

Office of Health Transformation

Building a Sustainable Program for Children with Medical Handicaps

Governor Kasich's Budget:

- *Establishes a new sustainable program to serve Ohio's most vulnerable children*
- *Grandfathers all current non-Medicaid eligible BCMH participants into existing program*
- *Continues the commitment to provide medically necessary services*

Background:

In 1919, Ohio law first mandated care for children with medical handicaps. Since its inception, the program has evolved and is now known as the Children with Medical Handicaps program, or BCMH, housed within the Ohio Department of Health (ODH). Despite improvements in access to health care, few modernizations have been made and today's program is not structured in a way that ensures future program sustainability for children and families with the greatest needs.

Ohio's existing BCMH program pays for health care services for children with special health care needs who are uninsured, underinsured, or whose insurance does not cover the services they need. Eligibility for BCMH is determined by a complex methodology that takes into consideration family income, service level credits, maximum ability to pay calculations, and cost sharing requirements. There are no limits on the number of enrollees in the program. Additionally, while these services already exist in the Medicaid system, BCMH essentially spends taxpayer dollars twice on similar services for BCMH-enrolled children who are also enrolled in Medicaid – once through Medicaid for services that Medicaid managed care plans are required to provide (e.g., care coordination), and then again through BCMH for similar services. As a consequence, BCMH has consistently run over budget, and currently has an unfunded liability of approximately \$11 million.

In order to ensure Ohio has the ability to support children with medical handicaps and their families with the greatest level of need, the Executive Budget establishes a new Children with Medical Handicaps (CMH) program under the Ohio Department of Medicaid (ODM) that maximizes existing state resources to ensure long-term program sustainability, seeks to limit disruption to those currently in the BCMH program by grandfathering all enrolled non-Medicaid eligible children into the existing program, and delivers medically necessary services related to the eligible medical condition and quality care coordination for CMH program enrollees moving forward.

Executive Budget Proposal and Impact:

- ***Creates a new Ohio Medicaid CMH program as the state's primary payer for CMH services.*** Effective January 1, 2018, all individuals who apply for the CMH program on or after July 1, 2017, will be transitioned into a new CMH program administered by Ohio Medicaid.
- ***Aims to improve quality of care for Ohio's most vulnerable children.*** The Executive Budget creates a new CMH program at Ohio Medicaid that will ensure there's a sustainable program available to support Ohio's most vulnerable children and their families into the future. Ohio Medicaid has a strong foundation of clinical expertise and care management that will allow for the seamless integration of existing benefits for children with medical handicaps. Additionally, ODM is committed to working with its managed care plan partners to ensure quality services are delivered.
- ***Grandfathers current BCMH participants into the existing program until they age out, or their medical or financial eligibility changes.*** Under the Executive Budget proposal, individuals currently

receiving CMH services will not lose access to the program until they age out of the program, or their financial or medical eligibility changes. The proposal seeks to limit disruptions for those currently enrolled in the existing BCMH program by allowing these individual to be grandfathered into the existing BCMH program. Additionally, anyone who applies for the BCMH program through June 30, 2017, and is not currently eligible for Medicaid, will be grandfathered into the existing BCMH program until they age out, or their financial or medical eligibility changes.

- ***Provides CMH services for Medicaid eligible children.*** Any Medicaid eligible children currently enrolled in the existing BCMH program will transition to Medicaid beginning January 1, 2018. Additionally, to minimize disruptions in care, once current BCMH clients enroll in Medicaid due to a change in financial eligibility, they will remain in Medicaid or the Medicaid CMH program depending upon their financial eligibility.
- ***Maintains a safety net program for those not eligible for Medicaid.*** Individuals who apply for CMH services on or after July 1, 2017, and are not eligible for Medicaid but meet the medical and financial eligibility requirements of the new Medicaid CMH safety net program will have access to CMH services. The Medicaid CMH program maintains the same medical eligibility criteria and sets new financial eligibility at 225 percent of the Federal Poverty Level (FPL).
- ***Simplifies financial eligibility to ensure the children and their families with the greatest needs have a sustainable CMH program available in the future.*** While the current BCMH program has income guidelines set in the Ohio Administrative Code at 185 percent of FPL, a complex system has developed since the program's inception that has essentially eliminated any financial eligibility limit. This has led to an \$11 million unfunded liability within the current BCMH program, threatening the program's long-term sustainability and putting at risk the state's ability to support CMH individuals in the future. The Executive Budget simplifies the new Medicaid CMH program's financial eligibility process and establishes financial eligibility at or below 225 percent of FPL. When using the most recent analysis available to estimate the potential impact of program changes on future enrollees, and when excluding Medicaid BCMH participants, approximately 80 percent of the remaining program participants would be eligible for the program under the new proposed criteria.
- ***The new Medicaid CMH program continues a holistic patient centered approach.*** The Medicaid CMH program will continue to include four core components: (1) Diagnostics; (2) Treatment; (3) Care and Service Coordination; and (4) Services for Eligible Adults.
- ***Ensures that all CMH clients will receive medically necessary services.*** The Ohio Department of Medicaid's Medical Director and Assistant Medical Director – both pediatricians – and Ohio Department of Medicaid clinical staff have completed a thorough review of approximately 170 pages of services and codes paid for by BCMH. That review confirmed that, while some codes or services may be known under a different name or classification, Ohio Medicaid will cover all medically necessary CMH services currently covered by the existing BCMH program.
- ***Maximizes taxpayer resources by utilizing existing Medicaid infrastructure, processes and expertise to manage program eligibility determination and claims processing.*** The core public health responsibilities of ODH include preventing and controlling the spread of infectious diseases, not providing and paying for health care services. Alternatively, providing and paying for health care services is at Ohio Medicaid's core, making it well equipped to handle the complex health needs of Ohioans utilizing CMH services.

FIGURE 1. COMPARISON OF CURRENT ODH CMH PROGRAM AND NEW MEDICAID CMH PROGRAM

KEY ISSUES	CURRENT BCMH PROGRAM	NEW MEDICAID CMH PROGRAM
Medical Eligibility Requirements	Same	Same
Financial Eligibility Requirements	Current BCMH participants will be grandfathered into the existing program unless they're Medicaid eligible, or until they age out of the program, or their financial or medical eligibility changes	Simplified to 225% of poverty to ensure program sustainability for the most vulnerable children
Services Provided	Medically necessary services related to the eligible medical condition	Medically necessary services related to the eligible medical condition
Diagnostic Services	Continued under existing BCMH program until January 2018. Diagnostics no longer necessary after that date.	Covered
Treatment	Covered	Covered
Care & Service Coordination	Covered	Covered
Services for Eligible Adults with Cystic Fibrosis or Hemophilia	Covered	Covered

FIGURE 2. FREQUENTLY ASKED COVERED SERVICES PROVIDED UNDER MEDICAID CMH PROGRAM

Services	Covered	Not Covered
Care coordination	✓	
Nutrition therapy consults	✓	
Continuous glucose monitors	✓	
Diabetes supplies	✓	
Durable medical equipment	✓	
Formula thickeners	✓	
Inpatient medical care	✓	
Medical nutrition therapy	✓	
Metabolic formula	✓	
Nutritional supplements	✓	
Nutrition services	✓	
Pharmaceuticals	✓	
Therapies (Speech/PT/OT)	✓	
Wheelchair (extra chair)	✓	

**NOTE: The services listed above represent a sample of what will continue to be provided under the new Medicaid CMH program. This is not a comprehensive list of services to be covered.*