

**Ohio Medicaid Administrative Study Council
New Department Committee
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**Ohio Department of Aging's Views on a Proposed Organizational Structure for the
New Agency**

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Background and Context

The Ohio Commission to Reform Medicaid (OCRM) developed several recommendations that impact on the organizational structure of Medicaid:

1. Develop a separate, cabinet-level Medicaid Department; and
2. Create a unified long-term care budget managed across all state and all local governmental agencies and service settings, and establish a single accountable head to provide leadership and direction for meeting the long-term care needs of Ohioans. Begin first with the "aging" segment of the long-term care system. Designate the Department of Aging as the single point of operational and policy-making responsibility for managing both institutional and home and community-based services.

While we clearly acknowledge that the General Assembly could have provided more clarity in its charge in creating the Ohio Medicaid Administrative Study Council, we believe that these two recommendations from the original OCRM can be reconciled.

Specifically, we agree:

- Ohio should establish a cabinet level Medicaid management agency with its own IT contracting and fiscal management resources. (this will reduce the need to compete for resources)
- The new Medicaid management agency should develop and maintain a new IT system to be utilized for **all** Medicaid programs.
- The new department would be the single state Medicaid agency to manage our partnership with CMS.
- The new department, as the single state Medicaid agency, would continue to have oversight responsibility for ODA's Medicaid-funded programs.
- The new department should **not** be responsible for directly operating programs.

In other words, the new agency should focus on the **management** tasks associated with Medicaid.

Role of the Ohio Department of Aging

- The Department of Aging's expertise is in serving the individual consumer (which is where we believe that the OCRM recommendation for ODA to manage public policy in regard to long-term care, services and supports as well as the operation of the programs that result from this policy development arose).
- ODA would be responsible for daily operations such as payments, rule development of Medicaid waiver programs that serve seniors (PASSPORT, Assisted Living, Choices, proposed new demonstration waiver). Note that in some cases, these Medicaid waiver programs also serve younger individuals with disabilities.
- ODA would be responsible for policy development and strategic planning for addressing the future needs of seniors who receive long-term services and supports.
- ODA would retain its quality assurance, provider certification, and case management responsibilities (in conjunction with the regional Area Agencies on Aging).
- ODA would assume operational responsibility for institutional long-term care. Note that ODA is already responsible (through the AAAs) for universal preadmission review for all nursing home applicants regardless of source of payment.

Simply put, the policy development for long-term care services and supports is highly specialized and complex and requires the expertise of a dedicated agency that can develop and operate these programs. Creation of a Medicaid **management** agency can free ODA to utilize its specialized expertise.

Recent Example of how the Medicaid agency/ODA Partnership is Effective and Efficient Management

- Most of you are aware that on July 1, 2006, Ohio added a new Medicaid waiver program for adults age 21 and over – the assisted living waiver.
- Approval of this new waiver by CMS occurred in record time (within 90 days of submission by ODJFS-OHP).
- This result was obtained through the working relationship with clearly delineated responsibilities of ODJFS-OHP staff, OBM, ODH and ODA staff. Specifically, ODJFS-OHP managed the relationship with CMS while ODA staff created the policy framework underlying the assisted living waiver as directed by the General Assembly and developed the operational protocols for the new waiver.