



Ohio Legislative Service Commission

Bill Analysis

Carol Napp

H.B. 13

129th General Assembly
(As Introduced)

Rep. Sears

BILL SUMMARY

- Requires, subject to federal approval, that the Medicaid program include a premium assistance component that provides subsidies for the cost of the premium for enrollment of Medicaid recipients in a health benefit plan or plan of health coverage.
- Requires the premium assistance component to subsidize 20% to 80% of the premium for health plan enrollment as determined using a sliding scale based on income.
- Establishes eligibility requirements for an assistance group's participation in the premium assistance component and prohibits group members from simultaneously participating in the premium assistance component and another Medicaid component.

CONTENT AND OPERATION

Health plan premium assistance under Medicaid

Subject to federal approval, the bill requires the Director of Job and Family Services (JFS) to establish a premium assistance component of the Medicaid program. The component is to subsidize 20% to 80% of the premium for enrollment of a Medicaid recipient or group of recipients in a health benefit plan or plan of health coverage. Other than the premium, the component is not to pay for any deductibles, copayments, or other cost-sharing expenses that apply under the health plan.¹

¹ R.C. 5111.862(B) and (D).

Eligibility

The bill establishes eligibility requirements for an assistance group to qualify for the premium assistance component. An assistance group is a group of individuals treated as a unit for purposes of determining eligibility for, and participation in, the component.²

For an assistance group to qualify for the premium assistance component, all of the following requirements must be met:³

(1) Income--The assistance group's countable income must not exceed 300% of the federal poverty line. For example, the federal poverty line for a family of three is \$55,590 a year.

(2) Health plan enrollment--Each assistance group member must be enrolled in a health benefit plan or plan of health coverage while participating in the component. A health benefit plan is any hospital or medical expense policy or certificate or any health plan provided by a carrier, that is delivered, issued for delivery, renewed, or used in Ohio.⁴ A plan of health coverage includes any public or private employer group self-insurance plan that provides payment for health care benefits for other than specific diseases or accidents only, which benefits are not provided by contract with a sickness and accident insurer or health insuring corporation.⁵

(3) Employer contribution--If the assistance group's health benefit plan or plan of health coverage is sponsored by an employer of a group member, the employer must contribute at least 50% of any premium charged for the group's enrollment.

(4) Other requirements in rules--The assistance group must meet all other eligibility requirements established in rules adopted by JFS.

An assistance group may not be denied eligibility based on (1) the amount of the group's resources or (2) the fact that no group member qualifies for any other Medicaid component.⁶

² R.C. 5111.862(A) and (C)(1).

³ R.C. 5111.862(C)(1).

⁴ R.C. 3924.01 (not in the bill).

⁵ R.C. 3923.282 (not in the bill).

⁶ R.C. 5111.862(C)(2).

Determination of subsidy amount

Under the premium assistance component, the amount of the subsidy is to be determined using a sliding scale established in rules to be adopted by JFS. The sliding scale must be based on (1) an assistance group's countable income and (2) the number of group members. The subsidy may not cover any portion of the premium that is the responsibility of a group member's employer.⁷

Limitations on participating in multiple Medicaid components

In the case of assistance group members who qualify for more than one component of the Medicaid program, the bill applies the following limitations:

(1) They may not participate in the premium assistance component while participating in another Medicaid component;

(2) If they meet the eligibility requirements for the premium assistance component and one or more other components of Medicaid, they must choose whether to participate in the premium assistance component or the other components.⁸

Exclusion of other Medicaid coverage

The bill prohibits the Medicaid program from paying for the costs of any medical assistance, other than the premium subsidy, for an assistance group member participating in the premium assistance component. This prohibition applies even if the medical assistance is not covered by the member's health plan but is covered by another Medicaid component in which the member could participate if not for the member's participation in the premium assistance component.⁹

Federal Medicaid waiver

The bill requires the JFS Director to request a federal Medicaid waiver to establish the premium assistance component. The request is to be submitted to the United States Secretary of Health and Human Services. If the Secretary grants the waiver, the Director must establish the component in accordance with the bill's requirements and the terms of the waiver.¹⁰

⁷ R.C. 5111.862(D).

⁸ R.C. 5111.862(E).

⁹ R.C. 5111.862(E).

¹⁰ R.C. 5111.862(B).

HISTORY

ACTION

DATE

Introduced

01-11-11

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