



## OAHU Regulatory Update

by John T. McGough

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### Update relating to Ohio's Section 1332 Waiver Process

On Monday, the State Controlling Board (comprised of 6 legislators and a representative of the Ohio Office of Budget & Management) released \$264 million of state dollars to the Ohio Department of Medicaid. This money will leverage more than \$900 million in federal dollars in Fiscal Year 2018 (July 1, 2017 - June 30, 2018). The requirement that the Kasich Administration must go before the State Controlling Board for this Medicaid funding was included in the state budget (HB 49) that was passed into Ohio law effective July 1, 2017. The Legislature required Controlling Board approval to ensure that the Kasich Administration follows through on requesting a Section 1332 waiver and also to require the Ohio Department of Medicaid to impose work requirements on some Medicaid enrollees.

Ohio Medicaid Director Barbara Sears told the Controlling Board that, without the money, there would need to be rate cuts of 16%, or more likely, that the program would just stop paying once it ran out of money for the fiscal year.

The above actions indicate that the Ohio Legislature wants to make sure that the state submits a Section 1332 waiver. The deadline for submittal of the waiver is the end of January 2018.

In related news, OAHU leadership met last Friday with the Legislative Committee of the Ohio Association of Health Plans (representing Ohio's health insurers). The purpose of the meeting was to start a dialogue with Ohio's health insurers with respect to Ohio's Section 1332 waiver. OAHU attendees were OAHU President, Carol Conway, OAHU Legislative Chair, Tim Barhorst, CAHU Legislative Chair, Brian Thompson and OAHU lobbyist, John McGough.

We expressed our desire to work collaboratively with OAHU to establish an Ohio reinsurance program that builds upon the ACA's risk adjustment program. We talked about the need for broad-

based funding of the reinsurance program. We also discussed OAHU's support of insurer tools to control costs while still ensuring quality of care, i.e. care management, telemedicine, prior authorization, and step therapy. The waiver discussion was a good exchange of ideas and we agreed that representatives of OAHU's Section 1332 workgroup and OAHP's 1332 waiver workgroup will meet in the near future for further discussions.

Another issue we discussed with OAHP is the role of the agent as it relates to assisting individuals as they move back and forth between the ACA Marketplace and Ohio's Medicaid and Medicaid-expansion programs. We pointed out that with the significant reduction of Navigator funding in 2018 it makes sense as we look to the future, that at a formal process be considered where licensed agents are able to assist consumers as they move back and forth between the Federal Marketplace and Ohio's Medicaid programs.

All and all it was a good meeting and we will keep you updated as OAHU continues its discussions with OAHP and other interested parties.

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