



Preserve critical Medicaid funding for 1.1 million Ohio children

## TALKING POINTS

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### 1. OHIO CHILDREN NEED OHIO'S CHILDREN'S HOSPITALS

- 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.**
- One in three Ohio children rely on Medicaid, and **half of the patients in Ohio's children's hospitals are reliant on Medicaid.**
- 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 Medicaid-dependent children.

### 2. OHIO'S CHILDREN'S HOSPITALS NEED STABLE MEDICAID FUNDING AND ARE DISPROPORTIONATELY RELIANT ON MEDICAID WHEN COMPARED TO GENERAL HOSPITALS

- 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.
- **In FY 2007, the six OCHA member children's hospitals experienced a payment shortfall of \$160 million** for services, \$139 million of which is directly attributed to Medicaid payment shortfalls and \$21 million of which is attributed to uncompensated care.
- Due to the economic downturn, our hospital has seen an **X% shift from commercial insured to Medicaid covered cases** during [TIMEFRAME]. For every 1 percent shift, our hospital loses an additional **\$X million** per year.
- Without stable public sector funding, payment shortfalls would make it impossible to continue to provide high quality health care to all Ohio children.

### 3. WE ARE ASKING ONLY FOR PRESERVATION OF CURRENT FUNDING – NOT INCREASES

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. **Our number-one legislative priority is to work to preserve the funding mechanisms for children's health care in the state budget at current levels.**

- **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.

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