



## Super Committee Members Can Be Super Heroes for Ohio's Budget

The Congressional Super Committee, comprised of six Senators, including Ohio's Senator Portman, and six Representatives, is charged with proposing targeted reductions in the federal budget of \$1.5 trillion over the next ten years. That is on top of the \$1 trillion cuts that were adopted as part of the deal that created the Super Committee process. The Super Committee may consider anything, from spending cuts to program restructuring to raising revenue. One thing is clear from the outset: Medicaid is now more vulnerable than ever before.

Medicaid provides health coverage for low-income children and adults, and coverage including long term care services for people with disabilities and low income seniors. More than two million Ohioans rely on Medicaid each month for their health care coverage. About 20 percent of the two million Ohioans are aged, blind, or disabled. These 20 percent account for about two-thirds of Medicaid expenditures with the most expensive 5 percent accounting for 50 percent of expenditures.

The Super Committee will likely debate several proposals to change the Medicaid program. These include proposals to convert Medicaid to a block grant, to change the federal matching rate, or to cut Medicaid spending. All have one thing in common: **they shift costs to the state**, making it harder for Ohio to enact needed delivery system and payment reforms. We urge the Super Committee to reject debt reduction strategies that shift costs to Ohio's Medicaid program or onto vulnerable Ohioans who rely on Medicaid for their health care and their lifelines.

In particular, the Committee should reject outright proposing a block grant for the Medicaid program. A block grant would not provide flexibility and would leave the state without additional resources with which to meet the increased need in times of recession when caseloads go up and state revenues go down.

Rather, federal policy makers should look to achieve health care savings in both the short and long terms within the system. In the short run, efforts should be increased to weed out low-value and improper spending like payments for preventable errors and excess payments to pharmaceutical companies. Changing the way Medicaid reimburses hospitals and other providers to provide incentives for reducing costly, potentially avoidable events such as hospital-acquired infections can both save money and improve quality. In the longer term, savings can be achieved by requiring better care coordination and care provision in high value, lower cost settings.

Many of these strategies are already underway in Ohio. Reductions in federal Medicaid funding could hamper the work of the Governor's Office of Health Transformation (OHT) to provide better care and better outcomes while reducing costs, as outlined in the recently passed state budget. Funding opportunities through the Affordable Care Act are helping OHT to pursue increased coordinated care to improve outcomes and lower costs, especially for the most costly Medicaid enrollees.

The Super Committee must consider the impact of cuts to Ohio's budget and to the families who rely on Medicaid for basic health care services. It should not undercut the state's current campaign to generate long-term savings through delivery system and payment reform, nor should it undercut the state's ability to respond to increased need in bad economic times.

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