

2020

ANNUAL REPORT



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OUR VISION:

Putting the individual ahead of the business of health care by:

Personalizing the experience of care

Easing administration burden to free provider time for patient care

Helping providers strengthen patient care

Enhancing care for children and adults with complex needs

Improving wellness and health outcomes

As Director of the Ohio Department of Medicaid (ODM), I am pleased to present another year of hard work and accomplishments from the dedicated team at Medicaid. From the outset of state fiscal year (SFY) 2020, the Department set out to achieve an incentive-based program that rewards innovative, thoughtful, and clinically driven changes for the Ohioans we serve. Though the year would present the department, as well as the state, with unprecedented challenges, ODM continues to deliver on promises made to our constituencies, stakeholders, members of the legislature, and most importantly the people of Ohio. Our vision for Ohio's Medicaid program includes a high-quality, accessible health care system that is both financially disciplined and designed to meet the needs of the individuals we serve.



Director Maureen Corcoran

To date, multiple steps have been implemented to increase transparency and accountability in the Medicaid pharmacy program. From crafting and executing a more stringent managed care contract, enhanced data analytics and public reporting, and implementation of a unified preferred drug list. The agency has made significant progress on our commitment to restoring discipline to the program.

As demonstrated in the DeWine administration's first executive budget, Ohio Medicaid is committed to helping Ohio's children grow to lead healthy lives. This year, the department passed several milestones in our work to drive improvement in Ohio's early childhood and pediatric health systems. In July 2019, ODM received approval from the Centers for Medicare and Medicaid Services (CMS) for Ohio's lead abatement program, which will allow Ohio Medicaid and other state agency partners to better address lead abatement and workforce challenges. In November 2019, Ohio Medicaid distributed \$26 million for infant mortality grants to nine Ohio Equity Institute counties. Also, of importance is the department's investment to help multi-system youth (MSY) families; as of June 2020, \$5.17 million has been spent to prevent custody relinquishment for 212 MSY children and families in 66 counties.

Shortly after the assuming office, Governor DeWine directed Ohio Medicaid to procure new Medicaid managed care contracts. Our work to complete this directive began by exploring how consumers are served by Medicaid today, and what it is like to do business with the agency. Throughout late summer and fall 2019, ODM leadership and staff completed many listening sessions with providers, stakeholders, and members of the Medicaid program. This grassroots approach to understanding the functionality of the program exposed areas in need of innovation and evolution. Overall, staff completed 19 in-person sessions

around the state, with 42 partner organizations and 149 individual members. ODM received more than 1,100 written responses from individuals and organizations.

Feedback from those we engaged informed the principles behind a reimagined Medicaid program. Ohio's next generation managed care program will:

- Personalize members' care experience.
- Result in increased transparency and accountability.
- Reduce paperwork to give providers more time with patients.
- Enhance care for children and adults with complex needs.
- Improve wellness and health outcomes.

Our mission, as we continue to implement the priorities of the DeWine administration, is to ensure each Ohio child, adult and family is represented in Medicaid's vision for a program centered on the individual.

Reducing the Backlog

A substantial effort has been applied to reducing Ohio's Medicaid application backlog which includes applications still pending after 45 days.

Within weeks of joining the agency, the Center for Medicare and Medicaid Services (CMS) put ODM on notice following years of neglect in managing the backlog of Medicaid eligibility cases in Ohio. Then, in November 2019, we received CMS's Payment Error Rate Measurement (PERM) audit results that estimated \$6 billion of improper payment made during the historical fiscal year 2018 (July 1, 2017 – June 30, 2018). ODM's rate was the highest among all states participating in the SFY 2019 review, and nearly double the national average. The agency's eligibility error rate for Medicaid 43.49%, and 55.16% for its Children's Health Insurance Program (CHIP).

Working with our federal partners, ODM introduced corrective action plans (CAP) that were praised by CMS, "We [CMS] believe the strategies that Ohio has included in its plan will introduce sustainable improvements to state systems and operations" wrote Deputy Director of Children and Adults Health Programs Group Anne Marie Costello in a letter approving ODM's backlog CAP.

Medicaid has since instituted a series of practices to reduce the backlog, correct flaws within Ohio Benefits – the system that manages member eligibility and enrollment – and strengthen training for frontline caseworkers. ODM introduced a dedicated unit to provide direct, ongoing operational support to field personnel. The staff provides ongoing analysis of aging applications and hosts weekly phone calls with sister agencies working to reduce application and renewal backlogs.

Working in collaboration with the Ohio Department of Job and Family Services (ODJFS), ODM launched a first of its kind, new worker training for local county JFS agencies. The web-based, instructor-led virtual training covers eligibility and policy basics for cash, SNAP and Medicaid programs.

Additionally, a detailed review of outstanding system defects was conducted to identify and correct high-impact defects that obstruct timely application processing. These efforts reduced county-generated system overrides and streamlined day-to-day task processes.

Renewed training, collaborative systems corrections and a focus on improvements enabled ODM to significantly reduce its application backlog. Case in point: Ohio started SFY 2020 with 27,758 applications over 45 days old. Within the year, the backlog was reduced to 3,976, representing a 85.9% decrease.



An Unexpected Crisis

SFY 2020 also brought increased demand for Ohio Medicaid’s services as the COVID-19 pandemic gripped the world’s health care infrastructure, resulting in unprecedented pressure on health care providers and heightened unemployment levels.

In response, Ohio Medicaid quickly mobilized and began an agency-wide effort to manage the uncertainty and demands of the pandemic. This work focused on three goals:

- Ensuring continuous access to care for all who are eligible for Medicaid.
- Devising health delivery models to safeguard against the virus’ spread without compromising quality of care.
- Leveraging federal dollars and programs to relax regulatory requirements and financially supplement income for providers hardest hit by the crisis.

ODM worked alongside sister agencies to relax existing telehealth rules to enable safe distancing while delivering both medical and behavioral health care services to families and individuals. Further, the agency executed an emergency provider agreement through Medicaid managed care organizations (MCO)s that lightened provider administrative responsibilities and expanded access to medications. This work was largely completed as the entire Medicaid agency worked from home.

The department made great strides, but our work is not finished. We continue to seek options to protect citizens from the virus while ensuring continued access to care.

As the department continues to build on the progress of SFY 2020 and as the COVID-19 pandemic remains active, we will face challenges both anticipated and new. The Ohio Department of Medicaid is well-positioned to meet those challenges and deliver on promises made to those we serve.

A handwritten signature in black ink, appearing to read "Maurice J. Jovan".

Foundations of the Medicaid Program

Who We Serve

2,984,644

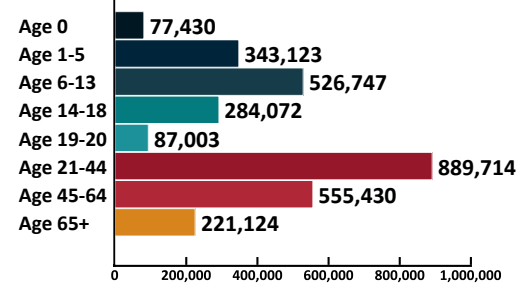
Ohioans

A DIVERSE POPULATION

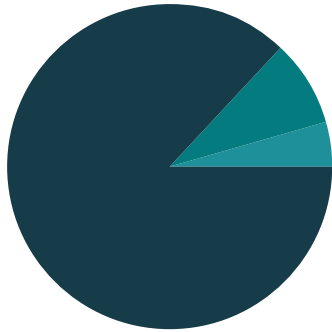
White: 1,357,830 | Black: 647,540 | Asian: 47,957 | Other: 229,505

A WIDE RANGE OF AGES

0- 18: 1,231,372 | 19- 65+: 1,253,271



How Care is Provided



Managed Care: **2,600,931**
 Fee for Service: **252,330**
 Limited: **131,383**
 Total: **2,984,644**

Medical Providers Supporting Ohioans*

- 42,515** Physicians and Osteopaths
- 14,183** Nurse Practitioners
- 11,866** Para-Professionals
- 11,338** Personal Care Aides
- 9,367** Social Workers
- 6,972** Clinical Counselors
- 4,542** Chemical Dependency Counselors
- Plus** over 50,000 more!

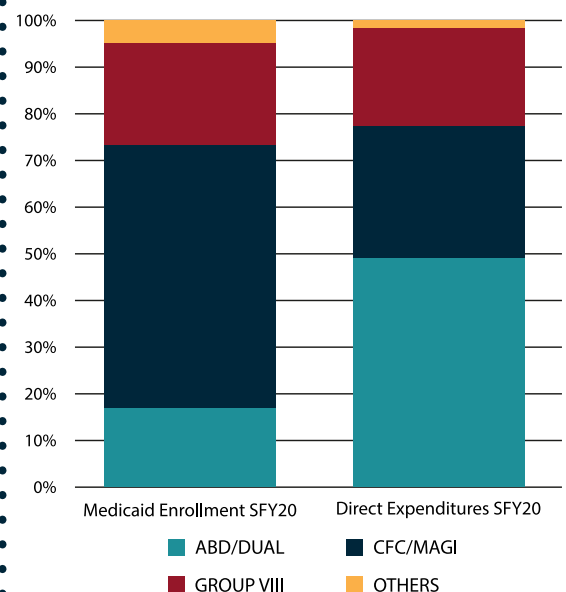


*statistics from 6/30/20

Medicaid Fast Facts

- Over half of the children born in Ohio are covered by Medicaid.
- ODM's caseload increased from 2.8 million to 3 million by the end of the fiscal year due to the impact of COVID-19.
- Over the course of the year, Ohio Medicaid covered nearly 26,000 children in the custody of the child protection system.

Medicaid Enrollment Expenditures



MODERNIZING MEDICAID

Introducing the Next Generation of Ohio Medicaid's Managed Care program

Nearly 90% of Ohio Medicaid members receive their care through one of our six managed care organizations: United Healthcare, CareSource, Molina, Buckeye Health Plan, Paramount, and Aetna. For 15 years, the structure performed at levels that meet state and federal regulatory requirement. However, the structure today falls short of providing scalable, patient-centric services, innovative pricing, or value-added benefits.

To address the gap, ODM introduced a series of market research initiatives, releasing multiple requests for information for its managed care and pharmacy programs. As touched on in Director Corcoran's introduction, feedback was provided by more than 1,100 individuals and organizations.

With this research in hand and the discovery stage of ODM's multi-billion-dollar managed care procurement completed, the agency invested months designing and validating a framework for the managed care program that promises greater rigor to its contracting, payment and oversight processes, and holds managed care organizations accountable for achieving targeted goals.

Reduce Administrative Burden

We know the strain doctors and health care providers face in meeting demands of their patients. Not only is there a shortage of qualified health care providers across Ohio, with a notable deficit in many rural areas, the time that should be spent with patients to understand and treat conditions is too often spent by medical professionals in data tracking, pre-authorizations, medication management, credentialing and claims processing.

Treating the Whole Person Puts Mental Health Care on Par with Physical/Medical Health Care

Undiagnosed, untreated mental health disorders costs Ohioans billions of dollars each year in lost wages, increased medical costs, reduced work productivity, and emergency hospitalization.

During SFY 2020 ODM invested resources expanding its Comprehensive Primary Care (CPC) program -- a highly integrated approach to care that treats the physical, mental, medical and social needs of beneficiaries.

The CPC Model provided an additional \$100 million dollars to primary care practices in Ohio during the fiscal year. Those funds supported a patient-centered approach, such as ensuring same day care to patients as needed, following up on important services such as hospitalizations, emergency visits, and prescriptions, using care management and team-based care delivery, expanding population-level health services, connecting behavioral health providers and community supports, and ensuring patients are seen for well care visits and chronic condition care and monitoring.

On January 1, 2020, ODM expanded the CPC program to include Ohio's children on Medicaid. Today more than 100 pediatric practices are enrolled. Nearly 700,000 Ohio kids benefit from access to regular well-child visits, timely vaccine administration, lead screening and more.

Driving Transparency and Accountability

ODM introduced a series of dashboards during SFY 2020 to provide public insight into key performance measures of the program.

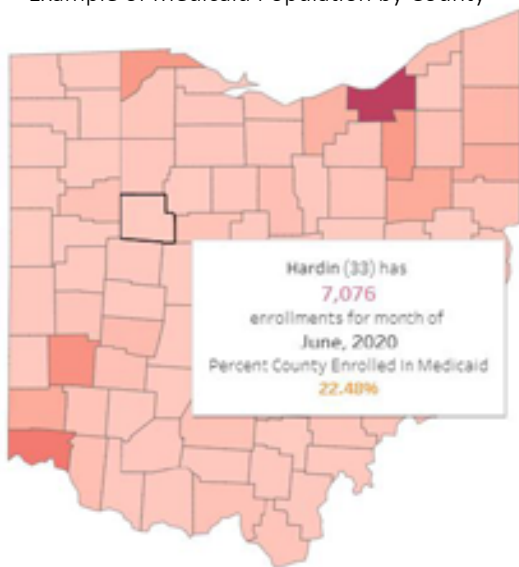
These dashboards create holistic views of Medicaid spending, population needs, provider treatments and more.

ODM's Demographics and Expenditure Dashboard provides reliable insights into:

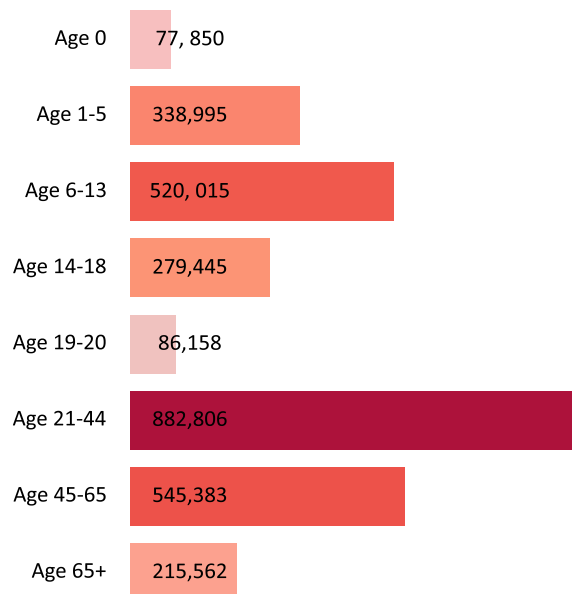
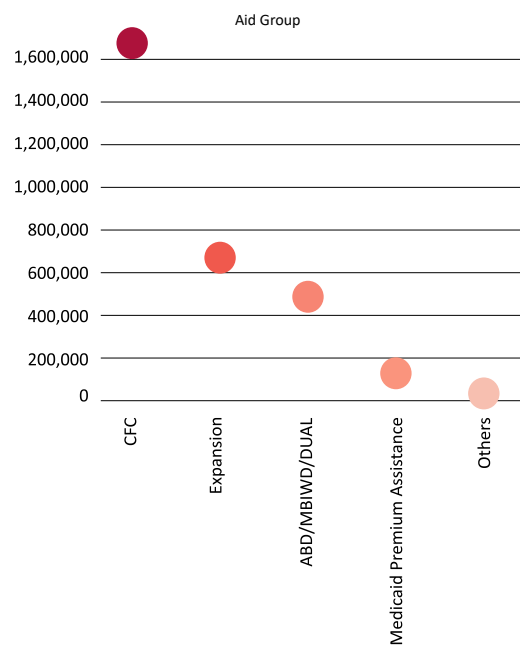
- Who are Ohio's beneficiaries.
- What services are they using.
- Enrollment trends over time.
- Breakdown of services offered and to whom.
- Cost of services provided.
- Disease/condition trends over time, by population, or region.

A Closer Look

Example of Medicaid Population by County



Example of Ohio's Medicaid Aid Groups



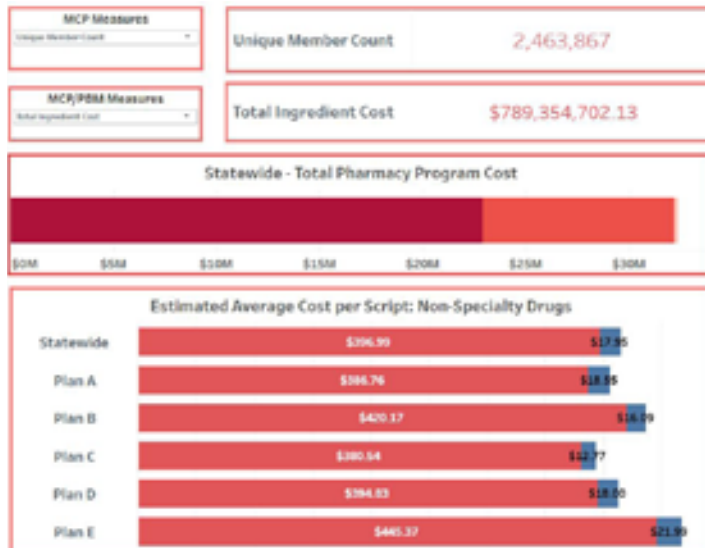
Example of Ohio's Medicaid Populations- Demographics

Ohio Medicaid’s pharmacy program is a critical component of the DeWine administration’s efforts to contain prescription drug costs while maintaining Ohioans’ access to quality medications. Approximately 50 million prescriptions are ordered per year in both the managed care program and in Fee for Service (FFS). These scripts account for \$3.5 billion annual pharmacy spend in the Medicaid program. Given the budget implications, pharmacy is a critical component of Ohio Medicaid’s work to be a good steward of taxpayer dollars while delivering quality outcomes for those we serve.

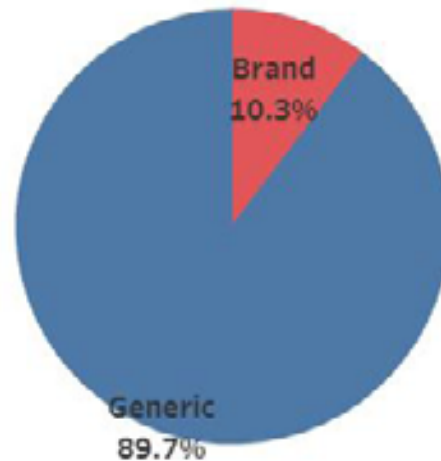
ODM introduced its pharmacy dashboards to increase visibility into:

- How many members receive pharmacy benefits.
- Total cost of the program.
- Total count of medications prescribed in a given period.
- Pharmacy management costs by individual managed care organizations.
- Average ingredient costs per prescription.
- Total cost of prescription drug ingredients paid to pharmacies.

A Closer Look



Statewide AVG Script Count for Non-Specialty



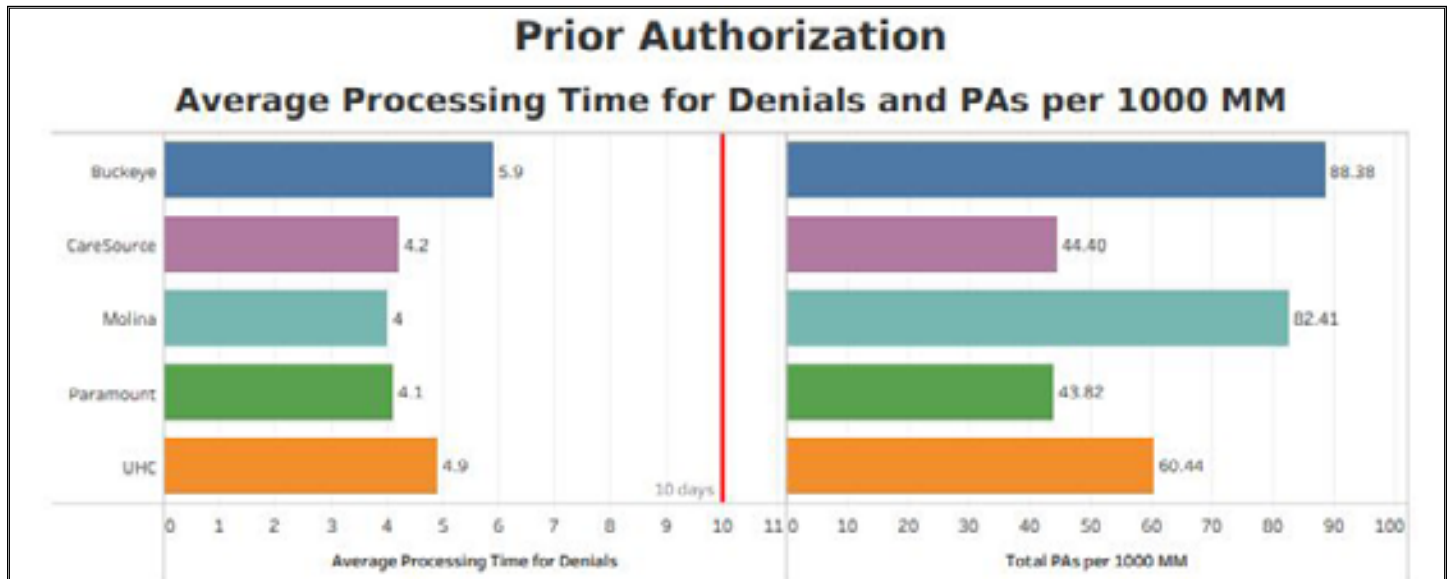
Percentage of Cost Difference between ODM and MCP/PBM



The Office of Managed Care releases quarterly dashboard summarizing managed care organizations' performance in key operational areas. MCO dashboards visually depict plan performance across holistically and at an individual plan level. Data tracked allows ODM to identify trends and systemic challenges that may need to be addressed with the MCOs.

Dashboard elements include:

- Consumer data: number of Member complaints, MCO decision appeals and state hearings by plan and by period.
- Provider performance: insights including provider complaints, prior authorization practices, and prompt pay performance.
- Provider Network Panels: MCPs must provide or arrange for the delivery of all medically necessary Medicaid-covered health care services. This dashboard measures how they perform in meeting requirements.



A Closer Look:

	Category of Service									
	Behavioral Health	Dental	Emergency Services	Inpatient Hospital	Nursing Facility	Other Medical Services	Outpatient Facility Services	Pharmacy – Retail	Physician/ Professional Services	Rad/Path/Lab Services
Buckeye	6% 94%	13% 87%	6% 94%	22% 78%	18% 82%	46% 54%	7% 93%	37% 63%	8% 92%	9% 91%
CareSource	7% 93%	14% 86%	1% 99%	15% 85%	23% 77%	9% 91%	2% 98%	18% 82%	5% 95%	9% 91%
Molina	7% 93%	8% 92%	2% 98%	19% 81%	16% 84%	8% 92%	4% 96%	19% 81%	7% 93%	8% 92%
Paramount	7% 93%	0% 100%	4% 96%	15% 85%	25% 75%	7% 93%	6% 94%	25% 75%	9% 91%	4% 96%
United Healthcare	12% 88%	7% 93%	2% 98%	11% 89%	13% 87%	18% 82%	4% 96%	% 100%	5% 95%	18% 82%

Time Period: Q4 2019. Calculation for % Paid: (# of Claims Paid 0-30 Days)/(Total Paid or Denied 0-30 Days)*100. Calculation for % Denied: (# of Claims Denied 0-30 Days/Total Paid or Denied 0-30 Days)*100

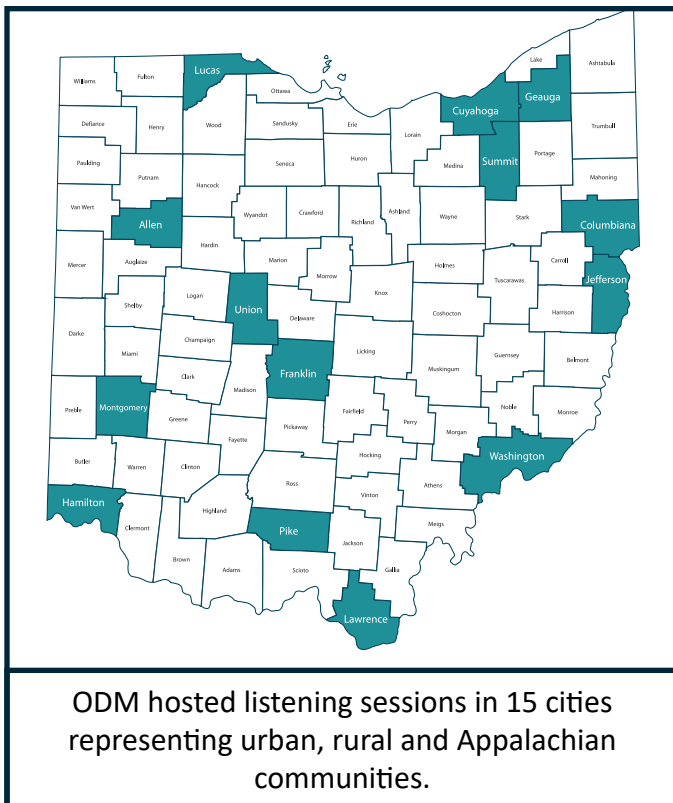
% Clean Claims Denied
 % Clean Claims Paid

Modernizing Medicaid - ODM Procurement Strategy

In 2019, the Ohio Department of Medicaid launched the Medicaid Managed Care Procurement process with the goal of creating a reimagined managed care program focused on the individual. In alignment with Ohio Governor Mike DeWine’s call to ensure Ohioans get the best value in quality care, ODM began implementing its procurement strategy with increased focus on efficiently meeting each individual’s health care needs, driving program transparency, and responsibly serving Ohio.

ODM conducted a deliberate process of designing the future managed care program by starting with efforts to understand the concerns, needs, and suggestions of individuals who interact with the program. Through our first request for information (RFI #1) in Fall 2019, nearly 1,000 responses from members, providers, and advocates provided feedback and suggestions for improvement on many aspects of the program. Outreach included 17 in-person listening sessions with hundreds of members in communities across the state and over 30 meetings with providers, provider associations, and advocates, including those working with families and children with complex behavioral health (BH) needs.

From this effort, ODM put forth five overarching principles to guide the agency’s modernization strategy and based on themes consistently voiced throughout the initial research phase.



Partner Organizations	
<ul style="list-style-type: none"> 16 Community Organizations 9 Job and Family Services County Offices 7 Policy Advocates 5 Providers 3 Faith-Based Organizations 2 Sister Agencies 	
Promotion Channels	
<ul style="list-style-type: none"> Multi-Media Approach Social Media Newspapers Radio Announcements Email Blasts 	<ul style="list-style-type: none"> Leveraging Partner Networks Bulletins Flyers Local Leader and Peer Outreach
<p>ODM partnered with local organizations to host and promote the listening sessions through a multi-media approach.</p>	

Focusing on the Individual Rather Than the Business of Managed Care

ODM seeks a managed care program that:

- **Improves wellness and health outcomes** - By integrating care to treat the whole person, incentivizing prevention and early interventions strategies, and reinforcing culturally sensitive patient practices, ODM seeks to improve health outcomes for all, across a range of efforts addressing infant mortality disparities and preterm births, challenges in housing, food insecurities, along with economic stability and financial independence.
- **Emphasizes a personalized care experience** - ODM is focused on reducing the complexity of the system of care and introducing new services that provide mother-child support.
- **Supports providers in better patient care** - The future program will support providers through a streamlined claims process with a Fiscal Intermediary (FI), the launch of the Unified Preferred Drug List (UPDL), and centralized provider credentialing. These advancements will allow providers to devote more time to direct patient care.
- **Improves care for children and adults with complex needs** - ODM is committed to meeting the needs of children with complex needs through special managed care program named OhioRISE (Resilience through Integrated Systems and Excellence), and by implementing Comprehensive Primary Care (CPC) for Kids, which includes additional incentives for providers who have a process in place for caring for youth in custody. These two efforts should contribute to reducing custody relinquishment.
- **Increases program transparency and accountability** – The future managed care program will provide greater program transparency and accountability through its launch of the Single Pharmacy Benefit Manager (SPBM) and other initiatives that optimize access to financial data and supports care coordination.



Initiatives Supporting the Goals of the Future Medicaid Managed Care Program

From those five design pillars, ODM announced five procurement efforts critical to achieving our vision and goals for the future Ohio Medicaid.

Managed Care Procurement and OhioRISE (Resilience through Integrated Systems and Excellence)

The feedback gathered through the RFI #1 process informed development of a second RFI, released in early 2020, targeted toward gathering input on our initial designs for the future managed care program. This included a delivery system structure for children with complex behavioral health or multi-systemic needs where MCOs, OhioRISE vendor, and a network of regional Care Management Entities will work together to create a seamless delivery system for children, families, and system partners. More than 100 providers, associations, advocacy groups, data and information technology vendors, and managed care organizations responded. The collective information gathered through these efforts is informing the development of RFAs and Provider Agreements for Managed Care and OhioRISE planned for release in late summer and fall 2020.

Single Pharmacy Benefit Manager (SPBM)

On July 24, 2020, ODM published an RFP to unbundle the pharmacy benefit from managed care vendors, creating a SPBM. In 2019, the Ohio General Assembly mandated, and Governor DeWine signed into law, the selection of an SPBM in the state's fiscal year 2020-2021 biennial budget. Once implemented, Medicaid's pharmacy benefits strategy will ease provider administrative burdens, reduce operational costs and strengthen the state's fiscal oversight of this vital health care benefit, as required by ORC 5167.24. The agency also worked with federal regulators to certify the program, thereby securing enhanced federal matching funds that will save Ohio taxpayers millions of dollars as the program evolves. The SPBM will be a specialized managed care organization contracted with ODM to administer Ohio Medicaid's prescription drug program.



Certification allows Ohio Medicaid to receive a 90% federal match for costs incurred to build the program, and a 75% federal match for operational costs.



Fiscal Intermediary (FI)

The RFP for a fiscal intermediary (FI) was released March 17. Once implemented, the FI will serve as a single point of entry for all provider claims and prior authorization requests. It will facilitate processing of and transitioning claims and requests to Ohio Medicaid's future managed care organizations as well as receive updates back from those organizations and be able to convey these to providers, making the process more transparent and efficient. The fiscal intermediary will also provide ODM with greater accountability for timely claims and prior authorization requests, as well as overall program and fiscal responsibility, thus allowing Ohio Medicaid to more effectively identify and address trends.

Centralized Credentialing

In December 2019, ODM awarded its contract for centralized credentialing and began development of the supporting system functionality and programmatic rules. Once implemented,

providers will only need to supply Ohio Medicaid credentialing information once, rather than go through a separate credentialing process with each managed care organization. In addition to implementing a more efficient process for providers, centralized credentialing will provide ODM with access to higher quality, aggregated, and standardized data to inform quality improvement and oversight efforts.

Achieving Improved Outcomes and Greater Accountability

In recent years the Ohio Medicaid program has shifted its relationship with managed care organizations to focus on actively managing the health of members.

COVID provided an unusual opportunity for ODM and the managed care organizations to bring the Institute for Healthcare Innovation’s (IHI) “science of improvement” to address real and immediate COVID-related needs of individuals served by Medicaid. All six of the MCOs and ODM worked collaboratively to launch a series of initiatives to support Ohioans most susceptible to risks COVID-19. Five clinically evaluated initiatives were initiated to reduce the spread of COVID, address unintended consequences of COVID prevention protocols, protect those most susceptible to the virus, and leverage newly enacted telehealth expansions to extend access to care to small community and rural health care providers.

The Institute for Healthcare Innovation’s (IHI) model which accelerates quality improvement, traces back to W. Edwards Deming’s total quality management philosophy. The IHI model calls for collaborative design, disciplined implementation and rigorous measurements – quality components required by Medicaid managed care organizations to receive annual performance and improvement incentive payments.

Emphasis on quality improvement is a common thread throughout ODM's procurement efforts, ensuring robust accountability system to assess and improve the quality of care provided to individuals insured

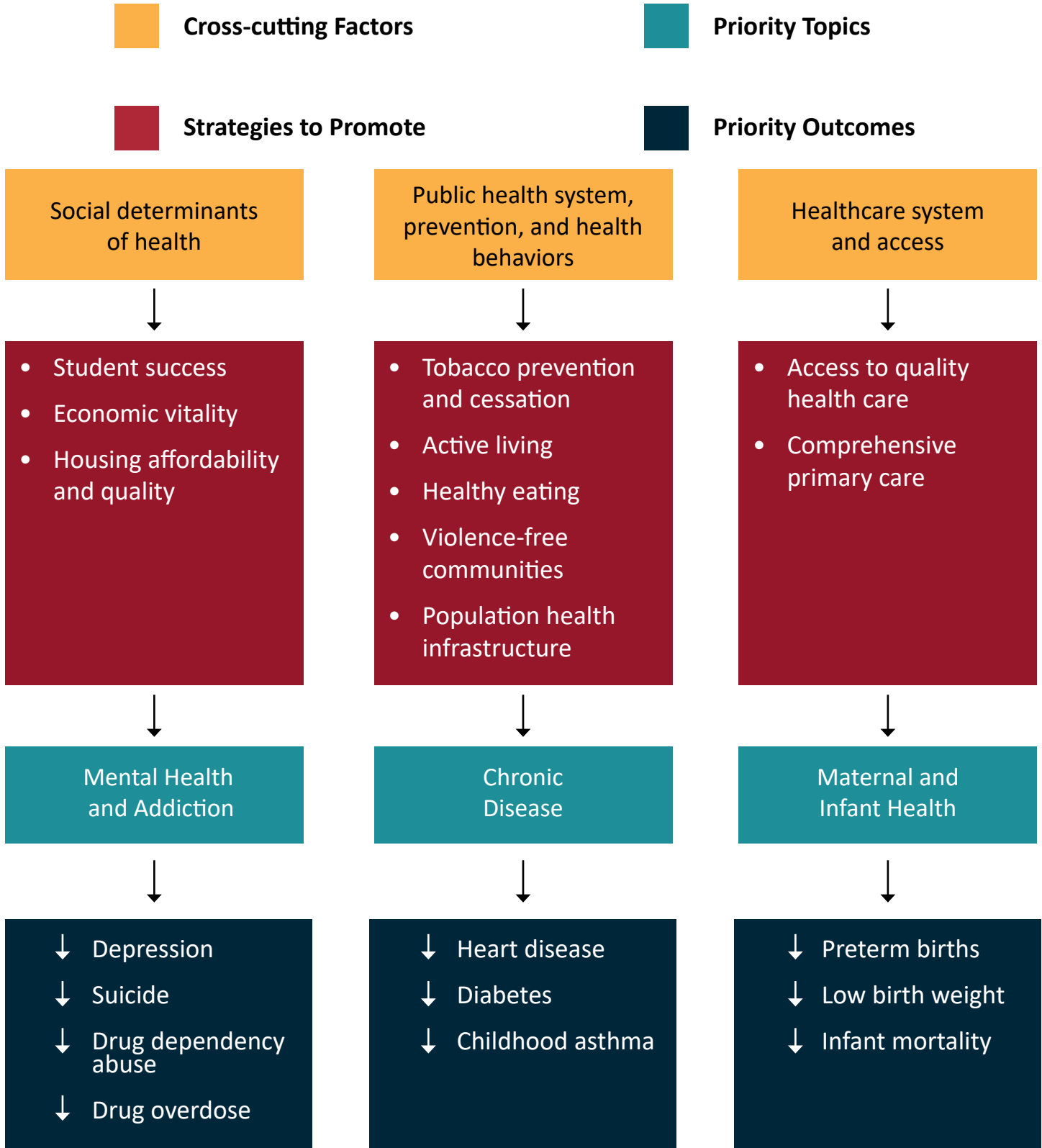
by Medicaid. Those mechanisms include provider agreement contracting language, ODM policy, payment mechanisms, guidance documents, performance-based incentives, report cards, dashboards, and ODM-initiated improvement projects. Analytical and technical assistance provide direction and support to facilitate improvement.



STRENGTHENING HEALTH OUTCOMES

Cross-cutting Outcomes and Strategies

The SHIP addresses the 10 priority outcomes through cross-cutting factors that impact all 3 priority topics.



Strategic partnerships with providers, associations, private insurers, other state agencies, academic medical centers, and state quality collaborative organizations also contribute to success by ensuring coordinated planning and alignment across complimentary initiatives. These partnerships are strengthened by the alignment of the Medicaid State Quality Strategy with the State Health Improvement Plan.

Implementation of ODM's quality strategy entails using continuous quality improvement methods such as process mapping, key driver diagrams, and plan-do-study-act cycles to streamline workflow and remove administrative barriers across the care continuum; assessing and incorporating the experience of high-risk communities through community engagement; promoting value-based initiatives such as episode-based payments and the comprehensive primary care model; supporting behavioral health to better coordinate across payers, expand treatment options, and achieve parity; redesigning care management systems; and producing actionable and timely data for decision making.

In recent years Ohio has implemented several delivery system reforms with the goal of closing equity gaps, and providing better care through family- and person-centered models.

MyCare Demonstration Waiver

CMS approved ODM's renewal of MyCare, the dual Medicare/Medicaid demonstration waiver in 2019.

This demonstration creates a single point of accountability for long-term services and supports (LTSS), behavioral health services, and physical health services with additional value-added supports such as transportation.

Comprehensive Primary Care ODM continues to build on prior initiatives related to value-based purchasing. The most notable example is comprehensive primary care (CPC), in which practices receive monthly payments for specific functions -- 24/7 access, or ensuring patient referrals are followed through -- with additional bonuses for overall improvements in key quality measures that focus on the management of chronic physical and behavioral health conditions.

Infant Mortality

Perhaps ODM's largest effort in addressing disparities has been to reduce preterm births. Partnerships with the managed care organizations and the Ohio Department of Health helped to identify women at greatest risk and facilitate access to needed medications and supports for circumstances that contribute to preterm births.

Working with the Consortium to Prevent Infant Mortality, ODM has evolved place-based strategies within the nine Ohio communities with largest disparities in birth outcomes. These efforts focus on integrating behavioral health services for women with opioid use disorder to reduce subsequent neonatal abstinence syndrome, retaining both the mother and infant in evidence-based care through the first year of life. Similar efforts also exist to address tobacco use before and after birth.

Other work in this area includes academic and clinical partnerships. ODM's relationship with leading Ohio universities led to the creation of



Ohio Medicaid reduced pre-term birth (less than 32 weeks gestation) by 17% for all pregnant women with Medicaid, and 20.3% for black women in the program.



VARIAT Sim - a virtual reality mobile application for health care workers to raise awareness of implicit bias and promote greater empathy. In addition, ODM recruited 22 clinical sites to help reduce the incident of diabetes among minority communities. This effort is of particular importance in addressing chronic health conditions often exacerbated by underlying health determinants related to social, economic, and environmental conditions.

Programs such as these acknowledge the importance of longitudinal care within the context of community, addressing social determinants of health as part of the holistic care required for improved outcomes.

OPPORTUNITY FOR EVERY OHIO KID

ODM Introduced Comprehensive Primary Care for Kids in SFY 2020

In January, ODM initiated CPC for Kids, which emphasizes primary care and prevention as the foundation for care. It incentivizes preventative pediatric care with additional payments to pediatric practices to perform primary-care activities that support infant, toddler and children's health and well-being.

Pediatricians have been credited with developing the original patient centered medical home (PCMH) framework that emphasizes coordination of care and higher levels of communication. Ohio has invested in this framework as a foundation for longitudinal care and patient empowerment by creating an alternative payment for meeting desired standards of access and quality.

Practices involved in ODM's CPC for Kids offer:

- 24/7 access to care.
- Team-based care.
- Population health management including risk tiering.
- Closing referral and communication loops to receive a risk-based per member per month (PMPM) payment.

Quality metrics specific to CPC for Kids include immunizations, lead screenings, fluoride varnishes and tobacco cessation efforts. New requirements for both CPC and CPC for Kids in SFY 2020 include behavioral health care integration and community services and supports integration.



Expanding Work with Sister Agencies

Medicaid is partnering with the Department of Job and Family Services, the Children's Services Transformation Advisory Council, and the Governor's Office of Children's Initiatives to implement the Family First Prevention Services Act, which provides increased flexibility to use federal funds at an array of services for the child before entering child welfare custody.

This effort dovetails seamlessly with ODM’s effort to reduce reliance on congregate care and increase provider capacity for an array of more appropriate services.

ODM works collaboratively with the Ohio Department of Education to develop school report cards tying together education and health data by school building, offering unique, actionable insights to school districts.

ODM works closely with ODH’s Bureau of Children with Medical Handicaps (BCMh) system which augments Medicaid coverage for children with rare and complex medical conditions.

The Ohio Departments of Developmental Disabilities (DODD) and ODM partner to administer much needed waivers to tailor services for Ohioans with developmental disabilities.

Working together to help kids whose needs span Ohio’s health services continuum

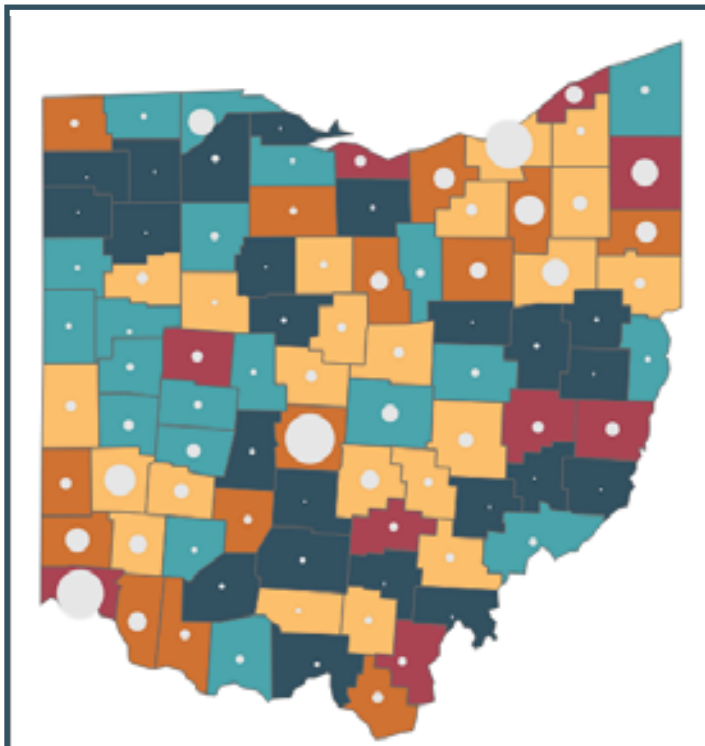
With leadership from with the Governor’s Children’s Initiative and the Family and Children First Cabinet Council, ODM created the Multi-System Youth Technical Assistance and Funding Program in partnership with the Ohio Departments of Mental Health and Addiction Services, Developmental Disabilities, Youth Services, Job and Family Services, and Education. This cross-agency effort was developed to address the needs of youth who require support from multiple systems, to prevent situations in which parents give up custody of a child, to obtain access to services, often referred to as “custody relinquishment,” and to support children as they transition back to family-based care following relinquishment to the child protection system. ODM administers the program.

“
On any given day in Ohio, more than 16,000 children are in the custody of a children services agency, representing an increase of 30% since 2011
”

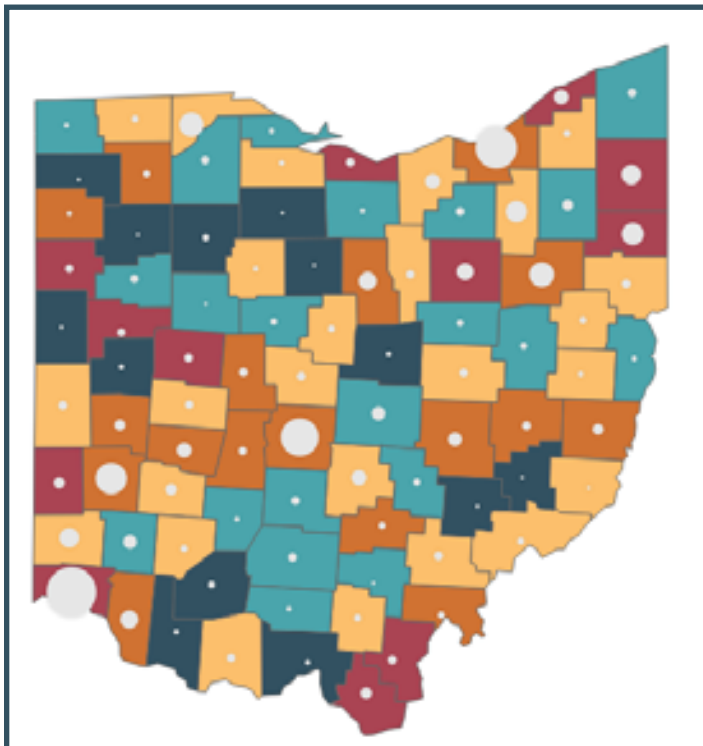


Foster Care/Adoption Assistance Behavioral Health ED Visit Rate by County, 2016 – 2019

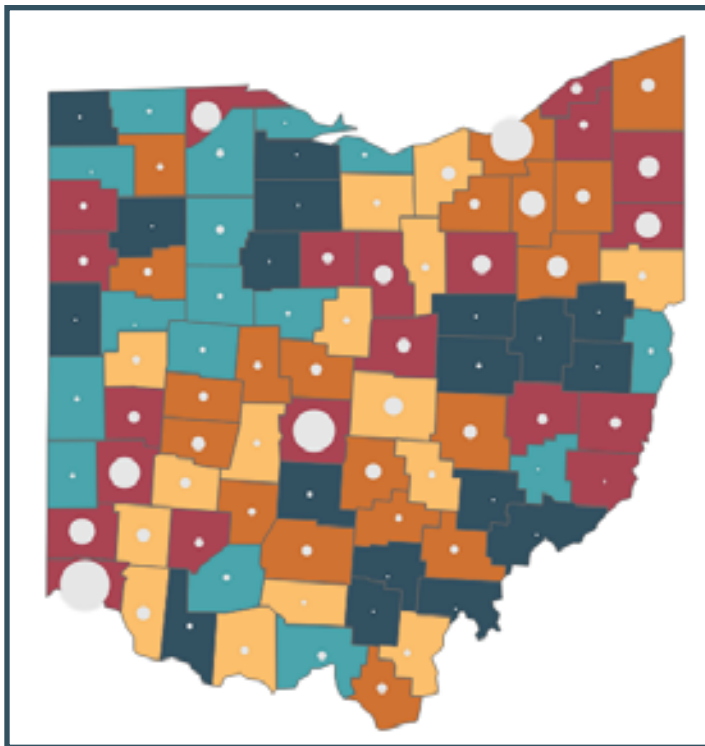
SFY2016



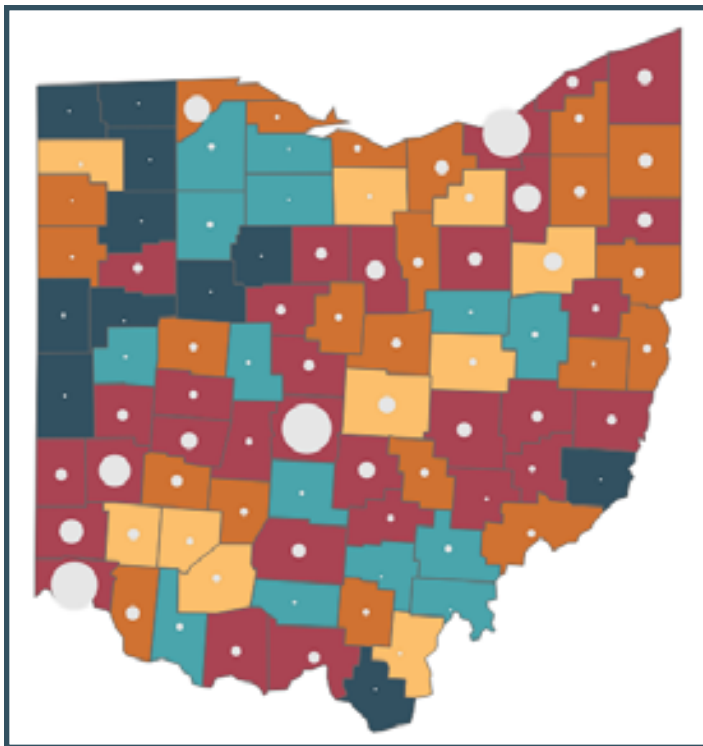
SFY2017



SFY2016



SFY2017



Quintile Range

■ 0.0 - 2.3

■ 2.3 - 4.0

■ 4.0 - 5.4

■ 5.4 - 7.6

■ >=7.6

In SFY 20, the Multi-System Youth program funded services and supports for 212 of Ohio's youth and families living in 66 different counties and provided technical assistance to an additional 42 youth and families across the state. Children, families, and local public and private agencies engaged the state team for guidance, connection to resources, and access to targeted funding for services and supports. Funded services included respite care, in-home parenting, parent education, safety and adaptive equipment, home modifications, medical equipment, and residential treatment. With each funded case, the program prevented a child from being relinquished or supported a child who had been relinquished as they reunited with their family.

Shortly after taking office, Governor DeWine signed an executive order to elevate child protection and foster care priorities in the state of Ohio in order to improve and reform the child welfare system.

Ohio's youth who are in foster care, have developmental disabilities, complex behavioral health conditions, and serious emotional

disturbances are significantly more likely to rely on Medicaid for their health insurance. They have unique needs that differ from those of children with other health insurance and even other Medicaid populations. ODM views this as an opportunity to provide the critical wrap around supports needed to thrive and succeed in work and life.

INNOVATION AND TRANSPARENCY

On the heels of introducing pass-through pricing for Medicaid pharmacy benefits, the agency began work to simplify management and administration of its preferred drug list by developing a single consistent program.

Prescription Drug Benchmark

ORC 5164.7515, passed as a part of House Bill 166 requires Ohio Medicaid to establish a drug price benchmark to control spending on prescription drugs covered under the state Medicaid plan. This benchmark has been set at 8.6% for SFY 2021, a percentage based upon a factor of CMS National Healthcare Expenditure data projections for prescription drug growth in state Medicaid programs. In addition to the requirement to set the benchmark, ODM is also given several tools to attempt to restrain the growth of prescription drug costs. H.B. 166 grants Medicaid the authority to identify specific drugs that significantly contribute to increased spending within the pharmacy program and to pursue additional supplemental rebates if deemed necessary. It also creates recourse if the drug manufacturer does not agree to provide Ohio Medicaid additional discounts. The benchmark was established by the statutory deadline with considerations for Medicaid enrollment and drug-specific utilization trends.

A mid-year fiscal analysis will be completed in January to ensure adequate monitoring of drug



prices over the course of the state fiscal year. The purpose of this analysis is to determine the accuracy of the initial projections performed at the beginning of the state fiscal year (July 1).

Single Pharmacy Benefit Manager

ODM initiated work to introduce a single pharmacy benefits management (SPBM) program that unbundle the pharmacy benefit management from each of the individual managed care organizations, replacing it with a single statewide vendor. In October 7, 2019, ODM released a SPBM Request for Information to gather stakeholder input, evaluate industry best practices and identify emerging innovations for consideration in designing Ohio Medicaid's future program.

The result of this work was published July 24, 2020, when ODM released its single pharmacy benefits management request for proposals inviting bidders to submit industry best practices that bring transparency to its pricing structure and ease access to pharmaceuticals for Ohio's nearly 3 million Medicaid recipients. The SPBM will serve as a managed care organization, enabling ODM to seamlessly align the pharmacy benefit with other ODM managed care and population health efforts once implemented.

Unified Preferred Drug List (UPDL)

Ohio Medicaid proposed the unified preferred drug list simplify medication management for beneficiaries and prescribers alike. Prior to the UPDL, each of the managed care organizations maintained individual preferred drug lists. This resulted in potential headaches at the pharmacy counter for prescribers, pharmacists and Medicaid members.

MCO's frequent changes in their preferred drug lists, or a member's transitioning to a new plan could trigger a medication change, additional



prescriber administrative processes, or worse, delay member care.

Additionally, pharmacists and prescribers prior to the UPDL had to learn multiple preferred drug lists as they differed plan to plan. Under the UPDL, with one single drug list accepted by all plans, providers and prescribers encounter less administrative burden and a more streamlined prior authorization process. Implementation of the UPDL began on January 1, 2020.



Implementing UPDL decreased burdensome processes for providers and pharmacists while capturing \$59.1 million in savings to taxpayers.



Pharmacists as Providers

The Ohio Department of Medicaid has begun the process of adopting rules to allow for pharmacists to be credentialed as providers in the Medicaid system. Currently, pharmacies can bill for services such as dispensing drugs, but pharmacists can also add tremendous clinical expertise to interdisciplinary outpatient health care teams across Ohio. The draft rule

has been posted for public comment with a targeted implementation date of January 15, 2021. Pharmacists will be able receive reimbursement directly from Medicaid for a variety of services including administering medications, immunizations, and managing drug therapy. ODM believes this is a positive step in leveraging pharmacists' skills and position in the community to bring value and drive positive health outcomes for Ohio's Medicaid population.

Pharmacy benefits by the numbers:

- Avg number of prescriptions dispensed Q1 2020: **10,500,00**.
- Average annual spend on prescriptions: **\$795,000,000**, pre-rebate net payment.
- Current number of pharmacies serving Medicaid members: **2,988 active pharmacies** contracted with Ohio Medicaid.
- Avg number of Medicaid recipients who use pharmacy benefits: **1,250,000**.

RECOVERY OHIO AND BEHAVIORAL HEALTH REDESIGN

During State Fiscal Year 2020, ODM worked to stabilize the behavioral health system in the wake of changes made in 2018 to the billing codes, rates, and claims requirements for mental health and substance use disorder treatment services that are billable to Ohio Medicaid. In August 2019, ODM implemented payment rate increases and policy changes to behavioral health services to help stabilize the provider network and support continued access to Ohioans in need of addiction treatment and mental health services.

- Payment rate adjustments were targeted to crisis services, group treatment

services, evaluation and management services, and diagnostic assessments.

- New billing codes were added for smoking cessation counseling and pregnancy testing to make it easier for community behavioral health providers to provide these services and be paid for them through Medicaid.
- ODM implemented policy changes to increase flexibility for providers by allowing nurses to render nursing regimens without requiring a physician's order when consistent with the nursing scope of practice.
- Coverage of therapeutic behavioral services was expanded to include services rendered by licensed behavioral health practitioners, allowing providers more flexibility in how they in serve individuals with behavioral health needs.

ODM also extended certain transition of care requirements for managed care plans to sustain access to care, continuity of services, and treatment capacity.

By addressing many of these issues, ODM was able to allow managed care plans to begin to transition members to network providers as of July 1, 2020. ODM and the Ohio Department of Mental Health & Addiction Services (OhioMHAS) continue to meet regularly with interested parties to gather feedback and address concerns regarding the behavioral health services.

In September 2019, the Centers for Medicare and Medicaid Services (CMS) approved Ohio's request for a demonstration waiver under

Section 1115 of the Social Security Act to make reforms in Medicaid treatment of substance use disorders (SUD). The five-year waiver demonstration began on October 1, 2019 and extends until September 30, 2024.

ODM and ODMHAS have worked collaboratively to:

- Create a stakeholder advisory group to identify clinically based treatment programs and protocols in keeping with guidelines set by the American Society of Addiction Medicine (ASAM).
- Establish goals and milestones to improve access to and standardization of substance use disorder treatment provided by Ohio's SUD Medicaid providers.

The five-year 1115 SUD Waiver Demonstration establishes the following goals:

- Increased rates of identification, initiation, and engagement in treatment for SUD.
- Increased adherence to and retention in treatment.
- Reductions in overdose deaths, particularly those due to opioids.
- Reduced utilization of emergency departments and inpatient hospital settings for treatment where the utilization is preventable or medically inappropriate through improved access to other continuum of care services.
- Fewer readmissions to the same or higher level of care where the readmission is preventable or medically inappropriate.
- Improved access to care for physical health conditions among beneficiaries with SUD.

ODM's SUD benefit package covers all levels of care from screening and early intervention to referral-to-treatment supports and inpatient hospitalization. The ODM SUD services follow the levels of care defined by the American Society of Addiction Medicine. Based on the level of care needed for each individual, providers develop an individualized treatment plan that is reviewed quarterly and changed as needed to provide adequate care.

When a Medicaid recipient is discharged from an SUD agency, ODM providers complete a discharge summary to assist their clients in transitioning to a different level of care. Additionally, the agency helps monitor opioid use and abuse levels across the state, capturing the following data to monitor progress, gaps and treatment impact:

- Number of opioid prescriptions.
- Recipients who exceed opioid dosage thresholds.
- Average and median morphine equivalent dose (MED) per day for opioid prescriptions.
- High utilization of MED for opioid prescriptions.

LONG TERM SERVICES AND SUPPORT (LTSS)

Ohio's SFY 2020 biennial budget invested a total of \$370 million dollars into Ohio's developmental disability system. This investment was used to increase rates for the Homemaker/Personal Care (HPC) direct service providers (DSP). Additionally, this new appropriation accounted for modifications requested by Ohio's stakeholders and self-advocates to modernize the Non-Medical Transportation (NMT) service in the Individual Options, Level One and SELF waivers.

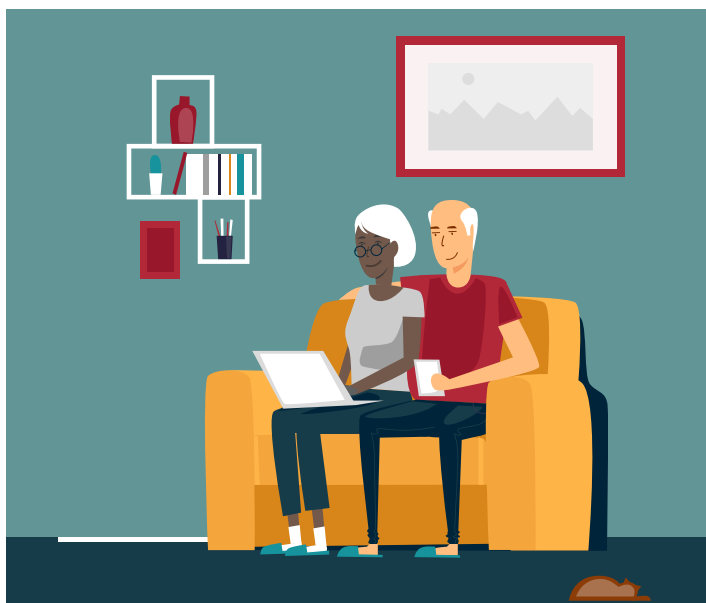
In State Fiscal Year 2020, \$20 million dollars were invested in long term services and supports for individuals with a nursing facility (NF) level of care (LOC) to increase the maximum reimbursement rates for two key waiver services: assisted living and personal care. Medicaid reimbursement rates were also increased for the Enhanced Community Living service in the PASSPORT and MyCare Ohio waivers.

Medicaid's HOME Choice Program Enables Hundreds of Seniors to Return Home - HOME Choice

One of Ohio Medicaid's greatest success stories is the program, which was established in 2008 as Ohio's adaptation of the federal Money Follows the Person (MFP) program. As of June 2020, HOME Choice has helped more than 14,000 people move from long-term care facilities to community settings. The program is a national leader and currently ranks first in the country in overall transitions completed across all populations. The program continued to successfully transition individuals into the community despite the many challenges posed by COVID 19.

On July 1, 2019, a newly revamped HOME Choice program was launched. Partnering with the Departments of Aging and Developmental Disabilities ODM revised existing waiver programs to ensure success in transitioning individuals from institutions to home-and community-based settings. Under the revisions:

- The Community Transition Services component of HOME Choice was expanded, and service limits increased in the MyCare Ohio, PASSPORT, and Assisted Living Waivers. This service was added to the Ohio Home Care waiver in July 2019 and incorporated into the Individual Options Developmental Disability Waiver in January 2019.
- The Ohio Home Care Waiver, MyCare, PASSPORT, and Assisted Living waivers incorporated Community Integration Services, which includes independent living skills training and community support coaching for people in home and community-based settings.



- Ohio Medicaid operates a Community Transition Service for non-waiver individuals using two competitively selected statewide transition coordination agencies. The agencies provide transition coordination to waiver and non-waiver individuals 180 days before discharge from a long-term care facility setting to 30 days after discharge.
- The Ohio Home Care Waiver added Home Maintenance and Chore Services effective July 1, 2019. Already available in the MyCare Ohio and PASSPORT waivers, this service provides help with tasks in the individual’s home that are beyond their capability, so they can maintain a clean and safe living environment.
- A new reporting system was implemented to support efforts to reduce abuse and neglect. On July 1, 2019, Ohio Medicaid implemented a new unified Incident Rule for Ohio Department of Medicaid and Ohio Department of Aging Waiver programs and launched a new ODM- built Incident Management System (IMS).

The new IMS replaced eight unconnected incident management systems used by the managed care organizations, case management agencies, and provider oversight contractor. It allows ODM to view incidents in near real-time, eliminates reliance on email reporting and manual incident tracking and helps identify and target prevention education and training opportunities for Case Managers. Since going live on July 1, 2019, the system has supported:

- » **17,366** cases submissions.
- » **15,659** incident resolutions.
- » **2,513** member-focused prevention plans created.
- » **1,457** IMS users.

COVID-19

Faced with a global pandemic, Ohio Governor Mike DeWine took a leading role to prepare the state during this impending health crisis. On March 9, 2020, Governor DeWine issued Executive Order 2020-01D to declare a state of emergency in Ohio and protect the wellbeing of citizens from the effects of COVID-19.

Under Governor DeWine’s direction, the Department of Medicaid and its sister state agencies united to ensure continuous care during increasingly uncertain times.

Some of those actions included:

- Rapid expansion of telehealth services to include a wide array of medical, clinical and behavioral health providers and counselors.
 - » Relaxed technology restrictions on patient-physician interaction to deliver telehealth services.
 - » Enabled nursing home and congregate care members to access telehealth services with no prior authorization.

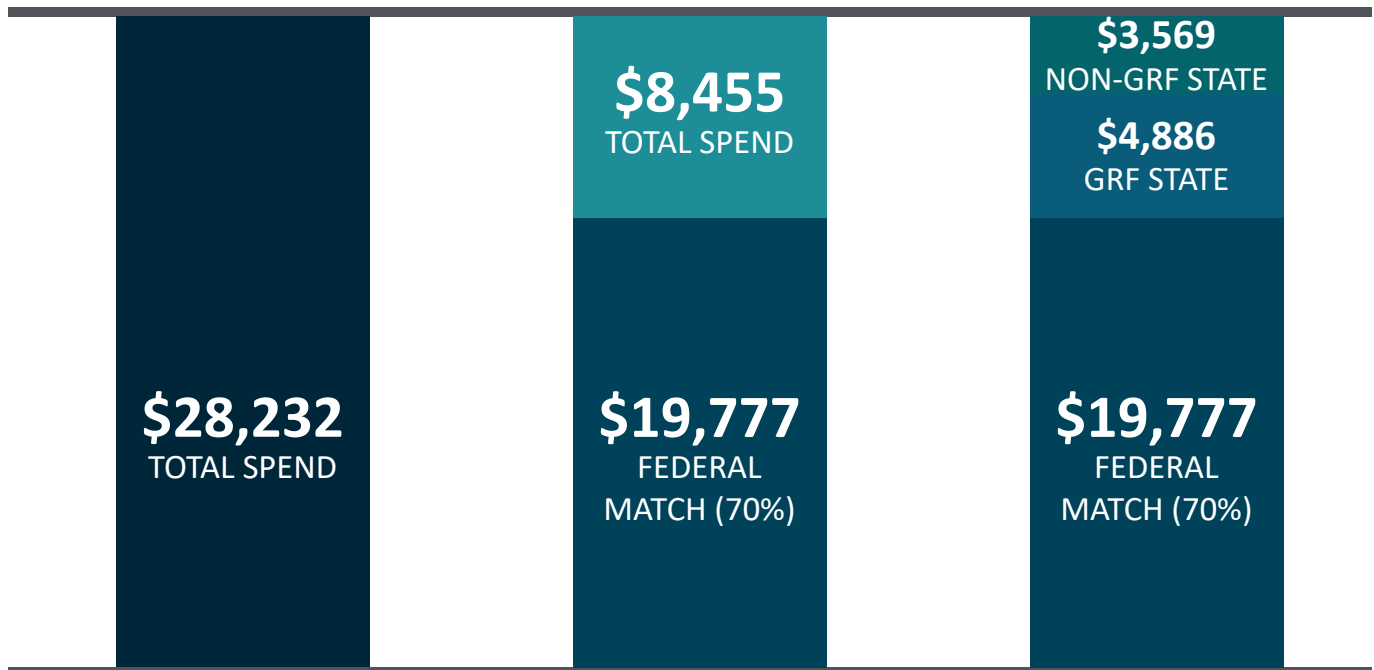
- Emergency updates to managed care provider agreement contracts to afford needed flexibilities for Ohio’s provider community.
 - » Suspended prior authorizations between March and July.
 - » Extended timely filing limits to accept claims from all provider types for up to 365 calendar days from the date of service.
 - » Temporarily waived prescriber requirements for many over-the-counter medications easing access for members.
 - » Enabled members to receive pharmacy benefits and all services regardless of the provider’s in-network or out-of-network status.
 - » Relaxed medication refill thresholds on selected pharmaceuticals to reduce members need to go to the pharmacy during the Stay-At-Home order.
 - » Authorized reimbursements to pharmacies to dispense an emergency medication refill without a prescription.
- Submitted Emergency 1135 and Appendix K waivers to Center for Medicare and Medicaid Services, to ensure member access to vital services.
 - » Waived signature requirements for a variety of providers to ensure safe distancing without compromising access to care.
 - » Eased obstacles to access nursing home care.
 - » Allowed services to be provided at alternative locations.
 - » Removed staffing level requirements to give providers more flexibility.
 - » Established Nursing Facility Health Care Isolation Center Program.
 - » Created specialty service centers for individuals who might otherwise seek care in a hospital due to COVID-19, or for individuals who cannot return home following a hospital stay due to their COVID related health care, quarantine or isolation needs.
- Reimbursed pharmacies for COVID-19 testing to expand testing capacity across the state.
- Reduced CY 20 managed care capitated rates by 1.5% to manage program costs and guarantee ODM’s fiscal solvency for SFY 2020.
- Championed a series of statewide health surveys to gain near real-time understanding of the impact on individuals in the program.

In addition, ODM worked with the Medicaid managed care organizations and state agencies to identify and implement strategies to more effectively address health care disruptions created by the pandemic in areas such as childhood immunizations and infection prevention and control supports for high risk populations.

In SFY 2020, Medicaid spending totaled \$28.2 billion. Of that the total, 17.3% came from the state general revenue funds (GRF) with the remaining coming from either non-GRF funding (such as county developmental disability board funds) or federal financial participation. In the end, \$1 of state GRF revenue was able to result in \$5.78 of services being provided to Ohioans.

Ohio Medicaid Funding Sources 2020

in millions



\$1 state tax GRF → \$5.12 services

Fiscal year 2020 finished just under budget with the support of the enhanced FMAP provided as part of federal COVID relief.

Federal Financial Participation

The standard Federal Medical Assistance Percentage (FMAP) in SFY 2020 was 63%. This means that most medical services saw 63 cents out of every dollar paid for federally. However, federal financial participation varied based on several factors. For example, Ohio receives an enhanced match for individuals enrolled in Group VIII. This higher percentage was 93% in the first 6 months of FY20 and 90% for the last 6 months. Other areas where ODM receives a higher federal matching rate includes the Children’s Health Insurance Program (CHIP) as well as the cost of building and operating certain federally certified information systems necessary to run the program. Administrative funding receives a lower rate of federal financial participation (50%).

Enhanced Federal Matching Dollars During COVID-19

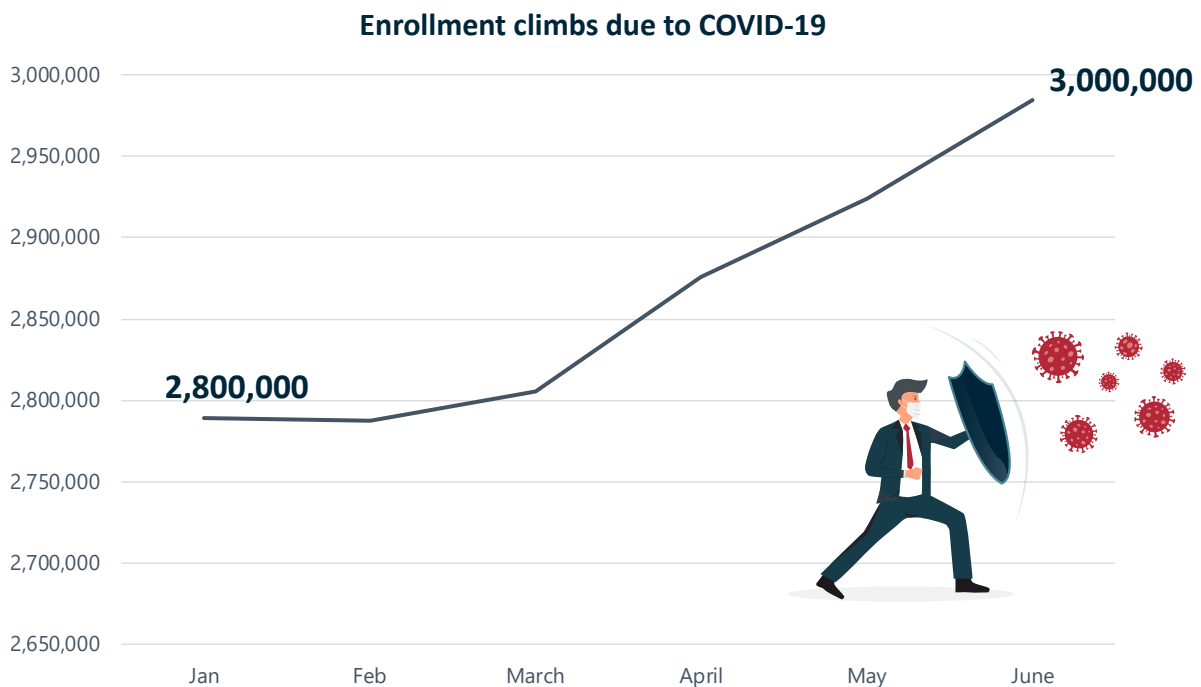
The CARES Act passed by Congress provided an enhanced federal medical assistance percentage of an additional 6.2%. This change was made effective dating back to January 1, 2020 and will be in place throughout the duration of the pandemic as determined by the federal government. In order to receive the additional matching funding, states cannot disenroll Medicaid recipients except for three reasons: deceased, moving out of state, and the recipient requests to be disenrolled.

Enrollment

The average monthly Medicaid enrollment in SFY 2020 was just over 2.8 million. Of that total, 2.7 million received full Medicaid benefits, and 133,000 received limited benefits. Medicaid populations that offer limited benefits include the Medicare Premium Assistance Program which helps people eligible for Medicare who have limited income and assets get help in paying the cost of Medicare which can include premiums, deductibles, and coinsurance.

Of the individuals receiving full Medicaid benefits, 2.45 million were covered through managed care, and 250,000 were enrolled in fee-for-service on average.

By population, 1.6 million was the average enrollment in a Covered Families and Children (CFC) group. 500,000 were covered through either the Aged, Blind, or Disabled (ABD) population, were dually eligible for Medicare and Medicaid, or participated in the Medicaid Buy-In for Workers with Disabilities (MBIWD) program. 621,000 individuals were covered under Group VIII on average in SFY 2020, and 121,000 were enrolled on average in the Medicare Premium Assistance (MPAP) program. The remaining 11,000 fell into one of the remaining population categories.



THE ODM WORKFORCE

The Ohio Department of Medicaid (ODM) is made up of approximately 586 professionals dedicated to providing health care coverage and services that improve the quality of life for our enrollees. In-step with Governor DeWine's priority to promote diversity, ODM is committed to fostering a diverse workforce. In 2018 the department was awarded the State's Diversity and Inclusion Award for a diverse, equitable and inclusive work environment. We value our employees and realize our differences make us better equipped to serve Ohioans.

DIVERSITY RECRUITMENT STRATEGY

ODM is committed to building a diverse workforce reflective of those Ohioans that we serve. The Human Resources recruitment team attends targeted recruiting events to ensure all ages, races, abilities, educational and religious backgrounds are notified about career opportunities with the State of Ohio. The agency participates in job fairs sponsored by various universities and organizations including Opportunities for Ohioans with Disabilities, Central State University, Wilberforce University, and the Veteran Services fair sponsored by the Ohio State University. In addition to job fairs the agency continues to strengthen its partnerships with several organizations to develop a diverse applicant pool.

A sampling of these partnerships include:

- Columbus Black Nurses Association
- Central Ohio Diversity Consortium (CODC)
- Black Employee Resource Council (Black ERC)
- Jewish Family Services
- Ohio Diversity Council
- Women in Technology
- Columbus Bar Association (CBA) Minorities in Law Committee
- BlackTech614
- International Consortium of Minority Cybersecurity Professionals -Columbus Chapter
- Women in Analytics
- Ohio Hispanic Coalition
- Ohio State Latino Student Association
- Hispanic Business Student Association (HSBA)
- Fisher Latino Graduate Association



ODM EMPLOYEE POPULATION

Total number of employees 586

Employee breakdown by gender:

- 67% of employees are female
- 33% of employees are male

Almost 34% of ODM's employee population consists of minorities.

Employee breakdown by race:

- 66% of employees are white
- 27% of employees are black or African American
- 5% of employees are Asian
- 1% of employees are of Hispanic origin
- 1% of employees are two or more races

Supervisor breakdown by gender and ethnicity (136 total supervisors):

- 64% of ODM supervisors are female
- 25% of ODM supervisors are minority

ODM EMPLOYEE COMMUNITY INVOLVEMENT

ODM staff are committed to giving back to the community and participate in several charitable campaigns throughout the year. For SFY 2020 our team donated more than \$90,000 to worthy programs including:

- Operation Feed
- Back to School Drive
- Combined Charitable Campaign
- Holiday Food Basket

