Medicaid Work & Community Engagement Requirements

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Ohio Department of Medicaid

Care Coordination

Overview

In July 2023, the Ohio General Assembly enacted House Bill 33 (HB 33), which included Ohio Revised Code (ORC) section 5166.37 requiring new eligibility limitations for the adult Medicaid expansion population under 1902(a)(10)(A)(i)(VIII) of the Social Security Act (Group VIII). These new limitations require that in order to qualify for enrollment in Group VIII, an individual must satisfy at least one of the following criteria:
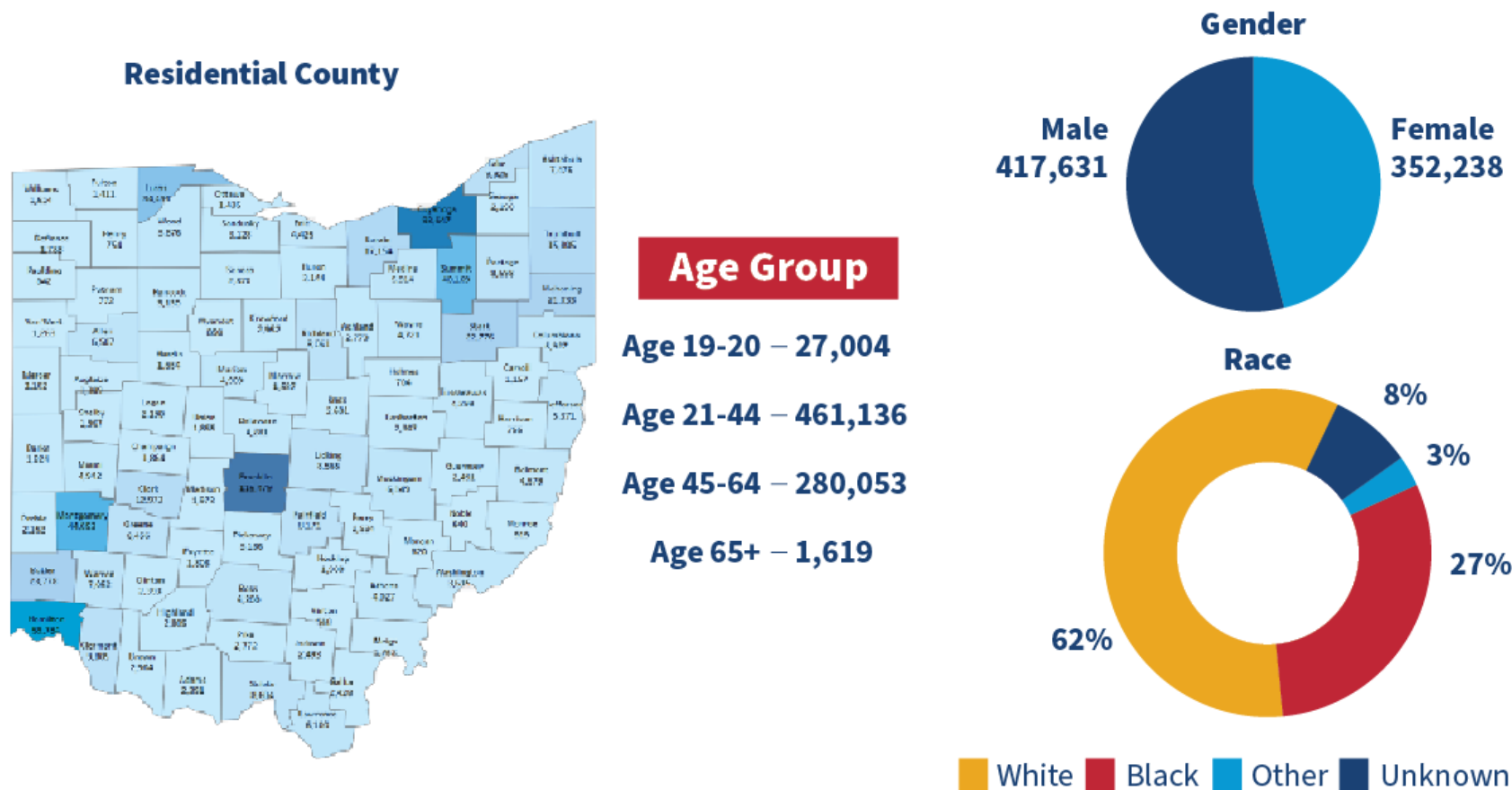
1. **Be at least fifty-five years of age;**
2. **Be employed;**
3. **Be enrolled in school or an occupational training program;**
4. **Be participating in an alcohol and drug addiction treatment program;**
5. **Have intensive physical health care needs or serious mental illness.**

The changes in eligibility standards require approval from CMS. Ohio is actively seeking Social Security Act Section 1115 Demonstration waiver authority to implement this statewide pre-enrollment requirement by limiting pathways to qualifying for this covered group. After two public hearings and a public comment period, ODM submitted its waiver application to CMS on February 28, 2025.

General view of the individuals in that group

Most are male, residing in major metropolitan areas and most are between the ages of 21 and 44

Group VIII Composition as of Feb 2025 eligibility

Residential County

Age Group

Age 19-20 – 27,004

Age 21-44 – 461,136

Age 45-64 – 280,053

Age 65+ – 1,619

Gender

Male 417,631

Female 352,238

Race

8%

3%

27%

62%

White Black Other Unknown

Group VIII Composition – as of Dec 2024 eligibility

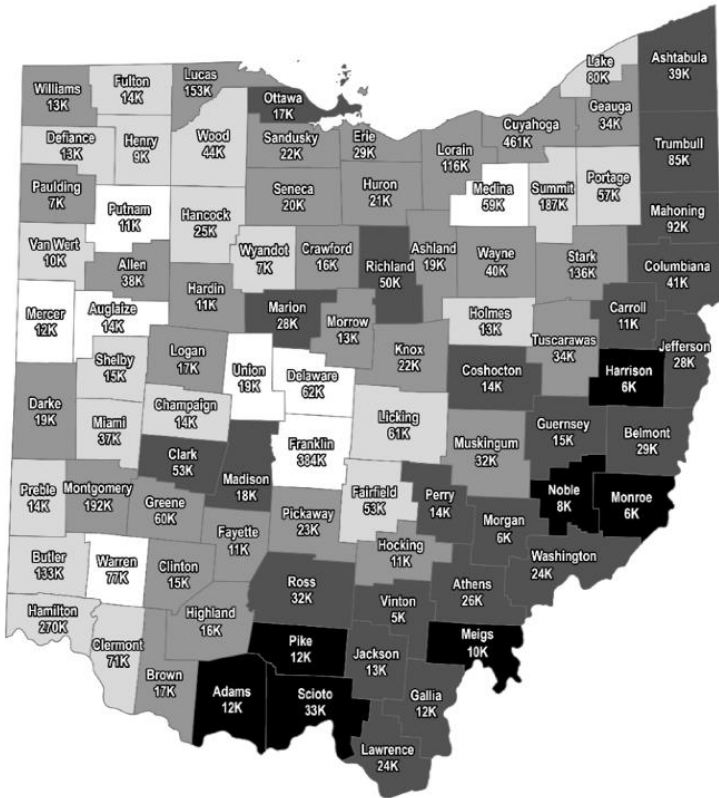| Category	All counties	% total
Individuals meeting eligibility requirement	**584,569**	**73.0%**
Individuals currently working (>20 hrs or 10-20 hrs)	325,905	40.7%
Age	75,208	9.4%
SUD Inpatient & Residential Treatment*	19,017	2.4%
Severe Chronic Condition**	63,364	7.9%
Other Medicaid Eligibility	101,075	12.6%
Require assessment	**215,008**	**27.0%**
Total population	**799,577**	
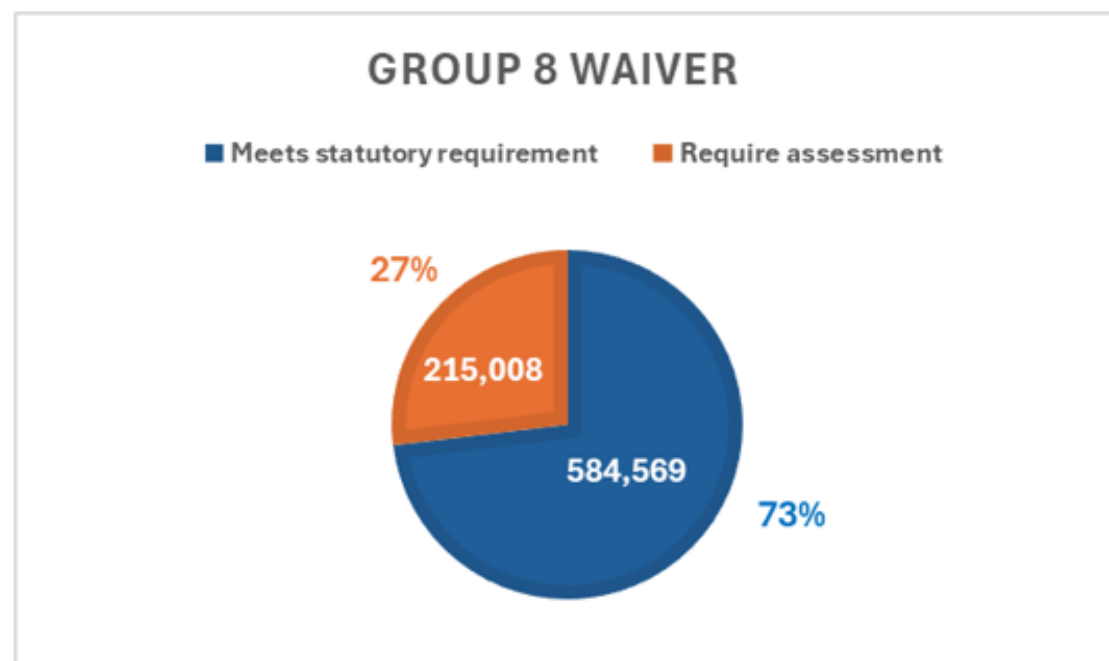
*Anyone who had SUD treatment in the past 3 months in Inpatient or Residential Setting
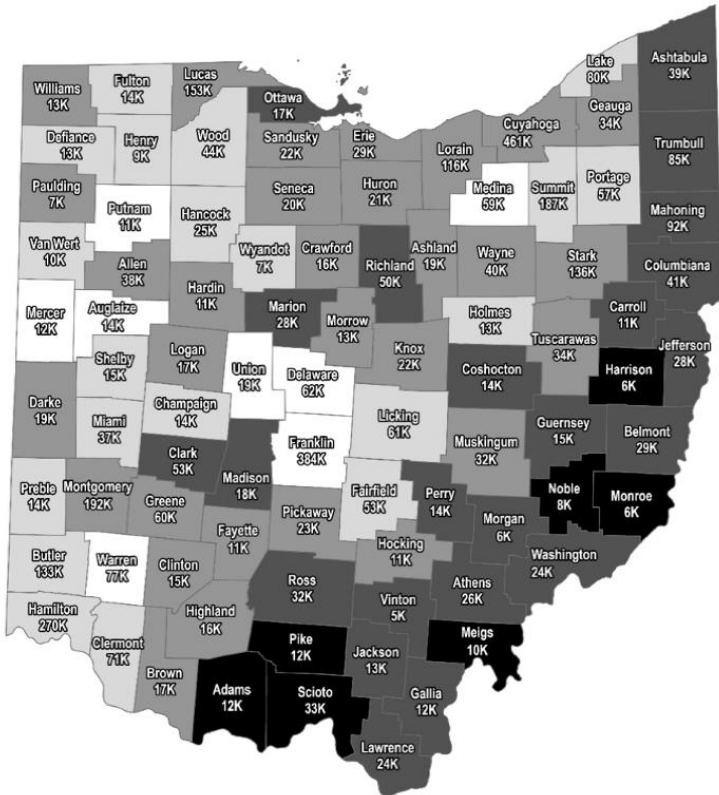**Individuals with severe and persistent physical or mental health condition that prevents regular employment

GROUP 8 WAIVER

■ Meets statutory requirement   ■ Require assessment

27%
215,008
584,569
73%

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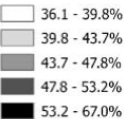# All Ohioans Unemployed/Not in the workforce vs. Group VII Enrollment

All Ohioans

OHIOANS (16 - 64)

Unemployed / Not in Labor Force

Ohioans ages 16 - 64 who are unemployed or not in the labor force as a percentage of all civilians ages 16 - 64 from the 2019 - 2023 ACS 5-year estimates (table B23001).

Numbers displayed are the total estimated number (rounded to the nearest thousand) of Ohioans (16 - 64) unemployed or not in the labor force in each county.

	36.1 - 39.8%
	39.8 - 43.7%
	43.7 - 47.8%
	47.8 - 53.2%
	53.2 - 67.0%

Last updated on Monday, January 27, 2025

Group VIII

GROUP VIII ADULTS (18 - 64) SFY 2024

Enrollment by County

Group VIII enrollment as a percentage of the total population ages 18 - 64 (ACS 2019-2023 5-year estimates) shown by county.

Numbers displayed are the total number (rounded to the nearest thousand) of Group VIII members in each county.

	3.1 - 6.4%
	6.4 - 9.6%
	9.6 - 12.9%
	12.9 -16.2%
	16.2 - 19.5%

Source: ODM claims and eligibility data from the EDW as of January 2025, American Community Survey

Updated on Monday, January 27, 2025

Unemployed/Not Working:
Overall Ohio population compared to Group VIII

All Ohioans

Group VIII

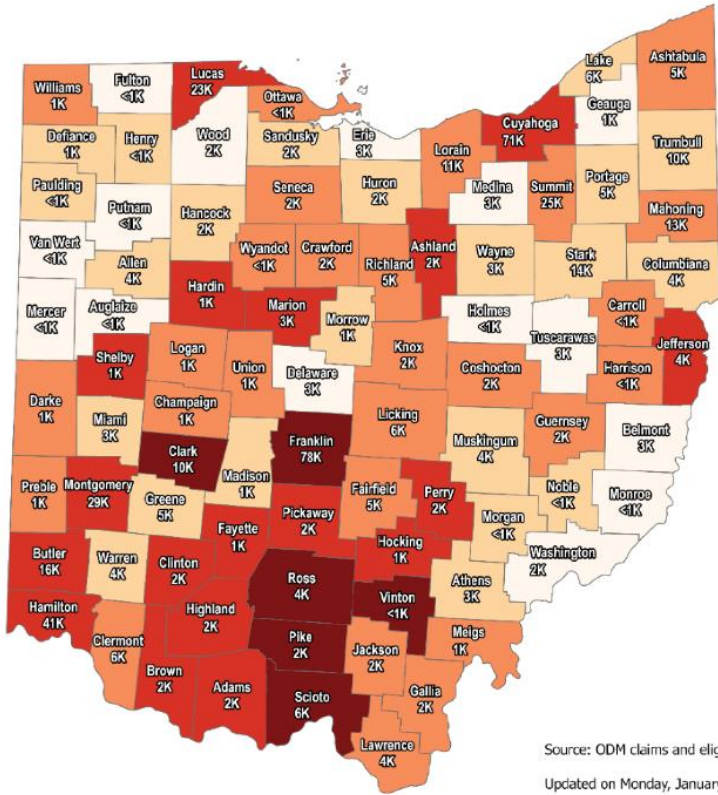**OHIOANS (16 - 64)**

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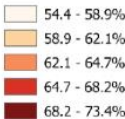|	
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	39.8 - 43.7%
	43.7 - 47.8%
	47.8 - 53.2%
	53.2 - 67.0%

Last updated on Monday, January 27, 2025

GROUP VIII ADULTS (18 - 64) SFY 2024

Not Working

Group VIII members ages 18 - 64 not working as a percentage of all Group VIII members ages 18-64.
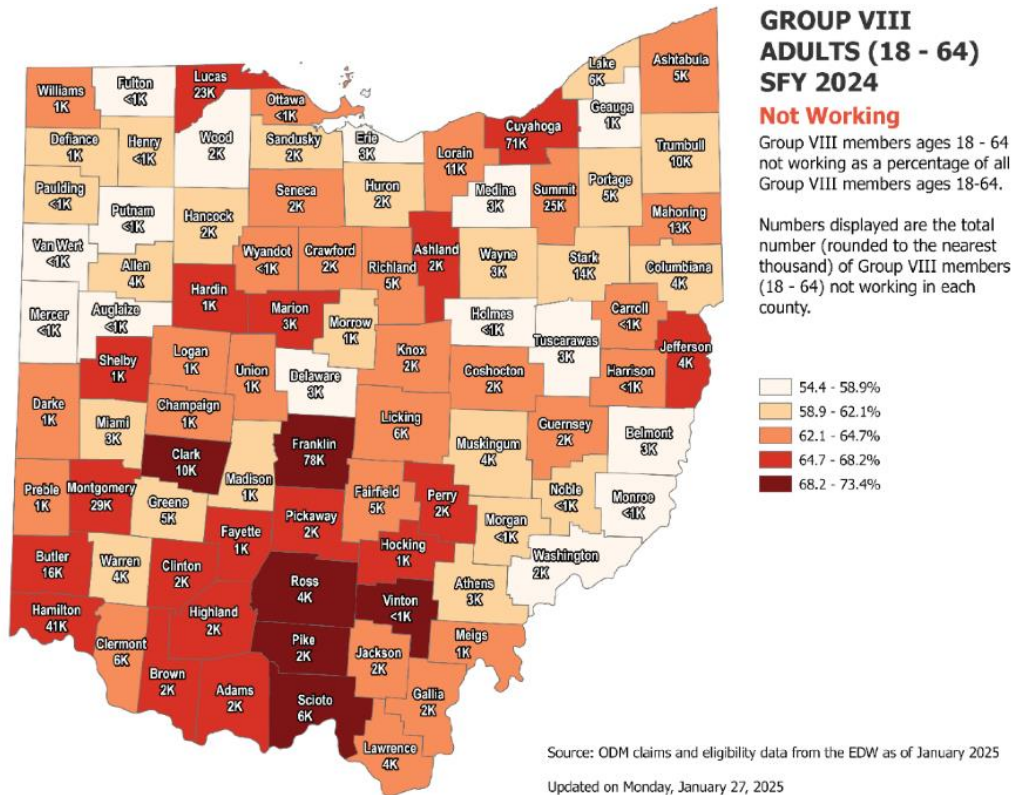
Numbers displayed are the total number (rounded to the nearest thousand) of Group VIII members (18 - 64) not working in each county.
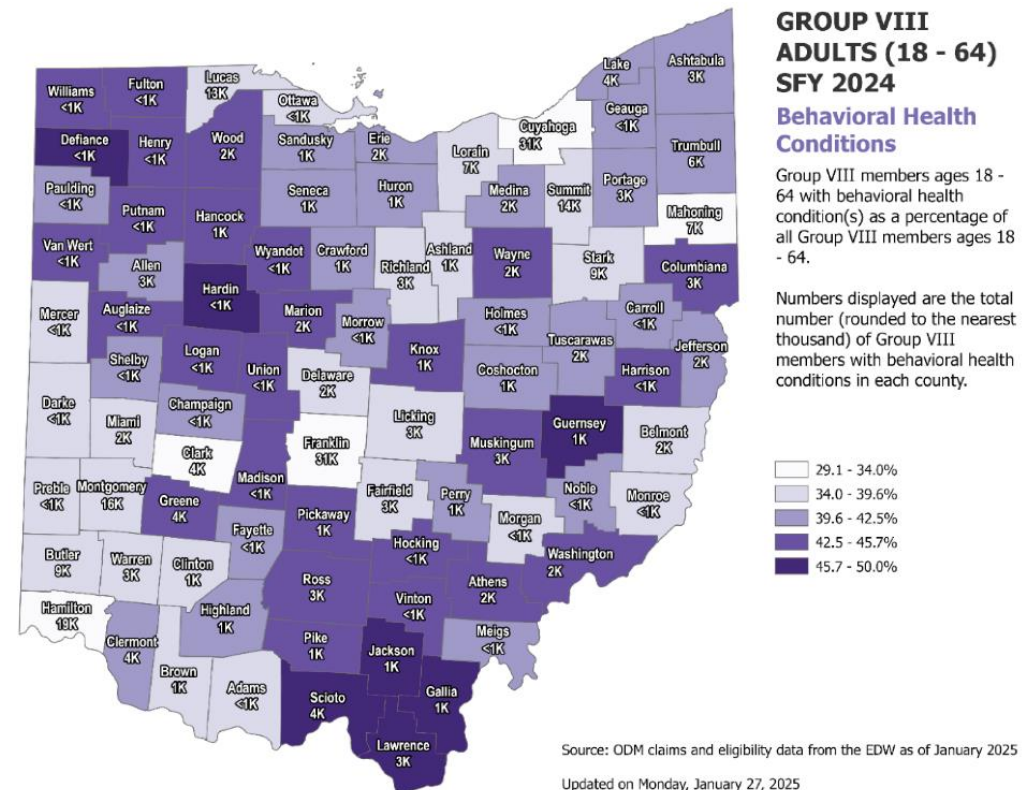
	54.4 - 58.9%
	58.9 - 62.1%
	62.1 - 64.7%
	64.7 - 68.2%
	68.2 - 73.4%

Source: ODM claims and eligibility data from the EDW as of January 2025

Updated on Monday, January 27, 2025

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Group VIII Unemployed and Behavioral Health Comparison

Group VIII Unemployed

GROUP VIII ADULTS (18 - 64) SFY 2024

Not Working

Group VIII members ages 18 - 64 not working as a percentage of all Group VIII members ages 18-64.

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- 54.4 - 58.9%
- 58.9 - 62.1%
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- 64.7 - 68.2%
- 68.2 - 73.4%

Source: ODM claims and eligibility data from the EDW as of January 2025

Updated on Monday, January 27, 2025

Group VIII Behavioral Health Conditions

GROUP VIII ADULTS (18 - 64) SFY 2024

Behavioral Health Conditions

Group VIII members ages 18 - 64 with behavioral health condition(s) as a percentage of all Group VIII members ages 18 - 64.

Numbers displayed are the total number (rounded to the nearest thousand) of Group VIII members with behavioral health conditions in each county.

- 29.1 - 34.0%
- 34.0 - 39.6%
- 39.6 - 42.5%
- 42.5 - 45.7%
- 45.7 - 50.0%

Source: ODM claims and eligibility data from the EDW as of January 2025

Updated on Monday, January 27, 2025

INDIVIDUALS WHO WILL REQUIRE AN ASSESSMENT:

For those that will need to submit additional verification, there will be many who will likely demonstrate they are working, or are in school, or have a medical condition and who can demonstrate that they meet the criteria set in statute. Of this group:

Roughly 10% (~18,000) are homeless or in a shelter (including DV/Women's shelters)	**At least 2% (~3,000)** are veterans (this is a significant undercount because we know that our data doesn't capture most veterans' status)	**About 13% (~24,000)** have a severe *acute* physical condition that likely limits ability to work (evidenced by a recent NF/ICF or home health claim)	**About 26% (~46,000)** have a chronic condition that might hamper work ability (i.e. they have a chronic condition that is included in a more permissive definition of such, but is excluded from the existing strict definition)	**Roughly 5% (~8,000)** are parents of young children (defined by Ohio equal employment protections as a parent of child under the age of 9)	**About 23% (~42,000)** are considered exempt from SNAP/TANF work requirements **An additional 6% (~11k)** are on SNAP and subject to the requirement	**About 8% (~16,000)** are in a custodial living situation (e.g. have a living arrangement of public institution, ICF, or similar)	**3% of Group VIII** enrollees were on SSDI. **45% of Group VIII** enrollees received Behavioral Health Treatment **15% of Group VIII** enrollees received SUD Treatment

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GEOGRAPHY:

Data to provide additional insight into their status under the new proposed framework

~60% Group VIII Medicaid recipients residing in the Southern Ohio meet one of the statutory requirements	For those that data does not show meeting one of the statutory requirements, large metro areas have a lower percentage of people working at least 20 hours compared to the other regions	Central, southwest, and northeast regions have relatively higher proportion of the Group VIII population that will require assessment	**42% (329,666)** of Group VIII enrollees live in counties where the unemployment /no labor force participation (ACS) rates among people below the federal poverty level are above the county median.	**25%** of Group VIII enrollees live in counties with the highest percentages (45.5-67.0%) of unemployment /no labor force participation in Ohio.	**65%** of Group VIII enrollees live in counties with the highest percentages (21-25%) of age-adjusted mental health impairment in Ohio (BRFSS, CDC PLACES).	**84% (657,399)** of Group VIII enrollees live in counties with high percentages (11-14%) of age-adjusted Diabetes (BRFSS, CDC PLACES).

In the Group VIII population, majority of the Medicaid recipients **725,186 (93.2%) are in Managed Care** and **52,430 (6.8%) are in Fee-For-Service** program

Higher proportion of the males are in the Group VIIII population (54%) compared to females (46%), contrasting to the generation population profile.

Implementation & Process

- Individuals who <u>apply</u> for Medicaid on or after the implementation date will be subject to the work requirements.

- Individuals already enrolled in Group VIII prior to implementation will be evaluated under the new requirements at their next eligibility renewal.

- The process will follow the same steps as annual Medicaid eligibility renewals including the work requirements.

- MCOs will be assisting with outreach in advance of redeterminations.

- MCOs will be expanding their work efforts and supports, building from current voluntary work efforts.

- ODM is estimating that ~62,000 enrollees will lose their Medicaid eligibility in the SFY 26-27 biennium. Because of eligibility processes and renewals, ODM anticipates there will be a lag in disenrollment during the first year of the demonstration.
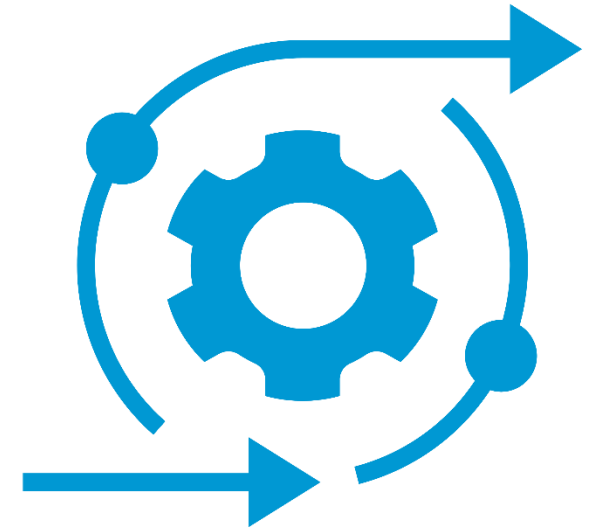
Budget Estimates H.B.96

	SFY26			SFY27		
	All Funds	Federal	State	All Funds	Federal	State
Disenrollment Savings	$(2,188,677)	$(1,969,809)	$(218,868)	$(200,481,079)	$(180,432,971)	$(20,048,108)
County Effort	$155,010	$116,258	$38,753	$1,860,120	$1,395,090	$465,030
Other Admin	$1,375,000	$687,500	$687,500	$2,750,000	$1,375,000	$1,375,000
Lost HIC Revenue	$426,272	$303,122	$123,150	$38,355,425	$27,395,081	$10,960,344
Net GRF Impact	$(232,395)	$(862,930)	$630,535	$(157,515,534)	$(150,267,800)	$(7,247,734)

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Public Comment

The proposed 1115 waiver was published for public comment on December 17, 2024, and closed on January 21, 2025.

Total Comments Submitted		
654		
Opposed	Neutral	Supportive
589	21	44

- Common themes in opposition comments included administrative burden for the members, concerns over loss of coverage impacting health of members, the lack of efficacy of work requirements, the inconsistency between work requirements and the program goals, the cost of childcare, challenges finding work, the cost to providers of healthcare services, the lack of transportation needed maintain employment.

- Themes in the supporting comments included the belief that too many people are just getting benefits but can work, and that work for benefits should be required.

- The full summary of the comments was assembled along with responses to the comments and have been submitted to CMS; the federal comment period through CMS is now open and will last through April 7th, 2025.

Lessons Learned: "Georgia Pathways"

- In 2022 Georgia implemented a work provision that was structured differently from what had been proposed by several states and struck down in federal courts and by the Biden administration.

- The state launched the program in July 2023 and spent over $40 Million in state and federal tax dollars with nearly 80% going towards administration and consulting fees.

- The Georgia eligibility program required a minimum of 80 hours of work, academics or volunteering per month.

- By July 29, nearly 4,500 people had enrolled in Pathways; compared to the state's goal of more than 25,000 in its first year (per CMS application) and less than the 359,000 who might have been eligible (if Georgia had expanded Medicaid under the ACA). The state indicated that it was an administrative nightmare.

Lessons Learned: "Arkansas Works"

- The uninsured rate among low-income Arkansans ages 30-49 rose from 10.5% in 2016 to 14.5% in 2018 after the "community engagement" requirement took effect.

- Arkansans ages 30-49 reporting disenrollment from Medicaid or Marketplace coverage at any point in the demonstration year experienced significantly higher medical debt and financial barriers to care compared to Arkansans ages 30-49 who maintained coverage.

- There was no associated increase in employment of other community engagement activities among low-income individuals subject to the Arkansas requirement either in the first year when the policy was still in effect or nine months after the policy was blocked.

- Nearly everyone who was targeted by the Arkansas Works requirement either had already met the requirement or was exempt from it, providing little margin for the program to increase work or community engagement. 97% of the survey respondents aged 30-49 had already met the requirement or were exempt.

APPENDIX

Comparison of Ohio's Previous and Current 1115 Work Waivers

Previous Waiver – Same Base Plus Additional Exceptions:

1. Alignment with SNAP

2. SNAP waiver allowed

3. Exemption for parents with infants

4. Exemption for high unemployment regions of the state

5. Assessment process by county with assignments to work activities

Current Ohio Waiver:

1. Be at least fifty-five years of age

2. Be employed

3. Be enrolled in school or an occupational training program

4. Be participating in an alcohol and drug addiction treatment program

5. Have intensive physical health care needs or serious mental illness

Appendix

New applicants – Income and other eligibility factors

- IRS: Ohio uses the Federal Data Services Hub (the Hub) for IRS income data. Post-enrollment, Ohio uses IRS data to verify or detect unearned income.

- SSA: Ohio uses the transactional connection to SSA through the Federal Data Services Hub (the Hub) for Title II income data. Post-enrollment, Ohio uses SSA data to verify Title II and Title XVI information regarding payment status, benefit amounts, entitlements, termination dates, and health insurance data. Ohio uses SSA to verify citizenship and SSN, and DOB, Medicare receipt, and any application for SSI and SSDI.

- State Wage Information Collection Agency (SWICA): Ohio uses SWICA data as part of the Hub cascade at initial application and for the ex parte (passive) renewal batch process. Post-enrollment, Ohio uses SWICA data as an additional income validation source, specifically for State earned income.

- State Unemployment Compensation (UC): Ohio uses UC data as part of the Hub cascade at initial application and as part of the ex parte renewal batch process. Ohio's interface with State UC also enables the agency to generate alerts regarding changes in recipients' UC benefits post-enrollment

- TALX/The Work Number: A private database counties use to verify earned income.

- Ohio Bureau of Workers Compensation (BWC): Ohio uses BWC data to verify payments made for workers' compensation

- Vital Statistics: data used for Paternity lead for medical child support. Post-enrollment used for birth and death.

- Office of Child Support Enforcement: Identifies failure to cooperation with the CSEA in establishing paternity of Medicaid eligible child. claims.

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Appendix

Existing enrollees at renewal or post enrollment not renewal – income and other eligibility factors

- IRS: Ohio uses the Federal Data Services Hub (the Hub) for IRS income data. Post-enrollment, Ohio uses IRS data to verify or detect unearned income,

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- Office of Child Support Enforcement: Identifies failure to cooperation with the CSEA in establishing paternity of Medicaid eligible child.

- PARIS: PARIS consists of three types of matches—a Federal Wage Match, a Veterans Affairs (VA) Match, and an Interstate Match. The Federal Wage Match provides information regarding receipt of income from the Department of Defense and Office of Personnel Management. The Veterans Affairs Match provides information regarding receipt of income or medical insurance from the Department of Veteran Affairs. The Interstate Match provides information that's used to determine whether a participant is receiving medical assistance in two or more states. In addition, Ohio uses information received via PARIS to verify VA income and third-party insurance.

- National Directory of New Hires (NDNH): Ohio uses NDNH data to identify when an individual is newly hired by an employer.

- Department of Rehab and Correction: Ohio utilizes an interface with DRC to provide information regarding individuals in receipt of Medicaid who have been incarcerated for over 30 days.

- Department of Youth Services: Ohio utilizes an interface with DYS to provide information regarding youth in receipt of Medicaid who are currently incarcerated in state facilities or those who have been recently released.

Appendix
Frequent Wage or Employment Cross-checks

- The Annual Household Income service component of the Federal Data Services Hub (FDSH) is used to verify an individual's attested income.

- The state is required by Section 1137 of the Social Security Act [42 USC 1320b-7], to match the Social Security number of individuals receiving Medicaid to other databases, including the SSA, Internal Revenue Service (IRS), State Wage Information Collection Agency (SWICA), and Unemployment Compensation (UC). The SWICA database returns quarterly wage reports from employers in the state and serves as an additional source for verification/notification of earned income.

- In addition, Ohio Benefits receives a monthly file from the National Directory of New Hires (NDNH), which includes information from W-4 forms when an individual is newly hired by an employer.

- Income and employment is checked at initial determination, renewal, and then we receive new hire, Income Eligibility Verification System (IEVS), SWICA, Beneficiary & Earnings Data Exchange (BENDEX) matches as leads for either new income or income changes that must be followed up on.