



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: S.B. 10 of the 131st G.A.

Date: March 10, 2015

Status: As Introduced

Sponsor: Sens. Burke and LaRose

Local Impact Statement Procedure Required: No

Contents: Medical assistance recipients' eligibility for military-related health care benefits

State Fiscal Highlights

- The bill will produce savings to the Ohio Medicaid Program every time a veteran who currently receives Medicaid services chooses to receive federal Veteran Affairs (VA) benefits instead. The state pays approximately 37% of the cost of Medicaid services while the federal government pays 100% of the cost of VA benefits.
- As the bill is codifying an existing collaboration between the Department of Medicaid and the Department of Veterans Services, any additional ongoing administrative costs will be minimal at most.

Local Fiscal Highlights

- County veterans service officers should be able to assist veterans in processing the necessary paperwork with no discernible effect on the annual operating costs of any of the state's 88 county veterans service commissions.

Detailed Fiscal Analysis

The bill: (1) requires the Ohio Department of Medicaid (ODM) to review the public assistance reporting information system to determine an individual who is a medical assistance recipient may be eligible for federal military-related health care benefits, (2) requires ODM, if potential eligibility is determined, to notify that individual and encourage them to contact the appropriate county veterans service commission, and (3) requires the Director of Veterans Services to develop, institute, and monitor a program that assists such individuals to obtain federal military-related health care benefits.

These requirements generally appear to codify a pilot program that ODM and the Department of Veterans Services initiated earlier in the current biennium.¹ This program is designed to identify and assist eligible veterans in transferring from Medicaid to services provided by the U.S. Department of Veterans Affairs (VA), when it is in the best interests of the veteran to do so. To fund the costs of that program, ODM agreed to transfer \$25,000 in FY 2014 and \$50,000 in FY 2015 from federal Fund 3FA0 to the Department of Veterans Services. The latter has used that money to hire two contractors to assist in implementing the program. These contractors receive an electronic list of potentially eligible veterans from ODM, notify these individuals of their potential eligibility, and refer them to the appropriate county veterans service commission. It also appears that the two departments plan to take the program statewide during the next biennium (FY 2016-FY 2017).

County veterans service officers should be able to assist veterans in processing the necessary paperwork with no discernible effect on the annual operating costs of any of the state's 88 county veterans service commissions.

Every time a veteran who currently receives Medicaid services chooses to receive health care benefits through the VA, a savings effect is generated for the Ohio Medicaid Program. The state pays approximately 37% of the cost of Medicaid services while the federal government pays 100% of the cost of VA benefits. The extent of any cost savings to the Ohio Medicaid Program under the current collaboration between ODM and the Department of Veterans Services is uncertain.

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¹ This initiative was authorized by Section 323.350 of H.B. 59 of the 130th General Assembly. That provision: (1) permits the Department of Medicaid to collaborate with the Department of Veterans Services to determine ways to improve coordination of their services in a manner that enhances veterans' receipt of the services, and (2) permits the two departments to implement any related initiatives during FYs 2014 and 2015.