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Contact: Dan Williamson
614-224-8114 | dwilliamson@werthpr.com

MANAGED CARE SAVED OHIO TAXPAYERS $4.4B OVER TWO YEARS

New report demonstrates cost, quality improvements through managed care

COLUMBUS – A nationally recognized actuarial firm estimates Ohio’s managed care program is saving the state Medicaid program billions of dollars while improving the quality of patient care. Wakely Actuarial analyzed state data to determine managed care saved taxpayers $4.4 billion over two years compared to what would have been spent on a traditional fee-for-service program, according to a new report commissioned by the Ohio Association of Health Plans (OAHP). Transformed Ohio Medicaid Through Managed Care: Driving Quality, Cost Savings and Innovation takes a deep dive into the improvements that are realized through a system that focuses on coordinated and individualized care.

“Ohio has increased accountability, taxpayer value, member satisfaction and innovation by leveraging private-public partnerships through managed care for Medicaid,” said OAHP President and CEO Miranda Motter. “As we work with stakeholders to continually improve our health care system, it is incredibly important to employ data to guide and advance strategies to enhance the quality and affordability of healthcare for Ohioans. We look forward to working with the DeWine Administration, policymakers and stakeholders to drive further program improvements. Managed care plans are improving the health of 2.5 million Ohioans while saving taxpayers’ money.”

Highlights of Transformed Ohio Medicaid Through Managed Care include the following:

- In 2016 and 2017 the state paid 16.8 percent lower in premiums ($4.4 billion) to Medicaid managed care plans than it would have paid to through a fee-for-service system during that same period.

- Ohio’s Medicaid managed care plans improved performance on National Committee for Quality Assurance metrics and scored higher than both the national and large state subgroup averages.

- Managed care plans decreased unnecessary emergency department utilization by healthy adults from 2017 to 2018.

- Ohio Medicaid is saving approximately $2.4 million a month as Ohioans chose to move from a nursing home facility to a home and community-based setting through MyCare Ohio – the state’s pilot program for managed care long-term and supports services.

The full report can be accessed here.
The Ohio Medicaid program provides health care coverage to 3 million low-income or disabled Ohioans. Today, nearly 90 percent of the state's Medicaid population are insured through private managed care plans. Managed care offers flexibility and empowers Medicaid participants to take responsibility for their health, providing extensive support, education and coordination assistance. Ohio adopted managed care for Medicaid with a voluntary program in the 1970s, transitioning to a mandatory program in the 1990s. The current managed care program was implemented in 2005.

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_The Ohio Association of Health Plans (OAHP) represents 15 member plans providing health insurance coverage to more than 9 million Ohioans. Ohio’s health plans include commercial insurers, Medicaid Care Coordination Plans and Medicare Advantage Plans. 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._