# Media Release

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**Date**: June 29, 2017

## REVISED:

## Better Care Reconciliation Act Deepens Ohio Medicaid Cuts
### *Senate Legislation Creates Shortfall of $58-93 billion by 2030*

[**Cleveland, OH**] The Center for Community Solutions updated its estimates on the impact of the American Health Care Act (AHCA), now known as the Better Care Reconciliation Act (BCRA) as it works its way through the Senate.

Compared to the House, the Senate has further deepened the shortfall in funding to Ohio's Medicaid program through the implementation of per-capita caps by reducing the inflationary number of the consumer price index for medical goods (CPI-M) to the consumer price index for all goods (CPI-U), from 3.7% to 2.4% starting in 2025.

To understand the impact, CCS remodeled its earlier estimates to reflect the Senate's changes, using a 10-year time frame. A few key findings:

1. The AHCA would cause a shortfall of $41-71 billion for Ohio's Medicaid program by 2030. The BRCA increases the shortfall range to $58-93 billion.
2. Shifting the CPI-M estimate by .1% in the updated model led an additional loss of $2 – 2.2 billion by 2025 before CPI-U is implemented.
3. Here's a table of the differences between the AHCA and BCRA by eligibility group:

|  | House Impact via AHCA | Senate Impact via BCRA | Difference Between Senate and House |
|---|---|---|---|
| *Children* | $14-18B | $15-20B | - $1-2B |
| *Adults* | $22-38B | $23-40B | - $1-2B |
| *Disabled* | $10-13B | $18-24B | - $8-11B |
| *Aged* | $16B | $11B | - $5B |
| *Expansion* | $12-17B | $13-20B | - $1-3B |
| **NET BY 2030** | **$41-71B** | **$58-93B** | - **$17-22B** |

Red = shortfall, Green = surplus relative to current trend in spending.

Loren Anthes, Public Policy Fellow in the Center for Medicaid Policy and the lead researcher behind the report said, "The Senate goes much further than the House in limiting spending through a per capita cap, increasing the shortfall by upwards of 22 billion dollars by 2030.

Changing the consumer price index number by just a few points substantially decreased federal funding to Ohio and Ohio policymakers will have to make some tough choices about who and what to cover if this becomes law."

John Corlett, the Executive Director for the CCS commented, "Governor Kasich and his team have worked hard to make Ohio's Medicaid program more efficient and value-based. With these kinds of gaps, I don't know what additional steps could be taken without cutting services to higher cost groups like seniors, the disabled, and those individuals with serious mental illness and addiction."

*Background on Estimates*
- The estimates include going from Fiscal Year 2019 through Fiscal Year 2029, which adds 4 years of data relative to the initial CCS report.
- The Senate legislation included a provision which allows states some flexibility in establishing a baseline estimate. These estimates maintain the baseline projections from the previous CCS report built on data from the Kaiser Family Foundation.
- The CPI-M number for the new estimate is 3.7% and the CPI-U number is 2.4%.
- This model does not remove medically complex children from the caps as proposed by the Senate legislation.

*Background on Revision*
The original release stated that the Senate removed the addition of 1 percentage point to the CPI-M for the disabled and elderly - this is not accurate. While the financial model did retain this provision in the calculation, the additional loss of funding between the two versions for the elderly and disabled is attributable to the author's revision of the CPI-M from 3.8% in the House-based report to 3.7% in the Senate update, not any change in the additional percentage point.

The 2-2.2B in lost funding is the result of moving from 4.8% to 4.7% in the CPI-M + 1.

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