



Preserve critical Medicaid funding for 1.1 million Ohio children

Ohio's children's hospitals are the health care safety net for Ohio's children, providing care to all Ohio children, **regardless of their ability to pay.**

1.1 Million Ohio Children Rely on Medicaid
(1 out of every three children)

One in three Ohio children rely on Medicaid, and **half of the patients in Ohio's children's hospitals are reliant on Medicaid.** In fact, while the six members of the Ohio Children's Hospital Association make up just 3 percent of Ohio hospitals, children's hospitals provide **55 percent of the inpatient care and 48 percent of outpatient care** for these children.



As our state faces economic challenges that call for difficult budget decisions, there is perhaps no single public policy that impacts access to quality health care for Ohio's children more than Medicaid. **In 2009, OCHA's number-one priority is to work to preserve stable Medicaid funding for children's health care in the state budget at current levels.**

THE NEED: MAINTAIN MEDICAID SAFETY NET FOR OHIO'S CHILDREN

When compared to general hospitals, Ohio's children's hospitals are **disproportionately reliant on Medicaid** to fund services:

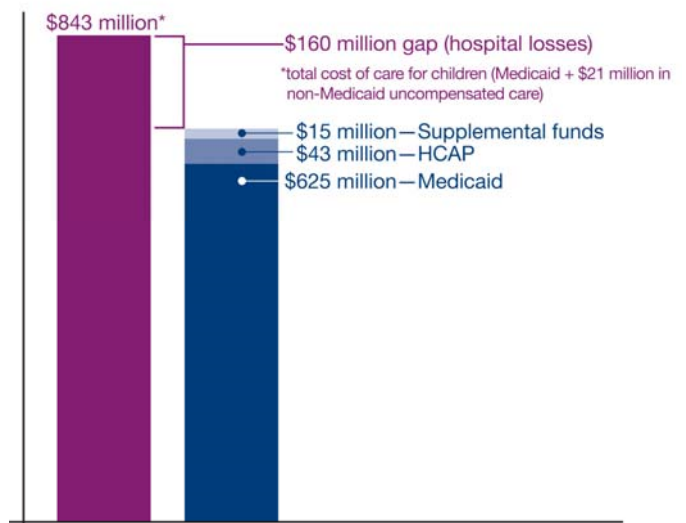
- Children account for **53 percent** (FY 2005) of the Ohio Medicaid caseload, but only **14 percent** of the cost.
- An average of **38 percent** of 2007 costs for Ohio's children's hospitals were Medicaid related, compared to an average of only **12 percent** for adult hospitals.

Without stable public sector funding, Medicaid payment shortfalls would make it impossible to continue to provide high quality health care to all children (see graph below).

OCHA's STATE FY 2010-2011 BUDGET REQUEST: STABILITY FOR CHILDREN'S HEALTH CARE SERVICES

- **Continue supplemental Medicaid payments** in the amount of \$6 million in state fiscal year 2010 and \$6 million in state fiscal year 2011, drawing at least \$9 million in federal matching funds in each fiscal year. This supplemental funding helps to defray some of the higher costs associated with devastating illnesses (such as childhood cancer, premature birth, autism and cystic fibrosis) and is paid to hospitals based on caseload data.
- **Maintain current Medicaid reimbursement rates** for hospitals in state fiscal year 2010-2011.
- **Preserve stability in the Hospital Care Assurance Program for Ohio children's hospitals** that are heavily Medicaid dependent and are thus true Disproportionate Share hospitals. HCAP provides partial relief for the significant Medicaid losses and uncompensated care incurred for service to this vulnerable population of children.
- **Support Medicaid enrollment of currently eligible children** through HB 119 enacted reforms. However, it is critically important to first ensure the state has maintained the foundation of Medicaid's financing and delivery system by enacting the recommendations listed above before moving to put additional pressure on the system.

Medicaid and Uncompensated Care Funding Gap for Ohio's Children's Hospitals (2007)



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