



NEWS RELEASE

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NEW REPORT HIGHLIGHTS IMPACT OF PRIVATE INDUSTRY ON PUBLIC HEALTH CARE

Medicaid program sees quality, cost improvements through managed care

COLUMBUS – The Ohio Association of Health Plans (OAHHP) has released a report analyzing the benefits that private sector managed care plans have brought to the state Medicaid program in recent years. "[*The Impact of Private Industry on Public Health Care: How Managed Care is Reshaping Medicaid in Ohio*](#)" takes a closer look at the best practices, quality improvements, and cost-savings that have been realized by moving away from the traditional Medicaid fee-for-service approach and into a system that is focused on person-centered, coordinated care.

"Ohio's health plans are helping the state Medicaid program achieve a standard of accountability and value-based care delivery that simply would not be possible under the old system," said Miranda Motter, President and CEO of the Ohio Association of Health Plans. "By linking quality to payment, the State of Ohio and its private sector partners are forging a Medicaid program based on long-term innovation and sustainability."

The report's findings include the following:

- From 2013 - 2015, capitation rates paid to the Medicaid managed care plans were 8.9 percent (\$2.5 billion) to 11.3 percent (\$3.2 billion) lower than costs would have been had the state Medicaid program served the same beneficiaries under a fee-for-service model.
- By carving pharmacy benefits into managed care, Ohio Medicaid has lowered its costs per prescription. For fiscal year 2015, Ohio's Medicaid costs per prescription were 13.3 percent below the collective average costs seen in states that have yet to carve-in such benefits.
- Ohio's Medicaid managed care plans scored higher than both the national and large state subgroup averages on the National Committee for Quality Assurance's (NCQA) 2016 - 2017 metrics.
- Each of Ohio's Medicaid managed care plans have linked - at minimum - 20 percent of provider payments to value-based arrangements. Additionally, all plans are well on pace to meeting Ohio Medicaid's requirement to have at least 50 percent of all provider contracts tied to value by 2020.

"The partnership between private industry and the State relies on identifying creative strategies that drive better health outcomes for Ohioans, while also bringing about improved cost efficiency for Ohio's taxpayers," said Motter. "This report details the success of recent years and illustrates why Ohio should continue on this path to improving the quality of care for its Medicaid population."

The full report can be accessed [here](#).

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The Ohio Association of Health Plans (OAHP) represents 16 member plans providing health insurance coverage to more than 9 million Ohioans. Ohio's health plans include carriers providing coverage in Ohio's private and public health insurance markets. As the statewide trade association for the health insurance industry, our core mission is to promote and advocate for quality health care and access to a variety of affordable health benefits for all Ohioans.