

Ohio Medicaid's caseload peaked in March 2017 at over 3.1 million individuals. Since that time, caseload has declined across income-based eligibility categories for two straight years. The strong economy is a key driver in Ohio's Medicaid caseload decline.

Budget Impact

The average monthly caseload forecast for the Medicaid program in Ohio is projected to be 2.79 million in SFY 2020 and 2.78 million in SFY 2021. The program forecast projects a continued monthly decline in enrollment until 2021, after which time caseload is expected to increase. This is partially due to [IHS Markit](#) forecasts of Ohio's economy that show an increase in the unemployment rate in SFY 2021, as well as a long-term moderate increase in the population over age 65.

Background

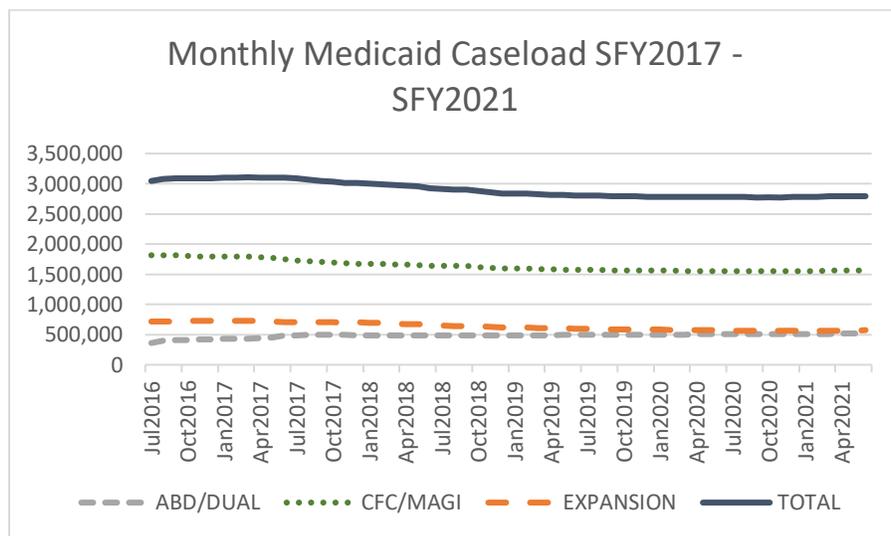
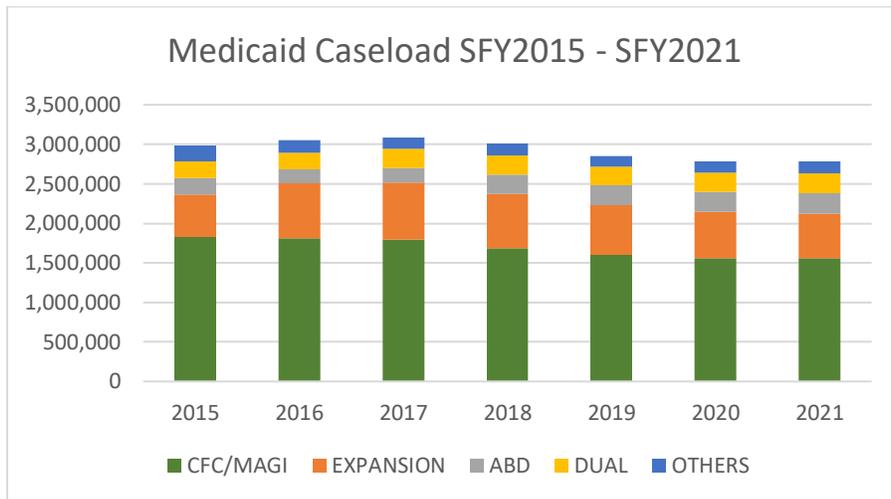
Medicaid eligibility is dependent on several factors including family income, disability status, age, and pregnancy. To obtain Medicaid coverage, individuals must be a resident of the state of Ohio, be a U.S. Citizen or qualified alien, and meet all requirements for an eligibility category set out in an approved State Plan Amendment or approved waiver. The major categories of Medicaid eligibility are:

- » CFC (the former Covered Families and Children Program) which includes children under 206 percent of the Federal Poverty level (FPL), pregnant women up to 200 percent FPL, and low-income parents up to 90 percent FPL;
- » ABD (Aged, Blind, and Disabled) which includes low income individuals with disabilities and low-income individuals aged 65 and over; and
- » Group VII (Medicaid Expansion) which covers adults under age 65 up to 138 percent FPL.

Some of individuals are “dually eligible” meaning they have full eligibility for both Medicare and Medicaid. Ohio Medicaid also manages a Medicare Premium Assistance Program (MPAP) that allows the state to pay some or all of the Medicare payments for lower income individuals who are eligible for Medicare.

Caseload Forecast

Ohio’s Medicaid caseload has been declining for two years, and the caseload forecast continues this trend into FY2021. As the charts below show, the CFC and Expansion categories account for most of the historical and forecasted decline. Ohio’s improving economy is a key driver of recent trends and the forecast.



The ODM forecast calls for slight increases in ABD, dual Medicare/Medicaid eligible, and MPAP populations. The aging Ohio population is a key driver of these trends.

SFY	ABD ADULT	ABD CHILDREN	CFC ADULT	CFC CHILDREN	DUALLY ELIGIBLE	EXPANSION	OTHERS	Grand Total
2020	200,000	53,000	441,000	1,135,000	248,000	582,000	129,000	2,787,000
2021	203,000	53,000	438,000	1,133,000	256,000	566,000	134,000	2,783,000

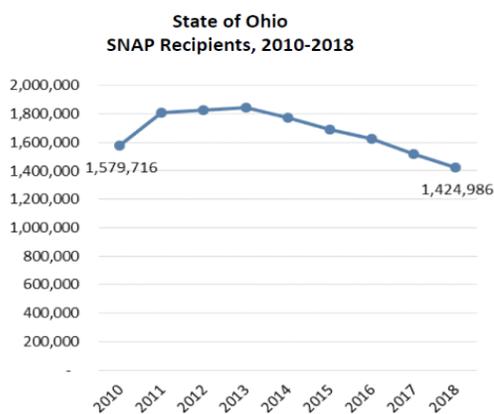
Recent Decline in Caseload

The Ohio Medicaid caseload peaked in March 2017, when enrollment on Medicaid exceeded 3.1 million individuals. In February 2019, the Medicaid caseload was 2.8 million, with 1.61 million individuals in the CFC category and 613,000 in Expansion.

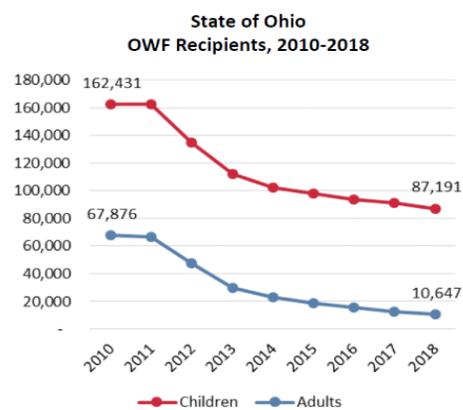
While many factors can contribute to changing caseloads, the recent decline in the number of individuals served by the Medicaid program is likely a result of the strong economy. At the beginning of 2018, Ohio’s unemployment rate decreased to around 4.5 percent, where it has remained since. Individuals and families in the CFC and Expansion enrollment categories have eligibility based on family income, so a stronger economy should translate to lower caseload as working individuals and families gain more hours and/or earn higher wages, and non-working individuals have opportunities to enter the workforce.

The magnitude of the enrollment decline over the last 2 years also directly links to Medicaid’s redeterminations processes. When Ohio implemented a new eligibility system in 2014, the Centers for Medicare and Medicaid Services (CMS) allowed the Department of Medicaid to delay routine eligibility redeterminations. During that time and for several months after, the Medicaid caseload, excluding the expansion caseload, grew even as Ohio’s economy improved. In typical months, caseload fluctuates in Medicaid as some members lose coverage and others gain coverage. With redeterminations suspended because of the new eligibility system, few members lost coverage, but people continued to enter the program. When redeterminations resumed, many individuals who retained Medicaid during the suspension period left the program. Redeterminations resumed as Ohio’s economy continued to improve, magnifying the overall decline in caseload.

Medicaid’s enrollment changes mirror similar changes in other social service programs, as indicated in the following charts.¹



Source: Ohio Department of Job and Family Services PAMS Report



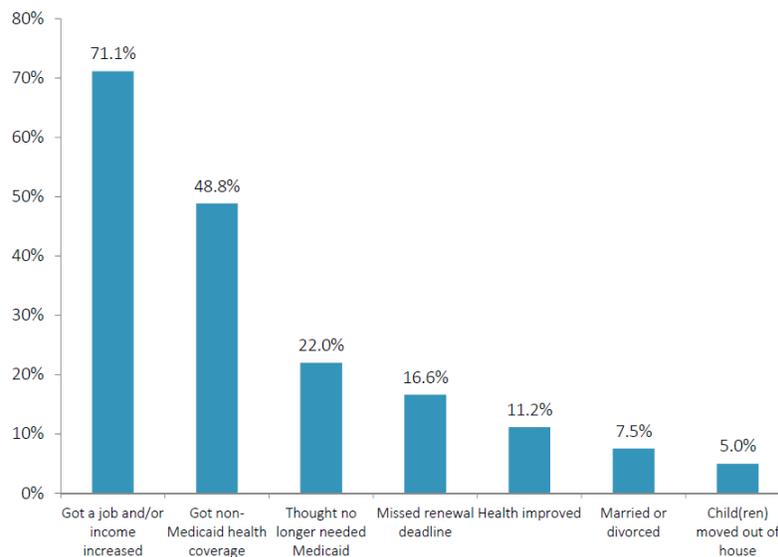
Source: Ohio Department of Job and Family Services PAMS Report

¹The Center for Community Solutions. [State of Ohio](#).2018.

The Department of Medicaid’s caseload forecasts are very close to forecasts completed by the Legislative Services Commission, and national Medicaid data also shows recent declines in caseload across the country. The Kaiser Family Foundation reported a 0.6 percent decline in national Medicaid enrollment in FY 2018 and noted that 27 states reported enrollment declines for FY 2018.²

The *2018 Ohio Medicaid Expansion Assessment*³ included information on reasons people unenrolled from Medicaid. The following chart shows the responses of former Expansion enrollees who were aware that their Group VIII eligibility had ended. Of the group, 71 percent reported they left Medicaid because they got a job and/or their income had otherwise increased, and nearly 50 percent reported they obtained other health coverage.

Figure 4: Group VIII Unenrolled: Reasons for Unenrolling from Medicaid, 2018



Source: 2018 Group VIII Telephone Survey. Options are not mutually exclusive.

The Department of Medicaid recently investigated the current insurance status for people who left Expansion coverage. Of that group, more than three quarters of those disenrolled from Expansion left Medicaid completely, 13 percent switched to CFC coverage, and fewer than 5 percent had transferred to ABD.

Additional evidence of the effect of an improving economy can be found in the Ohio Benefits Termination Reason Codes. An analysis of children who have left Medicaid showed that the percentage of individuals with terminated coverage because of income-related issues increased by nearly 11 percentage points between 2015 and 2018.

² Kaiser Family Foundation. [Issue Brief: Medicaid Enrollment & Spending Growth: FY 2018 & 2019](#). October 2018

³ Ohio Department of Medicaid. [2018 Ohio Medicaid Group VIII Assessment](#). August 2018.