



OHIO LEGISLATIVE SERVICE COMMISSION

Alexander Moon

Fiscal Note & Local Impact Statement

Bill: S.B. 243 of the 132nd G.A.

Status: As Passed by the Senate

Sponsor: Sen. Dolan

Local Impact Statement Procedure Required: No

Subject: Exempt certain individuals from Medicaid copayments

State Fiscal Highlights

The bill could increase annual Medicaid costs by up to \$225,000. This estimate is based on the total number of Medicaid recipients receiving Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits in 2016.

Detailed Fiscal Analysis

Under current law the Ohio Department of Medicaid (ODM) is required to institute cost-sharing requirements for the Medicaid program. However, current law specifies that ODM cannot institute cost-sharing requirements in a manner that: (1) disproportionately impacts the ability of recipients with chronic illnesses to obtain medically necessary Medicaid services, or (2) is higher for prescribed, orally administered cancer medications than for intravenous or injectable cancer medications. The bill adds another exemption if both of the following conditions are true: (1) the recipient has a developmental disability or serious mental illness, and (2) the recipient's sole source of income is SSDI, SSI, or both.

According to ODM, they are unable to identify individuals meeting both conditions. However, in 2016¹ there were 26,100 individuals whose sole source of income was SSDI or SSI. The total annual copayment revenue for these individuals is estimated at \$225,000. Therefore, if all of these individuals were made exempt from copayments, the loss of copayment revenue would be \$225,000 per year. This estimate is based on the number of individuals on SSDI or SSI in 2016. If this number has changed, the estimate would change accordingly.

¹ This is the last year for which these figures were available.

In Ohio, Medicaid service providers collect copayments from Medicaid recipients.² ODM pays providers for services less the amount of copayments. Thus, if this revenue is not collected, then Medicaid costs for services would increase.

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² Current law prohibits Medicaid providers from refusing service to recipients unable to pay a copayment.