

**As Introduced**

**130th General Assembly  
Regular Session  
2013-2014**

**H. B. No. 176**

**Representative Sears**

—

**A B I L L**

To amend section 101.391 and to enact sections 1  
5111.0126, 5111.80, 5111.801, 5111.802, and 2  
5111.947 of the Revised Code to require the 3  
Medical Assistance Director to implement Medicaid 4  
reforms, to permit the Medicaid program to cover 5  
an additional group under certain circumstances, 6  
to revise the duties of the Joint Legislative 7  
Committee on Medicaid Technology and Reform, and 8  
to make an appropriation. 9

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 101.391 be amended and sections 10  
5111.0126, 5111.80, 5111.801, 5111.802, and 5111.947 of the 11  
Revised Code be enacted to read as follows: 12

**Sec. 101.391.** (A) There is hereby created the joint 13  
legislative committee on medicaid technology and reform. The 14  
committee may review or study any matter that it considers 15  
relevant to the operation of the medicaid program established 16  
under Chapter 5111. of the Revised Code, with priority given to 17  
the study or review of ~~mechanisms~~ both of the following: 18

(1) The reforms to be implemented under section 5111.80 of 19  
the Revised Code; 20

(2) Mechanisms to enhance the program's effectiveness through 21  
improved technology systems ~~and program reform.~~ 22

(B)(1) The committee shall consist of ~~five~~ the following 23  
members: 24

(a) Three members of the house of representatives from the 25  
majority party appointed by the speaker of the house of 26  
representatives ~~and five;~~ 27

(b) Two members of the house of representatives from the 28  
minority party appointed by the speaker of the house of 29  
representatives; 30

(c) Three members of the senate from the majority party 31  
appointed by the president of the senate; 32

(d) Two members of the senate from the minority party 33  
appointed by the president of the senate. ~~Not more than three~~ 34  
~~members appointed by the speaker of the house of representatives~~ 35  
~~and not more than three members appointed by the president of the~~ 36  
~~senate may be of the same political party.~~ 37

(2) Each member of the committee shall hold office during the 38  
general assembly in which the member is appointed and until a 39  
successor has been appointed, notwithstanding the adjournment sine 40  
die of the general assembly in which the member was appointed or 41  
the expiration of the member's term as a member of the general 42  
assembly. Any vacancies occurring among the members of the 43  
committee shall be filled in the manner of the original 44  
appointment. 45

(C) The speaker of the house of representatives shall 46  
designate one of the members of the committee appointed under 47  
division (B)(1)(a) of this section to serve as a co-chairperson of 48  
the committee. The president of the senate shall designate one of 49  
the members of the committee appointed under division (B)(1)(c) of 50  
this section to serve as the other co-chairperson. The 51

co-chairpersons shall call the committee to meet at least once 52  
each quarter and shall arrange for the medical assistance director 53  
to testify before the committee regarding the reforms to be 54  
implemented under section 5111.80 of the Revised Code periodically 55  
but not more than once each quarter. The co-chairpersons may 56  
request assistance and staff support for the committee from the 57  
legislative service commission. 58

(D) The committee has the same powers as other standing or 59  
select committees of the general assembly. The committee may 60  
employ an executive director. 61

Sec. 5111.0126. (A) Subject to division (B) of this section, 62  
the medicaid program may cover the group, or one or more subgroups 63  
of the group, described in the "Social Security Act," section 64  
1902(a)(10)(A)(i)(VIII), 42 U.S.C. 1396a(a)(10)(A)(i)(VIII), if 65  
both of the following apply: 66

(1) The federal medical assistance percentage for 67  
expenditures for medicaid services provided to the group or 68  
subgroup is at least the amount specified in the "Social Security 69  
Act," section 1905(y), 42 U.S.C. 1396d(y), as of March 30, 2010; 70

(2) The medicaid program is able to cover the group or 71  
subgroup in a manner that causes per recipient medicaid 72  
expenditures to be reduced. 73

(B) The medicaid program shall cease to cover the group, and 74  
any subgroup of the group, specified in division (A) of this 75  
section if the federal medical assistance percentage for 76  
expenditures for medicaid services provided to the group or 77  
subgroup is lowered to an amount below the amount specified in the 78  
"Social Security Act," section 1905(y), 42 U.S.C. 1396d(y), as of 79  
March 30, 2010. An individual's disenrollment from the medicaid 80  
program is not subject to appeal under section 5101.35 of the 81  
Revised Code when the disenrollment is the result of the medicaid 82

program ceasing to cover the individual's group or subgroup under 83  
this division. 84

Sec. 5111.80. (A) As used in this section: 85

"Exchange" has the same meaning as in 45 C.F.R. 155.20. 86

"Medicaid waiver component" has the same meaning as in 87  
section 5111.85 of the Revised Code. 88

(B) Subject to section 5111.801 of the Revised Code, the 89  
medical assistance director shall implement reforms to the 90  
medicaid program that do all of the following: 91

(1) Improve the health of medicaid recipients while reducing 92  
both of the following: 93

(a) The cost of health care; 94

(b) Uncompensated health care costs. 95

(2) Control medicaid expenditures and reduce the rate of 96  
increase in expenditures; 97

(3) Enroll at least eighty per cent of medicaid recipients in 98  
any of the following: 99

(a) The care management system established under section 100  
5111.16 of the Revised Code; 101

(b) Group health plans pursuant to section 5111.13 of the 102  
Revised Code; 103

(c) A medicaid component established in accordance with the 104  
"Social Security Act," section 1906A, 42 U.S.C. 1396e-1, that 105  
provides premium assistance subsidies for qualified 106  
employer-sponsored coverage to medicaid recipients under nineteen 107  
years of age and the parents of such recipients; 108

(d) A medicaid component established in a manner consistent 109  
with the definition of "medical assistance" in the "Social 110

Security Act," section 1905(a), 42 U.S.C. 1396d(a), that provides 111  
payments for insurance premiums for medical or other type of 112  
remedial care for medicaid recipients, other than the following: 113

(i) Recipients who are at least sixty-five years of age; 114

(ii) Recipients who are disabled and entitled to health 115  
insurance benefits under the medicare program but not enrolled 116  
under part B of the medicare program. 117

(e) A medicaid waiver component that provides premium 118  
assistance for medicaid recipients to purchase qualified health 119  
plans through an exchange. 120

(4) Require medicaid recipients to assume greater personal 121  
responsibility under both of the following: 122

(a) The cost-sharing program instituted under section 123  
5111.0112 of the Revised Code; 124

(b) A medicaid component that incorporates the objectives of 125  
health savings accounts through value-based insurance designs. 126

(5) Ensure that medicaid recipients who abuse narcotics 127  
receive proper treatment and are unable to access the narcotics 128  
they abuse through the health care system; 129

(6) Promote employment-related services and job training 130  
available under medicaid and other programs to lower medicaid 131  
caseloads by assisting able-bodied, adult medicaid recipients into 132  
the workforce; 133

(7) Make the administration of the medicaid program more 134  
efficient and establish the state as a national leader in 135  
preventing medicaid fraud and abuse; 136

(8) Support health care payment innovations in the private 137  
sector by assisting other purchasers of health care services and 138  
health care providers by leveraging the medicaid program's 139  
purchasing power. 140

Sec. 5111.801. (A) The medical assistance director shall 141  
implement the reforms under section 5111.80 of the Revised Code in 142  
accordance with all of the following: 143

(1) The medicaid state plan approved by the United States 144  
secretary of health and human services, including amendments to 145  
the plan approved by the United States secretary; 146

(2) Federal medicaid waivers granted by the United States 147  
secretary, including amendments to waivers approved by the United 148  
States secretary; 149

(3) Other types of federal approval, including demonstration 150  
grants, that establish requirements for the reforms; 151

(4) Except as otherwise authorized by a federal medicaid 152  
waiver granted by the United States secretary, all applicable 153  
federal statutes, regulations, and policy guidances; 154

(5) All applicable state statutes. 155

(B) The medical assistance director shall seek federal 156  
approval for all of the reforms to be implemented under section 157  
5111.80 of the Revised Code that require federal approval. None of 158  
the reforms that require federal approval shall be implemented 159  
without receipt of the federal approval. However, a reform that 160  
requires federal approval may begin to be implemented before 161  
receipt of the federal approval if federal law permits 162  
implementation to begin before receipt of the federal approval. 163  
Implementation shall cease if federal approval is ultimately 164  
denied. 165

Sec. 5111.802. Not later than December 31, 2014, and the last 166  
day of each calendar year thereafter, the medical assistance 167  
director shall submit to the general assembly, in accordance with 168  
section 101.68 of the Revised Code, a full report on the progress 169  
being made in implementing the reforms under section 5111.80 of 170

the Revised Code. The report may include recommendations for 171  
legislation that would support the reforms. 172

Sec. 5111.947. There is established in the state treasury the 173  
Ohio medicaid reform fund. All federal funds the state receives 174  
for the federal share of medicaid expenditures for the eligibility 175  
group or subgroups authorized by section 5111.0126 of the Revised 176  
Code shall be deposited into the fund. All money in the fund shall 177  
be used as the federal share of medicaid expenditures for that 178  
eligibility group or those subgroups. 179

**Section 2.** That existing section 101.391 of the Revised Code 180  
is hereby repealed. 181

**Section 3.** The Director of Budget and Management may create 182  
any necessary accounts or line items for the Ohio Medicaid Reform 183  
Fund established under section 5111.947 of the Revised Code. All 184  
money deposited into the Fund under that section during fiscal 185  
year 2014 and fiscal year 2015 is hereby appropriated for those 186  
fiscal years. 187