improvements include the development of an online tool for the MCOs to submit FDR agreements and facilitate their review. • Medicaid’s program integrity unit partners with the Attorney General’s Medicaid Fraud Control Unit (MFCU) to refer potential providers of fraud, waste, and abuse. Ohio MFCU ranked first in indictments and convictions among all units nationwide in FFY 2022. • Medicaid program integrity staff conduct provider audits on-site and remotely to detect fraud, waste, and abuse and to provide education to providers. <p>In CY22 ODM completed:</p> <ul style="list-style-type: none"> • 1,252 post-payment reviews, 440 final fiscal audits, 349 debt summary reports, 62 MDS exception reviews, and 216 provider reviews; recouping approximately \$10.5m in overpayments or reducing future payments. • Third Party Liability (TPL) and recoveries ensures other commercial or public health insurance carriers pay for a service before Medicaid and recovers Medicaid 	

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	<p>payments made when a legally obligated third-party source is later identified. This activity saved approx. \$1.3 billion of billed charges in SFY2022.</p> <ul style="list-style-type: none"> ODM also contracts with Permedion and the Auditor of State (AOS) to review providers. <p>The Medicaid Eligibility Quality Control (MEQC) unit reviews county eligibility determinations and provides outcomes to county JFS offices and the state county TA team to engage in education.</p>	
<p>In collaboration with the Governor’s Children’s Initiative, Medicaid is making great strides in improving access to cost-effective and sustainable care for children. Investing in children and addressing their multi-system needs can help to produce healthy productive adults while preventing high acute care and longer-term chronic health care costs.</p> <p>Medicaid is also supporting cross-agency work to create the new Ohio Department of Children and Youth.</p>	<p>Medicaid administers the Multi-System Youth (MSY) Custody Relinquishment Program. Metrics for the program as of February 2023:</p> <ul style="list-style-type: none"> Allocated funding to prevent custody relinquishment for 1,085 youth across 85 counties. Technical assistance was provided to an additional 144 children and families (no funding requested). When last checked, custody relinquishment was prevented in more than 98% of funded cases. <p>OhioRISE, a specialized managed care program for children and youth with complex behavioral health needs.</p> <ul style="list-style-type: none"> Since launching in July 2022, OhioRISE has enrolled over 18,000 children and youth to provide them with access to more intensive behavioral health care that can improve their health and life outcomes. OhioRISE targets the most vulnerable families and children in Medicaid to prevent custody relinquishment and to reduce Ohio’s reliance on costly out-of-state residential treatment. OhioRISE is working on developing access to and capacity for a number of key services that improve outcomes, decrease use of acute services with more cost-effective options, including: <ul style="list-style-type: none"> Psychiatric Residential Treatment Facility (PRTF): developing in-state capacity for high-quality inpatient-level behavioral health treatment services in residential setting within Ohio so we can send fewer children out of state (often at a very great cost). Mobile Response and Stabilization Services (MRSS), a mobile crisis response that will decrease inpatient and emergency room use for behavioral health 	<ul style="list-style-type: none"> (c) Remove barriers (a) Improve physical & BH (b) Cost effective, sustainable services (d) Rates = value (f) Reduce comorbidity (1) enhanced services for newborns and pregnant women (2) wellness and preventative care (5) individualized care coordination (6) health and cultural respect (8) 24/7 advice line (9) after hours BH crisis (10) OhioRISE (13) enhanced member transportation

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	<p>care and decrease reliance on law enforcement and child protection system use in crisis situations.</p> <p>Comprehensive Primary Care for Kids: as described in the value-based payment section above, CPC for kids invests in primary care practices and rewards improving outcomes while reducing costs. In 2022, CPC for Kids:</p> <ul style="list-style-type: none"> • Served nearly 900,000 kids in 254 enrolled primary care practices. • Demonstrated that CPC for Kids practices perform better on specific metrics (ex: percentage of children receiving appropriate lead screenings) than non-CPC practices 	<ul style="list-style-type: none"> • (14) increase accessibility re: information • (15) administrative cost reductions • (19) easing provider burden
<p>Medicaid’s Maternal and Infant Support Program (MISP) aims to reduce infant and maternal mortality and morbidity while improving our youngest Ohioans’ ability to thrive. MISP started in 2020 and includes data-driven assistance for pregnant women, grant programs, pregnancy-related Medicaid eligibility updates, and new evidence-based services for women and kids with Medicaid.</p> <p>Medicaid is also a key partner in implementing Governor DeWine’s Bold Beginnings proposals that aim to make Ohio the best place in the nation to have a baby and raise a family. A number of Bold Beginnings proposals are</p>	<p>In partnership with the Medicaid Managed Care Organizations, Medicaid’s Infant Mortality Grants for 2023-2024 aim to reduce disparities in infant mortality rates by:</p> <ul style="list-style-type: none"> • Helping pregnant women access flexible evidence-based and evidence-informed community-based services. • Leveraging over 100 unique community outreach organizations. <p>With support of the General Assembly, ODM implemented continuous postpartum eligibility for one year after giving birth on April 1, 2022.</p> <ul style="list-style-type: none"> • While we can’t know exactly how many women have maintained coverage because of maintenance of eligibility requirements during the public health emergency, the extension in coverage was estimated to help about 14,000 women maintain coverage per year based on 2019 data (pre-pandemic). <p>Pregnancy Risk Assessment Form: In 2021, ODM incentivized use of the electronic PRAF to improve timely notification of a woman’s pregnancy.</p> <ul style="list-style-type: none"> • Use of the e-PRAF helps ensure women are connected to early and preventive care and supports during pregnancy, as well as longer term evidence-based care (ex: home visiting services) proven to improve mom and baby outcomes. • Between 2021 and 2022, the number of e-PRAF forms submitted rose 17%, and the number of unique OB/GYN practices submitting e-PRAFS increased 55%. • 2023 MCO Collective Quality Improvement Priority <p>Additional MISP Initiatives:</p> <ul style="list-style-type: none"> • In 2021 and 2022, ODM began and enhanced services to promote breastfeeding, created access to group prenatal care and education, and introduced Medicaid 	<ul style="list-style-type: none"> • (g) Infant mortality • (a) Improve physical & BH • (b) Cost effective, sustainable services • (d) Rates = value • (f) Reduce comorbidity • (1) enhanced services for newborns and pregnant women • (2) wellness and preventative care • (3) collective impact and quality • (4) community investment • (5) individualized care coordination • (6) health and cultural respect • (8) 24/7 advice line • (9) after hours BH crisis

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<p>included in Medicaid’s SFY 24-25 budget.</p>	<p>reimbursement for evidence-based home visiting. These services help intervene early, prevent infant mortality, and prevent future health conditions and costs.</p> <ul style="list-style-type: none"> In 2023-2024, Medicaid will further increase access to pregnancy and postpartum care and services to cover additional lactation consulting, new short-term postpartum evidence-based home visiting services, doula services, and enhanced care for moms and babies with substance use disorders. <p>Bold Beginnings proposals in Medicaid’s SFY 24-25 budget include:</p> <ul style="list-style-type: none"> Updating Medicaid eligibility for pregnant women and children to 300% of the federal poverty level, helping more pregnant women and children access prevention and early intervention services that improve outcomes and reduce cost. Creating Medicaid eligibility for privately adopted kids who have special health care needs. This type of coverage is currently only available for children who are adopted through the public (county-based) system and could help more children with special health care needs be supported in adoptive homes. Expanding the Healthy Beginnings at Home program to help more housing-insecure and homeless pregnant women secure housing while pregnant. As a pilot, this program demonstrated that paying for housing for pregnant women can significantly reduce health care costs. 	<ul style="list-style-type: none"> (13) enhanced member transportation (14) increase accessibility re: information (15) administrative cost reductions (19) easing provider burden

ODM Updated 4-13-23