

## Medicaid expansion: Ohio weighs health vs. cost

By Robert Wang  
CantonRep.com staff writer  
Posted Feb 10, 2013 @ 10:00 AM



Oscar M. Murillo, 54, of Canal Fulton meets with eligibility specialist Raquel Beninghof Thursday to apply for Medicaid and other benefits at the Stark County Department of Job and Family Services. If the Ohio legislature expands Medicaid to adults without dependent children under the Affordable Care Act, it would make it easier for Murillo in 2014 to qualify. He is ineligible now because his children do not live with him.

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Whether more than 18,000 low-income Stark County residents along with other Ohioans can apply for health coverage through the Medicaid expansion is up to the General Assembly.

Next year, the 2010 Affordable Care Act expands Medicaid eligibility, but only in states that opt in. Gov. John Kasich last week announced his support for the expansion, but some Republican legislators are concerned about the price.

The annual cost of providing this coverage to about 270,000 uninsured Ohio residents — nearly all who earn less than \$16,000 a year — is estimated to grow to \$2.5 billion by 2020.

The federal government will cover the cost for the first three years. But after that, Ohio taxpayers will have to pay 10 percent of the cost by 2020.

If Ohio opts out, thousands of adults without dependent children would get no coverage because they wouldn't earn enough to be eligible to receive subsidized coverage on the federal exchange.

## **OUT OF POCKET**

Anton Milini, 52, of Canton hopes the legislature approves the expansion.

"I have medicine I have to buy. It's just hard to get it," said the cancer survivor. "We need help."

Milini and his wife get about \$19,000 a year from disability, more than would normally qualify them for Medicaid. Milini said he has to incur hundreds of dollars a month in expenses for prescription drugs, doctor's visits and blood work, before he qualifies for Medicaid to cover his CAT scans.

Because expanded Medicaid has higher income thresholds, Milini would qualify. No matter what the legislature decides, Milini would be able to get a federally subsidized private plan on the Affordable Care Act exchange in January. He'd have to pay a premium equal to at least 3 percent of his income.

Marcia Shifflet, 45, of Canton Township, who supports the expansion, hasn't had insurance since 2009. She's been hospitalized for rheumatoid arthritis and a colon condition. She and her husband owe more than \$40,000 in unpaid medical bills, so her husband refuses to go to the hospital when he has severe respiratory problems, she said. With her husband's disability and her part-time job, the couple's income could qualify them for expanded Medicaid without a premium.

"There's too many people that don't have health insurance that will not go to the hospital because they're afraid to make a bill that they can't afford to pay," she said.

## **ENDORSEMENTS**

Dr. John Park of Alliance, a gastroenterologist, backs the expansion because it would give more of the poor access to preventative care, possibly warding off severe conditions and expensive hospital stays. "You can't put a price on a human life. You can't put a price on a person's health," he said.

However, Park said that if nearly everyone eligible enrolled in expanded Medicaid at once, it could result in longer waits for appointments due to a doctor shortage.

But Park believes many people, unaware of their options, wouldn't initially enroll.

The Aultman Health Foundation, Mercy Medical Center and Affinity Medical Center say they support a "responsible" expansion of Medicaid.

Aultman CEO Ed Roth said it could result in fewer people using the emergency room as a primary care provider while Affinity said, "covering more uninsured Ohioans through Medicaid expansion will help all hospitals by reducing the unsustainable burden of providing uncompensated care."

If hospitals lose fewer dollars on uncompensated care, they may shift less of the costs onto private insurers.

Expansion could also save local governments money.

Stark County Health Commissioner Kirk Norris said if more people visiting the county health department's free health clinics are on Medicaid, his agency would be able to get more reimbursements, perhaps enough to re-open its dental clinic.

## **OPPOSITION**

Matt Mayer, the Dublin-based president of the think tank Opportunity Ohio, said Medicaid isn't adequately improving health.

"The costs are too high and expanding that even more is not the answer to serving our poor," said Mayer, who favors a state-run Medicaid system without federal involvement. "It's going to bankrupt the state budget in the next 10 years."

Republican Stark County state legislators, whose party controls the General Assembly, have not taken a position.

State Rep. Kirk Schuring, R-Jackson Township, wrote in a text message, "The concept the Governor proposed has merit. I'll need to see if the details match the concept ..."

Kasich proposes automatically withdrawing Ohio from expanded Medicaid if Congress increases the state's share of the costs. But State Rep. Christina Hagan, R-Marlboro Township, is skeptical.

"How does the state government explain to the public when they retract services of that sort?" she asked. "It'll never happen, so really once we're in, we're in, and there's no going back."

## **EXPANDING MEDICAID**

Gov. John Kasich supports expanding Medicaid in Ohio as part of the 2010 federal Affordable Care Act. However, it's not clear if the Ohio General Assembly will approve the plan in June. Here are some possible advantages and disadvantages for Stark County and Ohio residents if the costly federal program is expanded.

## **UPSIDE**

- Roughly 18,332 low-income Stark County residents (270,000 statewide) would be eligible for Medicaid in January.
- Federal government would cover all costs of Medicaid expansion for three years, then decrease support to 90 percent by 2020.
- With more people on Medicaid and fewer uninsured people getting treatment in emergency rooms, hospitals could shift less of the costs of providing uncompensated care to private insurers, which could restrain premium increases.

- Medicaid would cover medical, dental and addiction and mental counseling costs for inmates, which state and local governments now pay for.
- Medical conditions may be uncovered earlier because more people may get regular checkups.

## **DOWNSIDE**

- Ohio Office of Health Transformation says Medicaid expansion would cost taxpayers about \$1.7 billion a year, and eventually \$2.5 billion by 2020.
- Ohio would pay 5 percent of the cost starting in 2017. Its share would grow to 10 percent — \$230 million — by 2020.
- Congress would be able to increase how much Ohio has to pay in the future.
- Thousands could lose Medicaid benefits if a provision is approved that would automatically withdraw Ohio from the expanded Medicaid if Congress increases the state's share above 10 percent.
- There could be a shortage of doctors and clinics to provide primary and specialty care to a larger number of insured people. A shortage could mean people would wait longer for appointments and treatment.

## **QUESTIONS ABOUT MEDICAID**

Q: What is Medicaid?

A: Medicaid is an extensive program run by the federal and state governments that provides health, dental, vision and prescription insurance coverage from a network of Medicaid providers to many low-income people. It pays for nursing home care for elderly and disabled people who've exhausted their savings. For most enrollees, there is no premium, but they often have to pay co-pays of \$1 to \$3 per service. For more, visit <http://jfs.ohio.gov/OHP/consumer.stm>.

Q: Who is eligible for Medicaid now?

A: Disabled people earning an annual gross income up to the poverty line. Parents with income up to 90 percent of the poverty line and dependent children who live with them. Children with income up to 200 percent of the poverty line. But not childless adults.

Q: Who would be eligible for extended Medicaid if Ohio decides to participate in the program?

A: Any U.S. citizen who is a resident of Ohio earning an annual gross income up to 138 percent of the federal poverty line or \$15,856 for household of one; \$21,404 for two; \$26,951 for three; \$32,499 for four; \$38,047 for five; \$43,594 for six. However, Gov. John Kasich is applying for a waiver where Medicaid expansion in Ohio would cover only people earning up to the poverty line, which is: \$11,490 for a household of one, \$15,510 for two, \$19,530 for three, \$23,550 for four, \$27,570 for five and \$31,590 for six. (Income thresholds are expected to rise each year due to inflation.)

Q: How could I apply for extended Medicaid?

A: The state is working on setting up a system where you could apply online. It's likely the Stark County Department of Job and Family Service's Human Services division at 221 Third St. SE in Canton would also accept applications. If Ohio opts in to extended Medicaid, the state would likely release the details by the end of this year.

Q: What if I earn more than this?

A: Under the Affordable Care Act of 2010, those who earn between the poverty line and four times the poverty line generally can get subsidized health insurance coverage provided by a private insurer listed on a federal insurance exchange starting in January. The enrollee would have to pay a premium that would be capped at 3 percent to 9.5 percent of income, depending on the income level. The federal government would cover the rest.

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