

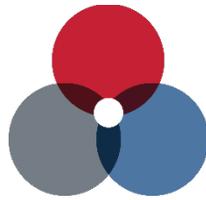
THE CENTER FOR EST. 1913
COMMUNITY SOLUTIONS
RESEARCH • ANALYSIS • ACTION



Medicaid Work Requirement Waiver Analysis: Budget Neutrality

Loren Anthes
Public Policy Fellow

March 13, 2018



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BACKGROUND

In a March 1st testimony provided by Cuyahoga County Job and Family Services in opposition to Ohio’s “Group VIII Work Requirement and Community Engagement 1115 Demonstration Waiver,” the County provided administrative analysis indicating the case management needs the new eligibility conditions would impose on their operations. This analysis included information regarding what would be necessary to carry out the appraisals mandated in the proposal as well as the associated costs. As documented in other states such as [Kentucky](#)¹, [Virginia](#)², and [Pennsylvania](#)³, 1115 Waivers with work requirements increase the administrative burden of state and local governments. However, in Ohio’s application, these figures are absent from the legally-required budget neutrality estimates.

In an attempt to provide a more holistic representation of what this waiver would entail, the Center for Community Solutions has leveraged Cuyahoga County’s methodology and applied it statewide. This analysis shows that County Departments of Job and Family Services would need to provide case management services for nearly 234 thousand enrollees per year at a cost of more than \$378 million over the course of the waiver.

METHODOLOGY

Cuyahoga County estimated it would need to provide appraisals for 29,302 of the [96,085](#) individuals currently enrolled in Medicaid through the expansion. This number was derived from County data which sought to control for known exemption criteria, including age and participation in Ohio’s *Able Bodied Adults Without Dependents* (ABAWD) work requirement, in Ohio’s Supplemental Nutrition Assistance Program (SNAP). The County also estimated the potential for re-appraisals (2250) as well as new applications (2000), though these estimates are hard to predict as they are dependent on the general economics of the region ([Medicaid is counter-cyclical](#)⁴) and as there has been no experience with this type of Medicaid waiver in Ohio, previously. Additionally, the County provided a per-case cost estimate based on its experience with the ABAWD program and estimated an annual cost of \$323.52/case.

¹ <https://www.rollcall.com/news/politics/medicaid-kentucky>

² http://www.richmond.com/news/virginia/government-politics/general-assembly/bill-gets-bigger-in-revised-analysis-of-medicaid-work-requirement/article_882a5762-d57d-5edb-b6e4-ff079ace7b38.html

³ <http://www.philly.com/philly/business/pa-human-services-head-cites-expense-of-forcing-medicaid-recipients-to-get-jobs-20180306.html>

⁴ <https://www.kff.org/medicaid/issue-brief/medicaid-financing-how-does-it-work-and-what-are-the-implications/>

Using the volume experience to derive a ratio for appraisals, re-appraisals and new applications, we used current state enrollment figures, by county, and estimated volumes for each case management activity. Using that volume, we applied the case management cost and created an overall estimate of cost by county. These numbers were then annualized and converted into a five year estimate, the length of the proposed waiver’s life.

As Ohio is planning on exempting some counties with high unemployment, we created a range in this estimate to account for a potential variance. It should also be noted that county administrative operations are different, with some counties having more expenses or less, so each county’s experience may be different. It is important to note that Counties do not have access from the Ohio Benefit Worker Portal, which would help with these estimates.

STATEWIDE ESTIMATE OF APPRAISAL VOLUME AND COST				
COUNTY STATUS		APPRAISALS	REAPPRAISALS	NEW APPLICATIONS
WITHOUT COUNTY EXEMPTIONS	Case Volume	204,228	15,682	13,940
	Local Government Cost	\$ 66,071,872.86	\$ 5,073,432.32	\$ 4,509,717.62
WITH COUNTY EXEMPTIONS	Case Volume	171,714	13,185	11,720
	Local Government Cost	\$ 55,552,899.99	\$ 4,265,716.50	\$ 3,791,748.00

Average Annual Cost Per Case: \$323.52		ANNUAL	FIVE YEAR
WITHOUT COUNTY EXEMPTIONS	Case Volume	233,850	1,169,248
	Local Government Cost	\$ 75,655,022.81	\$ 378,275,114.04
WITH COUNTY EXEMPTIONS	Case Volume	196,620	983,098
	Local Government Cost	\$ 63,610,364.50	\$ 318,051,822.50

ANNUAL COUNTY BY COUNTY ESTIMATE OF APPRAISAL VOLUME AND COST

COUNTY	MEDICAID EXPANSION ENROLLEMENT (669,690 Statewide)	APPRAISALS	RE-APPRAISALS	NEW APPLICATIONS	TOTAL COST
<i>Adams*</i>	2,106	642	49	44	\$ 237,915.27
<i>Allen</i>	5,812	1,772	136	121	\$ 656,582.89
<i>Ashland</i>	2,334	712	55	49	\$ 263,672.48
<i>Ashtabula</i>	7,057	2,152	165	147	\$ 797,230.80
<i>Athens*</i>	3,768	1,149	88	78	\$ 425,671.77
<i>Auglaize</i>	1,334	407	31	28	\$ 150,702.27
<i>Belmont*</i>	3,797	1,158	89	79	\$ 428,947.90
<i>Brown</i>	2,786	850	65	58	\$ 314,735.02
<i>Butler</i>	20,326	6,199	476	423	\$ 2,296,232.58
<i>Carroll*</i>	1,355	413	32	28	\$ 153,074.64
<i>Champaign</i>	1,648	503	39	34	\$ 186,174.91
<i>Clark</i>	9,671	2,949	226	201	\$ 1,092,534.94
<i>Clermont</i>	8,851	2,699	207	184	\$ 999,899.37
<i>Clinton</i>	2,561	781	60	53	\$ 289,316.72
<i>Columbiana*</i>	6,490	1,979	152	135	\$ 733,176.69
<i>Coshocton*</i>	2,590	790	61	54	\$ 292,592.86
<i>Crawford</i>	2,651	808	62	55	\$ 299,484.04
<i>Cuyahoga</i>	96,085	29,302	2,250	2,000	\$ 10,854,743.04
<i>Darke</i>	1,820	555	43	38	\$ 205,605.79
<i>Defiance</i>	1,605	489	38	33	\$ 181,317.19
<i>Delaware</i>	3,066	935	72	64	\$ 346,366.68
<i>Erie</i>	4,273	1,303	100	89	\$ 482,721.73
<i>Fairfield</i>	7,179	2,189	168	149	\$ 811,013.17
<i>Fayette</i>	2,003	611	47	42	\$ 226,279.34

ANNUAL COUNTY BY COUNTY ESTIMATE OF APPRAISAL VOLUME AND COST

COUNTY	MEDICAID EXPANSION ENROLLEMENT (669,690 Statewide)	APPRAISALS	RE-APPRAISALS	NEW APPLICATIONS	TOTAL COST
<i>Franklin</i>	70,218	21,414	1,644	1,462	\$ 7,932,542.51
<i>Fulton</i>	1,400	427	33	29	\$ 158,158.30
<i>Gallia*</i>	2,307	704	54	48	\$ 260,622.28
<i>Geauga</i>	2,093	638	49	44	\$ 236,446.66
<i>Greene</i>	7,339	2,238	172	153	\$ 829,088.40
<i>Guernsey*</i>	2,851	869	67	59	\$ 322,078.08
<i>Hamilton</i>	54,996	16,772	1,288	1,145	\$ 6,212,909.91
<i>Hancock</i>	2,948	899	69	61	\$ 333,036.19
<i>Hardin</i>	1,530	467	36	32	\$ 172,844.43
<i>Harrison*</i>	934	285	22	19	\$ 105,514.18
<i>Henry</i>	864	263	20	18	\$ 97,606.27
<i>Highland*</i>	2,906	886	68	60	\$ 328,291.44
<i>Hocking</i>	2,167	661	51	45	\$ 244,806.45
<i>Holmes</i>	818	249	19	17	\$ 92,409.64
<i>Huron*</i>	3,207	978	75	67	\$ 362,295.48
<i>Jackson*</i>	2,521	769	59	52	\$ 284,797.91
<i>Jefferson*</i>	5,674	1,730	133	118	\$ 640,993.00
<i>Knox</i>	2,848	869	67	59	\$ 321,739.17
<i>Lake</i>	8,122	2,477	190	169	\$ 917,544.08
<i>Lawrence*</i>	4,554	1,389	107	95	\$ 514,466.36
<i>Licking</i>	8,424	2,569	197	175	\$ 951,661.09
<i>Logan</i>	2,034	620	48	42	\$ 229,781.42
<i>Lorain</i>	16,232	4,950	380	338	\$ 1,833,732.52
<i>Lucas</i>	33,236	10,136	778	692	\$ 3,754,678.04
<i>Madison</i>	1,704	520	40	35	\$ 192,501.25

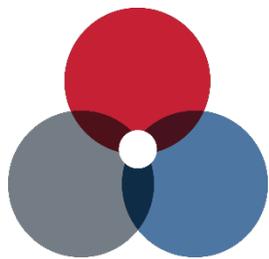
ANNUAL COUNTY BY COUNTY ESTIMATE OF APPRAISAL VOLUME AND COST

COUNTY	MEDICAID EXPANSION ENROLLEMENT (669,690 Statewide)	APPRAISALS	RE-APPRAISALS	NEW APPLICATIONS	TOTAL COST
<i>Mahoning*</i>	19,884	6,064	466	414	\$ 2,246,299.74
<i>Marion</i>	4,316	1,316	101	90	\$ 487,579.44
<i>Medina</i>	5,419	1,653	127	113	\$ 612,185.59
<i>Meigs*</i>	1,884	575	44	39	\$ 212,835.88
<i>Mercer</i>	1,055	322	25	22	\$ 119,183.58
<i>Miami</i>	4,256	1,298	100	89	\$ 480,801.23
<i>Monroe*</i>	825	252	19	17	\$ 93,200.43
<i>Montgomery</i>	35,030	10,683	820	729	\$ 3,957,346.61
<i>Morgan*</i>	978	298	23	20	\$ 110,484.87
<i>Morrow</i>	1,877	572	44	39	\$ 212,045.09
<i>Muskingum*</i>	6,422	1,958	150	134	\$ 725,494.72
<i>Noble*</i>	739	225	17	15	\$ 83,484.99
<i>Ottawa*</i>	1,776	542	42	37	\$ 200,635.10
<i>Paulding</i>	786	240	18	16	\$ 88,794.59
<i>Perry*</i>	2,355	718	55	49	\$ 266,044.85
<i>Pickaway</i>	2,603	794	61	54	\$ 294,061.47
<i>Pike*</i>	2,312	705	54	48	\$ 261,187.14
<i>Portage</i>	7,775	2,371	182	162	\$ 878,343.42
<i>Preble</i>	2,197	670	51	46	\$ 248,195.56
<i>Putnam</i>	831	253	19	17	\$ 93,878.25
<i>Richland</i>	7,424	2,264	174	155	\$ 838,690.87
<i>Ross</i>	5,779	1,762	135	120	\$ 652,854.87
<i>Sandusky</i>	2,397	731	56	50	\$ 270,789.60
<i>Scioto*</i>	6,264	1,910	147	130	\$ 707,645.42
<i>Seneca</i>	2,423	739	57	50	\$ 273,726.83

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COUNTY	MEDICAID EXPANSION ENROLLEMENT (669,690 Statewide)	APPRAISALS	RE-APPRAISALS	NEW APPLICATIONS	TOTAL COST
<i>Shelby</i>	1,542	470	36	32	\$ 174,200.07
<i>Stark</i>	20,961	6,392	491	436	\$ 2,367,968.66
<i>Summit</i>	34,342	10,473	804	715	\$ 3,879,623.10
<i>Trumbull*</i>	14,857	4,531	348	309	\$ 1,678,398.47
<i>Tuscarawas</i>	4,120	1,256	96	86	\$ 465,437.28
<i>Union</i>	1,463	446	34	30	\$ 165,275.42
<i>Van Wert</i>	1,078	329	25	22	\$ 121,781.89
<i>Vinton</i>	1,173	358	27	24	\$ 132,514.06
<i>Warren</i>	5,313	1,620	124	111	\$ 600,210.75
<i>Washington*</i>	3,262	995	76	68	\$ 368,508.84
<i>Wayne</i>	5,001	1,525	117	104	\$ 564,964.04
<i>Williams</i>	1,633	498	38	34	\$ 184,480.36
<i>Wood</i>	3,476	1,060	81	72	\$ 392,684.46
<i>Wyandot</i>	767	234	18	16	\$ 86,648.15

**Indicates a County that may potentially be exempt from the requirement.*



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