

**As Passed by the House**

**130th General Assembly**

**Regular Session**

**2013-2014**

**Am. Sub. S. B. No. 206**

**Senators Burke, Cafaro**

**Cosponsors: Senators Coley, LaRose, Tavares, Bacon, Balderson, Beagle,  
Eklund, Jones, Lehner, Manning, Peterson, Schaffer, Widener  
Representatives Amstutz, Hackett, McClain, McGregor, Sears**

**—**

**A B I L L**

To amend sections 191.02, 5162.01, 5162.13, 5162.131,	1
5162.132, 5162.20, 5163.01, 5163.06, 5163.09,	2
5163.0910, and 5164.911; to amend, for the purpose	3
of adopting a new section number as indicated in	4
parentheses, section 5163.0910 (5162.133); to	5
enact sections 103.41, 103.411, 103.412, 103.413,	6
103.414, 103.415, 191.08, 355.01, 355.02, 355.03,	7
355.04, 5162.134, 5162.70, 5162.71, and 5164.94;	8
and to repeal sections 101.39, 101.391, and	9
5163.099 of the Revised Code; to amend Section	10
323.90 of Am. Sub. H.B. 59 of the 130th General	11
Assembly; to require implementation of certain	12
Medicaid revisions, reform systems, and program	13
oversight; to provide for government programs that	14
provide public benefits to prioritize employment	15
goals; to permit a board of county commissioners	16
to establish a county Healthier Buckeye council;	17
and to make an appropriation.	18

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That sections 191.02, 5162.01, 5162.13, 5162.131, 19  
5162.132, 5162.20, 5163.01, 5163.06, 5163.09, 5163.0910, and 20  
5164.911 be amended; section 5163.0910 (5162.133) be amended for 21  
the purpose of adopting a new section number as indicated in 22  
parentheses; and sections 103.41, 103.411, 103.412, 103.413, 23  
103.414, 103.415, 191.08, 355.01, 355.02, 355.03, 355.04, 24  
5162.134, 5162.70, 5162.71, and 5164.94 of the Revised Code be 25  
enacted to read as follows: 26

**Sec. 103.41.** (A) As used in sections 103.41 to 103.415 of the 27  
Revised Code: 28

(1) "JMOC" means the joint medicaid oversight committee 29  
created under this section. 30

(2) "State and local government medicaid agency" means all of 31  
the following: 32

(a) The department of medicaid; 33

(b) The office of health transformation; 34

(c) Each state agency and political subdivision with which 35  
the department of medicaid contracts under section 5162.35 of the 36  
Revised Code to have the state agency or political subdivision 37  
administer one or more components of the medicaid program, or one 38  
or more aspects of a component, under the department's 39  
supervision; 40

(d) Each agency of a political subdivision that is 41  
responsible for administering one or more components of the 42  
medicaid program, or one or more aspects of a component, under the 43  
supervision of the department or a state agency or political 44  
subdivision described in division (A)(2)(c) of this section. 45

(B) There is hereby created the joint medicaid oversight 46  
committee. JMOC shall consist of the following members: 47

(1) Five members of the senate appointed by the president of 48  
the senate, three of whom are members of the majority party and 49  
two of whom are members of the minority party; 50

(2) Five members of the house of representatives appointed by 51  
the speaker of the house of representatives, three of whom are 52  
members of the majority party and two of whom are members of the 53  
minority party. 54

(C) The term of each JMOC member shall begin on the day of 55  
appointment to JMOC and end on the last day that the member serves 56  
in the house (in the case of a member appointed by the speaker) or 57  
senate (in the case of a member appointed by the president) during 58  
the general assembly for which the member is appointed to JMOC. 59  
The president and speaker shall make the initial appointments not 60  
later than fifteen days after the effective date of this section. 61  
However, if this section takes effect before January 1, 2014, the 62  
president and speaker shall make the initial appointments during 63  
the period beginning January 1, 2014, and ending January 15, 2014. 64  
The president and speaker shall make subsequent appointments not 65  
later than fifteen days after the commencement of the first 66  
regular session of each general assembly. JMOC members may be 67  
reappointed. A vacancy on JMOC shall be filled in the same manner 68  
as the original appointment. 69

(D) In odd-numbered years, the speaker shall designate one of 70  
the majority members from the house as the JMOC chairperson and 71  
the president shall designate one of the minority members from the 72  
senate as the JMOC ranking minority member. In even-numbered 73  
years, the president shall designate one of the majority members 74  
from the senate as the JMOC chairperson and the speaker shall 75  
designate one of the minority members from the house as the JMOC 76  
ranking minority member. 77

(E) In appointing members from the minority, and in 78  
designating ranking minority members, the president and speaker 79

shall consult with the minority leader of their respective houses.

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(F) JMOC shall meet at the call of the JMOC chairperson. The chairperson shall call JMOC to meet not less often than once each calendar month, unless the chairperson and ranking minority member agree that the chairperson should not call JMOC to meet for a particular month.

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(G) JMOC may employ professional, technical, and clerical employees as are necessary for JMOC to be able successfully and efficiently to perform its duties. All such employees are in the unclassified service and serve at JMOC's pleasure. JMOC may contract for the services of persons who are qualified by education and experience to advise, consult with, or otherwise assist JMOC in the performance of its duties.

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(H) The JMOC chairperson, when authorized by JMOC and the president and speaker, may issue subpoenas and subpoenas duces tecum in aid of JMOC's performance of its duties. A subpoena may require a witness in any part of the state to appear before JMOC at a time and place designated in the subpoena to testify. A subpoena duces tecum may require witnesses or other persons in any part of the state to produce books, papers, records, and other tangible evidence before JMOC at a time and place designated in the subpoena duces tecum. A subpoena or subpoena duces tecum shall be issued, served, and returned, and has consequences, as specified in sections 101.41 to 101.45 of the Revised Code.

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(I) The JMOC chairperson may administer oaths to witnesses appearing before JMOC.

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**Sec. 103.411.** The JMOC chairperson may request that the medicaid director appear before JMOC to provide information and answer questions about the medicaid program. If so requested, the medicaid director shall appear before JMOC at the time and place specified in the request.

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Sec. 103.412. (A) JMOC shall oversee the medicaid program on 111  
a continuing basis. As part of its oversight, JMOC shall do all of 112  
the following: 113

(1) Review how the medicaid program relates to the public and 114  
private provision of health care coverage in this state and the 115  
United States; 116

(2) Review the reforms implemented under section 5162.70 of 117  
the Revised Code and evaluate the reforms' successes in achieving 118  
their objectives; 119

(3) Recommend policies and strategies to encourage both of 120  
the following: 121

(a) Medicaid recipients being physically and mentally able to 122  
join and stay in the workforce and ultimately becoming 123  
self-sufficient; 124

(b) Less use of the medicaid program. 125

(4) Recommend, to the extent JMOC determines appropriate, 126  
improvements in statutes and rules concerning the medicaid 127  
program; 128

(5) Develop a plan of action for the future of the medicaid 129  
program; 130

(6) Receive and consider reports submitted by county 131  
healthier buckeye councils under section 355.04 of the Revised 132  
Code. 133

(B) JMOC may do all of the following: 134

(1) Plan, advertise, organize, and conduct forums, 135  
conferences, and other meetings at which representatives of state 136  
agencies and other individuals having expertise in the medicaid 137  
program may participate to increase knowledge and understanding 138  
of, and to develop and propose improvements in, the medicaid 139

program; 140

(2) Prepare and issue reports on the medicaid program; 141

(3) Solicit written comments on, and conduct public hearings 142  
at which persons may offer verbal comments on, drafts of its 143  
reports. 144

Sec. 103.413. (A) JMOC may investigate state and local 145  
government medicaid agencies. Subject to division (B) of this 146  
section, all of the following apply to an investigation: 147

(1) JMOC, including its employees, may inspect the offices of 148  
a state and local government medicaid agency as necessary for the 149  
conduct of the investigation. 150

(2) No person shall deny JMOC or a JMOC employee access to 151  
such an office when access is needed for such an inspection. 152

(3) Neither JMOC nor a JMOC employee is required to give 153  
advance notice of, or to make prior arrangements before, such an 154  
inspection. 155

(B) Neither JMOC nor a JMOC employee shall conduct an 156  
inspection under this section unless the JMOC chairperson grants 157  
prior approval for the inspection. The chairperson shall not grant 158  
such approval unless JMOC, the president of the senate, and the 159  
speaker of the house of representatives authorize the chairperson 160  
to grant the approval. Each inspection shall be conducted during 161  
the normal business hours of the office being inspected, unless 162  
the chairperson determines that the inspection must be conducted 163  
outside of normal business hours. The chairperson may make such a 164  
determination only due to an emergency circumstance or other 165  
justifiable cause that furthers JMOC's mission. If the chairperson 166  
makes such a determination, the chairperson shall specify the 167  
reason for the determination in the grant of prior approval for 168  
the inspection. 169

Sec. 103.414. Before the beginning of each fiscal biennium, 170  
JMOC shall contract with an actuary to determine the projected 171  
medical inflation rate for the upcoming fiscal biennium. The 172  
contract shall require the actuary to make the determination using 173  
the same types of classifications and sub-classifications of 174  
medical care that the United States bureau of labor statistics 175  
uses in determining the inflation rate for medical care in the 176  
consumer price index. The contract also shall require the actuary 177  
to provide JMOC a report with its determination at least one 178  
hundred twenty days before the governor is required to submit a 179  
state budget for the fiscal biennium to the general assembly under 180  
section 107.03 of the Revised Code. 181

On receipt of the actuary's report, JMOC shall determine 182  
whether it agrees with the actuary's projected medical inflation 183  
rate. If JMOC disagrees with the actuary's projected medical 184  
inflation rate, JMOC shall determine a different projected medical 185  
inflation rate for the upcoming fiscal biennium. 186

The actuary and, if JMOC determines a different projected 187  
medical inflation rate, JMOC shall determine the projected medical 188  
inflation rate for the state unless that is not practicable in 189  
which case the determination shall be made for the midwest region. 190

Regardless of whether it agrees with the actuary's projected 191  
medical inflation rate or determines a different projected medical 192  
inflation rate, JMOC shall complete a report regarding the 193  
projected medical inflation rate. JMOC shall include a copy of the 194  
actuary's report in JMOC's report. JMOC's report shall state 195  
whether JMOC agrees with the actuary's projected medical inflation 196  
rate and, if JMOC disagrees, the reason why JMOC disagrees and the 197  
different medical inflation rate JMOC determined. At least ninety 198  
days before the governor is required to submit a state budget for 199  
the upcoming fiscal biennium to the general assembly under section 200

107.03 of the Revised Code, JMOC shall submit a copy of the report 201  
to the general assembly in accordance with section 101.68 of the 202  
Revised Code and to the governor and medicaid director. 203

**Sec. 103.415.** JMOC may review bills and resolutions regarding 204  
the medicaid program that are introduced in the general assembly. 205  
JMOC may submit a report of its review of a bill or resolution to 206  
the general assembly in accordance with section 101.68 of the 207  
Revised Code. The report may include JMOC's determination 208  
regarding the bill's or resolution's desirability as a matter of 209  
public policy. 210

JMOC's decision on whether and when to review a bill or 211  
resolution has no effect on the general assembly's authority to 212  
act on the bill or resolution. 213

**Sec. 191.02.** The executive director of the office of health 214  
transformation, in consultation with all of the following 215  
individuals, shall identify each government program administered 216  
by a state agency that is to be considered a government program 217  
providing public benefits for purposes of ~~section~~ sections 191.04 218  
and 191.08 of the Revised Code: 219

- (A) The director of administrative services; 220
- (B) The director of aging; 221
- (C) The director of development services; 222
- (D) The director of developmental disabilities; 223
- (E) The director of health; 224
- (F) The director of job and family services; 225
- (G) The ~~director of~~ medicaid director; 226
- (H) The director of mental health and addiction services; 227
- (I) The director of rehabilitation and correction; 228



(J) The director of veterans services;	229
(K) The director of youth services;	230
(L) The executive director of the opportunities for Ohioans with disabilities agency;	231 232
(M) The administrator of workers' compensation;	233
(N) The superintendent of insurance;	234
(O) The superintendent of public instruction;	235
(P) The tax commissioner.	236
<u>Sec. 191.08. The executive director of the office of health transformation shall adopt strategies that prioritize employment as a goal for individuals participating in government programs providing public benefits.</u>	237 238 239 240
<u>Sec. 355.01. As used in this chapter:</u>	241
<u>"Care coordination" means assisting an individual to access available physical health, behavioral health, social, employment, education, and housing services the individual needs.</u>	242 243 244
<u>"Political subdivision" has the same meaning as in section 2744.01 of the Revised Code.</u>	245 246
<u>"Publicly funded assistance programs" include physical health, behavioral health, social, employment, education, and housing programs funded or provided by the state or a political subdivision of the state.</u>	247 248 249 250
<u>Sec. 355.02. Each board of county commissioners may adopt a resolution to establish a county healthier buckeye council. The board may invite any person or entity to become a member of the council, including a public or private agency or group that funds, advocates, or provides care coordination services, provides or promotes private employment or educational services, or otherwise contributes to the well-being of individuals and families.</u>	251 252 253 254 255 256 257

Sec. 355.03. A county healthier buckeye council may do all of 258  
the following: 259

(A) Promote means by which council members or the entities 260  
the members represent may reduce the reliance of individuals and 261  
families on publicly funded assistance programs using both of the 262  
following: 263

(1) Programs that have been demonstrated to be effective and 264  
have one or more of the following features: 265

(a) Low costs; 266

(b) Use volunteer workers; 267

(c) Use incentives to encourage designated behaviors; 268

(d) Are led by peers. 269

(2) Practices that identify and seek to eliminate barriers to 270  
achieving greater financial independence for individuals and 271  
families who receive services from or participate in programs 272  
operated by council members or the entities the members represent. 273

(B) Promote care coordination among physical health, 274  
behavioral health, social, employment, education, and housing 275  
service providers within the county; 276

(C) Collect and analyze data regarding individuals or 277  
families who receive services from or participate in programs 278  
operated by council members or the entities the members represent. 279

Sec. 355.04. A county healthier buckeye council may report 280  
the following information to the joint medicaid oversight 281  
committee created in section 103.41 of the Revised Code: 282

(A) Notification that the county council has been established 283  
and information regarding the council's activities; 284

(B) Information regarding enrollment or outcome data 285  
collected under division (C) of section 355.03 of the Revised 286

<u>Code;</u>	287
<u>(C) Recommendations regarding the best practices for the</u>	288
<u>administration and delivery of publicly funded assistance programs</u>	289
<u>or other services or programs provided by council members or the</u>	290
<u>entities the members represent;</u>	291
<u>(D) Recommendations regarding the best practices in care</u>	292
<u>coordination.</u>	293
<b>Sec. 5162.01.</b> (A) As used in the Revised Code:	294
(1) "Medicaid" and "medicaid program" mean the program of	295
medical assistance established by Title XIX of the "Social	296
Security Act," 42 U.S.C. 1396 et seq., including any medical	297
assistance provided under the medicaid state plan or a federal	298
medicaid waiver granted by the United States secretary of health	299
and human services.	300
(2) "Medicare" and "medicare program" mean the federal health	301
insurance program established by Title XVIII of the "Social	302
Security Act," 42 U.S.C. 1395 et seq.	303
(B) As used in this chapter:	304
(1) "Dual eligible individual" has the same meaning as in	305
section 5160.01 of the Revised Code.	306
(2) <u>"Exchange" has the same meaning as in 45 C.F.R. 155.20.</u>	307
(3) <u>"Federal financial participation" has the same meaning as</u>	308
<u>in section 5160.01 of the Revised Code.</u>	309
<del>(3)</del> (4) "Federal poverty line" means the official poverty line	310
defined by the United States office of management and budget based	311
on the most recent data available from the United States bureau of	312
the census and revised by the United States secretary of health	313
and human services pursuant to the "Omnibus Budget Reconciliation	314
Act of 1981," section 673(2), 42 U.S.C. 9902(2).	315

~~(4)~~(5) "Healthy start component" means the component of the 316  
medicaid program that covers pregnant women and children and is 317  
identified in rules adopted under section 5162.02 of the Revised 318  
Code as the healthy start component. 319

~~(5)~~(6) "Home and community-based services" means services 320  
provided under a home and community-based services medicaid waiver 321  
component. 322

(7) "Home and community-based services medicaid waiver 323  
component" has the same meaning as in section 5166.01 of the 324  
Revised Code. 325

(8) "ICF/IID" has the same meaning as in section 5124.01 of 326  
the Revised Code. 327

~~(6)~~(9) "Medicaid managed care organization" has the same 328  
meaning as in section 5167.01 of the Revised Code. 329

~~(7)~~(10) "Medicaid provider" has the same meaning as in 330  
section 5164.01 of the Revised Code. 331

~~(8)~~(11) "Medicaid services" has the same meaning as in 332  
section 5164.01 of the Revised Code. 333

~~(9)~~(12) "Nursing facility" ~~has~~ and "nursing facility 334  
services" ~~have~~ the same ~~meaning~~ meanings as in section 5165.01 of 335  
the Revised Code. 336

~~(10)~~(13) "Political subdivision" means a municipal 337  
corporation, township, county, school district, or other body 338  
corporate and politic responsible for governmental activities only 339  
in a geographical area smaller than that of the state. 340

~~(11)~~(14) "Prescribed drug" has the same meaning as in section 341  
5164.01 of the Revised Code. 342

~~(12)~~(15) "Provider agreement" has the same meaning as in 343  
section 5164.01 of the Revised Code. 344

~~(13)~~(16) "Qualified medicaid school provider" means the board 345

of education of a city, local, or exempted village school 346  
district, the governing authority of a community school 347  
established under Chapter 3314. of the Revised Code, the state 348  
school for the deaf, and the state school for the blind to which 349  
both of the following apply: 350

(a) It holds a valid provider agreement. 351

(b) It meets all other conditions for participation in the 352  
medicaid school component of the medicaid program established in 353  
rules authorized by section 5162.364 of the Revised Code. 354

~~(14)~~(17) "State agency" means every organized body, office, 355  
or agency, other than the department of medicaid, established by 356  
the laws of the state for the exercise of any function of state 357  
government. 358

~~(15)~~(18) "Vendor offset" means a reduction of a medicaid 359  
payment to a medicaid provider to correct a previous, incorrect 360  
medicaid payment to that provider. 361

**Sec. 5162.13.** On or before the first day of January of each 362  
year, the department of medicaid shall ~~submit to the speaker and~~ 363  
~~minority leader of the house of representatives and the president~~ 364  
~~and minority leader of the senate, and shall make available to the~~ 365  
~~public, complete~~ a report on the effectiveness of the medicaid 366  
program in meeting the health care needs of low-income pregnant 367  
women, infants, and children. The report shall include: the 368  
estimated number of pregnant women, infants, and children eligible 369  
for the program; the actual number of eligible persons enrolled in 370  
the program; the number of prenatal, postpartum, and child health 371  
visits; a report on birth outcomes, including a comparison of 372  
low-birthweight births and infant mortality rates of medicaid 373  
recipients with the general female child-bearing and infant 374  
population in this state; and a comparison of the prenatal, 375  
delivery, and child health costs of the program with such costs of 376

similar programs in other states, where available. The department 377  
shall submit the report to the general assembly in accordance with 378  
section 101.68 of the Revised Code and to the joint medicaid 379  
oversight committee. The department also shall make the report 380  
available to the public. 381

**Sec. 5162.131.** Semiannually, the medicaid director shall 382  
~~submit to the president and minority leader of the senate, speaker~~ 383  
~~and minority leader of the house of representatives, and the~~ 384  
~~chairpersons of the standing committees of the senate and house of~~ 385  
~~representatives with primary responsibility for legislation making~~ 386  
~~biennial appropriations~~ complete a report on the establishment and 387  
implementation of programs designed to control the increase of the 388  
cost of the medicaid program, increase the efficiency of the 389  
medicaid program, and promote better health outcomes. The director 390  
shall submit the report to the general assembly in accordance with 391  
section 101.68 of the Revised Code and to the joint medicaid 392  
oversight committee. In each calendar year, one report shall be 393  
submitted not later than the last day of June and the subsequent 394  
report shall be submitted not later than the last day of December. 395

**Sec. 5162.132.** Annually, the department of medicaid shall 396  
prepare a report on the department's efforts to minimize fraud, 397  
waste, and abuse in the medicaid program. 398

Each report shall be made available on the department's web 399  
site. The department shall submit a copy of each report to the 400  
governor, general assembly, and, joint medicaid oversight 401  
committee. The copy to the general assembly shall be submitted in 402  
accordance with section 101.68 of the Revised Code, ~~the general~~ 403  
~~assembly.~~ Copies of the report also shall be made available to the 404  
public on request. 405

**Sec. ~~5163.0910~~ 5162.133.** Not less than once each year, the 406

medicaid director shall submit a report on the medicaid buy-in for 407  
workers with disabilities program to the governor, ~~speaker and~~ 408  
~~minority leader of the house of representatives, president and~~ 409  
~~minority leader of the senate, and chairpersons of the house and~~ 410  
~~senate committees to which the biennial operating budget bill is~~ 411  
~~referred~~ general assembly, and joint medicaid oversight committee. 412  
The copy to the general assembly shall be submitted in accordance 413  
with section 101.68 of the Revised Code. The report shall include 414  
all of the following information: 415

(A) The number of individuals who participated in the 416  
medicaid buy-in for workers with disabilities program; 417

(B) The cost of the program; 418

(C) The amount of revenue generated by premiums that 419  
participants pay under section 5163.094 of the Revised Code; 420

(D) The average amount of earned income of participants' 421  
families; 422

(E) The average amount of time participants have participated 423  
in the program; 424

(F) The types of other health insurance participants have 425  
been able to obtain. 426

**Sec. 5162.134.** Not later than the first day of each July, the 427  
medicaid director shall complete a report of the evaluation 428  
conducted under section 5164.911 of the Revised Code regarding the 429  
integrated care delivery system. The director shall provide a copy 430  
of the report to the general assembly and joint medicaid oversight 431  
committee. The copy to the general assembly shall be provided in 432  
accordance with section 101.68 of the Revised Code. The director 433  
also shall make the report available to the public. 434

**Sec. 5162.20.** (A) The department of medicaid shall institute 435

cost-sharing requirements for the medicaid program. The 436  
~~cost sharing requirements shall include a copayment requirement~~ 437  
~~for at least dental services, vision services, nonemergency~~ 438  
~~emergency department services, and prescribed drugs. The~~ 439  
~~cost sharing requirements also shall include requirements~~ 440  
~~regarding premiums, enrollment fees, deductions, and similar~~ 441  
~~charges~~ The department shall not institute cost-sharing 442  
requirements in a manner that disproportionately impacts the 443  
ability of medicaid recipients with chronic illnesses to obtain 444  
medically necessary medicaid services. 445

(B)(1) No provider shall refuse to provide a service to a 446  
medicaid recipient who is unable to pay a required copayment for 447  
the service. 448

(2) Division (B)(1) of this section shall not be considered 449  
to do either of the following with regard to a medicaid recipient 450  
who is unable to pay a required copayment: 451

(a) Relieve the medicaid recipient from the obligation to pay 452  
a copayment; 453

(b) Prohibit the provider from attempting to collect an 454  
unpaid copayment. 455

(C) Except as provided in division (F) of this section, no 456  
provider shall waive a medicaid recipient's obligation to pay the 457  
provider a copayment. 458

(D) No provider or drug manufacturer, including the 459  
manufacturer's representative, employee, independent contractor, 460  
or agent, shall pay any copayment on behalf of a medicaid 461  
recipient. 462

(E) If it is the routine business practice of a provider to 463  
refuse service to any individual who owes an outstanding debt to 464  
the provider, the provider may consider an unpaid copayment 465  
imposed by the cost-sharing requirements as an outstanding debt 466



and may refuse service to a medicaid recipient who owes the 467  
provider an outstanding debt. If the provider intends to refuse 468  
service to a medicaid recipient who owes the provider an 469  
outstanding debt, the provider shall notify the recipient of the 470  
provider's intent to refuse service. 471

(F) In the case of a provider that is a hospital, the 472  
cost-sharing program shall permit the hospital to take action to 473  
collect a copayment by providing, at the time services are 474  
rendered to a medicaid recipient, notice that a copayment may be 475  
owed. If the hospital provides the notice and chooses not to take 476  
any further action to pursue collection of the copayment, the 477  
prohibition against waiving copayments specified in division (C) 478  
of this section does not apply. 479

(G) The department of medicaid may collaborate with a state 480  
agency that is administering, pursuant to a contract entered into 481  
under section 5162.35 of the Revised Code, one or more components, 482  
or one or more aspects of a component, of the medicaid program as 483  
necessary for the state agency to apply the cost-sharing 484  
requirements to the components or aspects of a component that the 485  
state agency administers. 486

**Sec. 5162.70. (A) As used in this section:** 487

(1) "CPI" means the consumer price index for all urban 488  
consumers as published by the United States bureau of labor 489  
statistics. 490

(2) "CPI medical inflation rate" means the inflation rate for 491  
medical care, or the successor term for medical care, for the 492  
midwest region as specified in the CPI. 493

(3) "JMOC projected medical inflation rate" means the 494  
following: 495

(a) The projected medical inflation rate for a fiscal 496

biennium determined by the actuary with which the joint medicaid 497  
oversight committee contracts under section 103.414 of the Revised 498  
Code if the committee agrees with the actuary's projected medical 499  
inflation rate for that fiscal biennium; 500

(b) The different projected medical inflation rate for a 501  
fiscal biennium determined by the joint medicaid oversight 502  
committee under section 103.414 of the Revised Code if the 503  
committee disagrees with the projected medical inflation rate 504  
determined for that fiscal biennium by the actuary with which the 505  
committee contracts under that section. 506

(4) "Successor term" means a term that the United States 507  
bureau of labor statistics uses in place of another term in 508  
revisions to the CPI. 509

(B) The medicaid director shall implement reforms to the 510  
medicaid program that do all of the following: 511

(1) Limit the growth in the per recipient per month cost of 512  
the medicaid program, as determined on an aggregate basis for all 513  
eligibility groups, for a fiscal biennium to not more than the 514  
lesser of the following: 515

(a) The average annual increase in the CPI medical inflation 516  
rate for the most recent three-year period for which the necessary 517  
data is available as of the first day of the fiscal biennium, 518  
weighted by the most recent year of the three years; 519

(b) The JMOC projected medical inflation rate for the fiscal 520  
biennium. 521

(2) Achieve the limit in the growth of the per recipient per 522  
month cost of the medicaid program under division (B)(1) of this 523  
section by doing all of the following: 524

(a) Improving the physical and mental health of medicaid 525  
recipients; 526

(b) Providing for medicaid recipients to receive medicaid 527  
services in the most cost-effective and sustainable manner; 528

(c) Removing barriers that impede medicaid recipients' 529  
ability to transfer to lower cost, and more appropriate, medicaid 530  
services, including home and community-based services; 531

(d) Establishing medicaid payment rates that encourage value 532  
over volume and result in medicaid services being provided in the 533  
most efficient and effective manner possible; 534

(e) Implementing fraud and abuse prevention and cost 535  
avoidance mechanisms to the fullest extent possible; 536

(f) Integrating in the care management system established 537  
under section 5167.03 of the Revised Code the delivery of physical 538  
health, behavioral health, nursing facility, and home and 539  
community-based services covered by medicaid. 540

(3) Reduce the prevalence of comorbid health conditions 541  
among, and the mortality rates of, medicaid recipients; 542

(4) Reduce infant mortality rates among medicaid recipients. 543

(C) The medicaid director shall implement the reforms under 544  
this section in accordance with evidence-based strategies that 545  
include measurable goals. 546

(D) The reforms implemented under this section shall, without 547  
making the medicaid program's eligibility requirements more 548  
restrictive, reduce the relative number of individuals enrolled in 549  
the medicaid program who have the greatest potential to obtain the 550  
income and resources that would enable them to cease enrollment in 551  
medicaid and instead obtain health care coverage through 552  
employer-sponsored health insurance or an exchange. 553

**Sec. 5162.71.** The medicaid director shall implement within 554  
the medicaid program systems that do both of the following: 555

(A) Improve the health of medicaid recipients through the use 556  
of population health measures; 557

(B) Reduce health disparities, including, but not limited to, 558  
those within racial and ethnic populations. 559

**Sec. 5163.01.** As used in this chapter: 560

"Caretaker relative" has the same meaning as in 42 C.F.R. 561  
435.4 as that regulation is amended effective January 1, 2014. 562

"Children's hospital" has the same meaning as in section 563  
2151.86 of the Revised Code. 564

"Federal financial participation" has the same meaning as in 565  
section 5160.01 of the Revised Code. 566

"Federally qualified health center" has the same meaning as 567  
in the "Social Security Act," section 1905(1)(2)(B), 42 U.S.C. 568  
1396d(1)(2)(B). 569

"Federally qualified health center look-alike" has the same 570  
meaning as in section 3701.047 of the Revised Code. 571

"Federal poverty line" has the same meaning as in section 572  
5162.01 of the Revised Code. 573

"Healthy start component" has the same meaning as in section 574  
5162.01 of the Revised Code. 575

"Home and community-based services medicaid waiver component" 576  
has the same meaning as in section 5166.01 of the Revised Code. 577

"Intermediate care facility for individuals with intellectual 578  
disabilities" and "ICF/IID" have the same meanings as in section 579  
5124.01 of the Revised Code. 580

"Mandatory eligibility groups" means the groups of 581  
individuals that must be covered by the medicaid state plan as a 582  
condition of the state receiving federal financial participation 583  
for the medicaid program. 584

"Medicaid buy-in for workers with disabilities program" means 585  
the component of the medicaid program established under sections 586  
5163.09 to ~~5163.0910~~ 5163.098 of the Revised Code. 587

"Medicaid services" has the same meaning as in section 588  
5164.01 of the Revised Code. 589

"Medicaid waiver component" has the same meaning as in 590  
section 5166.01 of the Revised Code. 591

"Nursing facility" and "nursing facility services" have the 592  
same meanings as in section 5165.01 of the Revised Code. 593

"Optional eligibility groups" means the groups of individuals 594  
who may be covered by the medicaid state plan or a federal 595  
medicaid waiver and for whom the medicaid program receives federal 596  
financial participation. 597

"Other medicaid-funded long-term care services" has the 598  
meaning specified in rules adopted under section 5163.02 of the 599  
Revised Code. 600

"Supplemental security income program" means the program 601  
established by Title XVI of the "Social Security Act," 42 U.S.C. 602  
1381 et seq. 603

**Sec. 5163.06.** The medicaid program shall cover all of the 604  
following optional eligibility groups: 605

(A) The group consisting of children placed with adoptive 606  
parents who are specified in the "Social Security Act," section 607  
1902(a)(10)(A)(ii)(VIII), 42 U.S.C. 1396a(a)(10)(A)(ii)(VIII); 608

(B) Subject to section 5163.061 of the Revised Code, the 609  
group consisting of women during pregnancy and the sixty-day 610  
period beginning on the last day of the pregnancy, infants, and 611  
children who are specified in the "Social Security Act," section 612  
1902(a)(10)(A)(ii)(IX), 42 U.S.C. 1396a(a)(10)(A)(ii)(IX); 613

(C) Subject to sections 5163.09 to ~~5163.0910~~ 5163.098 of the 614  
Revised Code, the group consisting of employed individuals with 615  
disabilities who are specified in the "Social Security Act," 616  
section 1902(a)(10)(A)(ii)(XV), 42 U.S.C. 1396a(a)(10)(A)(ii)(XV); 617

(D) Subject to sections 5163.09 to ~~5163.0910~~ 5163.098 of the 618  
Revised Code, the group consisting of employed individuals with 619  
medically improved disabilities who are specified in the "Social 620  
Security Act," section 1902(a)(10)(A)(ii)(XVI), 42 U.S.C. 621  
1396a(a)(10)(A)(ii)(XVI); 622

(E) The group consisting of independent foster care 623  
adolescents who are specified in the "Social Security Act," 624  
section 1902(a)(10)(A)(ii)(XVII), 42 U.S.C. 625  
1396a(a)(10)(A)(ii)(XVII); 626

(F) The group consisting of women in need of treatment for 627  
breast or cervical cancer who are specified in the "Social 628  
Security Act," section 1902(a)(10)(A)(ii)(XVIII), 42 U.S.C. 629  
1396a(a)(10)(A)(ii)(XVIII); 630

(G) The group consisting of nonpregnant individuals who may 631  
receive family planning services and supplies and are specified in 632  
the "Social Security Act," section 1902(a)(10)(A)(ii)(XXI), 42 633  
U.S.C. 1396a(a)(10)(A)(ii)(XXI). 634

**Sec. 5163.09.** (A) As used in sections 5163.09 to ~~5163.0910~~ 635  
5163.098 of the Revised Code: 636

"Applicant" means an individual who applies to participate in 637  
the medicaid buy-in for workers with disabilities program. 638

"Earned income" has the meaning established by rules 639  
authorized by section 5163.098 of the Revised Code. 640

"Employed individual with a medically improved disability" 641  
has the same meaning as in the "Social Security Act," section 642  
1905(v), 42 U.S.C. 1396d(v). 643

"Family" means an applicant or participant and the spouse and dependent children of the applicant or participant. If an applicant or participant is under eighteen years of age, "family" also means the parents of the applicant or participant.

"Health insurance" has the meaning established by rules authorized by section 5163.098 of the Revised Code.

"Income" means earned income and unearned income.

"Participant" means an individual who has been determined eligible for the medicaid buy-in for workers with disabilities program and is participating in the program.

"Resources" has the meaning established by rules authorized by section 5163.098 of the Revised Code.

"Spouse" has the meaning established ~~in~~ by rules authorized by section 5163.098 of the Revised Code.

"Unearned income" has the meaning established by rules authorized by section 5163.098 of the Revised Code.

(B) The medicaid program's coverage of the optional eligibility groups specified in the "Social Security Act," section 1902(a)(10)(A)(ii)(XV) and (XVI), 42 U.S.C. 1396a(a)(10)(A)(ii)(XV) and (XVI) shall be known as the medicaid buy-in for workers with disabilities program.

**Sec. 5164.911.** (A) If the medicaid director implements the integrated care delivery system and except as provided in division ~~(D)~~(C) of this section, the director shall annually evaluate all of the following:

(1) The health outcomes of ICDS participants;

(2) How changes to the administration of the ICDS affect all of the following:

(a) Claims processing;

(b) The appeals process;	673
(c) The number of reassessments requested;	674
(d) Prior authorization requests for services.	675
(3) The provider panel selection process used by medicaid managed care organizations participating in the ICDS.	676 677
(B) When conducting an evaluation under division (A) of this section, the director shall do all of the following:	678 679
(1) For the purpose of division (A)(1) of this section, do both of the following:	680 681
(a) Compare the health outcomes of ICDS participants to the health outcomes of individuals who are not ICDS participants;	682 683
(b) Use both of the following:	684
(i) A control group consisting of ICDS participants who receive health care services from providers not participating in ICDS;	685 686 687
(ii) A control group consisting of ICDS participants who receive health care services from alternative providers that are not part of a participating medicaid managed care organization's provider panel but provide health care services in the geographic service area in which ICDS participants receive health care services.	688 689 690 691 692 693
(2) For the purpose of division (A)(2) of this section, do all of the following:	694 695
(a) To the extent the data is available, use data from all of the following:	696 697
(i) The fee-for-service component of the medicaid program;	698
(ii) Medicaid managed care organizations;	699
(iii) Managed care organizations participating in the medicare advantage program established under Part C of Title XVIII	700 701



of the "Social Security Act," 42 U.S.C. 1395w-21 et seq. 702

(b) Identify all of the following: 703

(i) Changes in the amount of time it takes to process claims 704  
and the number of claims denied and the reasons for the changes; 705

(ii) The impact that changes to the administration of the 706  
ICDS had on the appeals process and number of reassessments 707  
requested; 708

(iii) The number of prior authorization denials that were 709  
overturned and the reasons for the overturned denials. 710

(3) Require medicaid managed care organizations participating 711  
in the ICDS to submit to the director any data the director needs 712  
for the evaluation. 713

~~(C) Not later than the first day of each July, the director 714  
shall complete a report of the evaluation conducted under this 715  
section. The director shall provide a copy of the report to the 716  
general assembly in accordance with section 101.68 of the Revised 717  
Code and make the report available to the public. 718~~

~~(D)~~ The director is not required to conduct an evaluation 719  
under this section for a year if the same evaluation is conducted 720  
for that year by an organization under contract with the United 721  
States department of health and human services. 722

Sec. 5164.94. The medicaid director shall implement within 723  
the medicaid program a system that encourages medicaid providers 724  
to provide medicaid services to medicaid recipients in culturally 725  
and linguistically appropriate manners. 726

**Section 2.** That existing sections 191.02, 5162.01, 5162.13, 727  
5162.131, 5162.132, 5162.20, 5163.01, 5163.06, 5163.09, 5163.0910, 728  
and 5164.911 of the Revised Code are hereby repealed. 729

**Section 3.** That sections 101.39, 101.391, and 5163.099 of the Revised Code are hereby repealed.

**Section 4.** That Section 323.90 of Am. Sub. H.B. 59 of the 130th General Assembly be amended to read as follows:

**Sec. 323.90.** ~~JOINT LEGISLATIVE MEDICAID OVERSIGHT COMMITTEE FOR UNIFIED LONG TERM SERVICES AND SUPPORTS STUDY~~

~~(A) The Joint Legislative Committee for Unified Long Term Services and Supports created under section 309.30.73 of Am. Sub. H.B. 153 of the 129th General Assembly, as subsequently amended, shall continue to exist during fiscal year 2014 and fiscal year 2015. The Committee shall consist of the following members:~~

~~(1) Two members of the House of Representatives from the majority party, appointed by the Speaker of the House of Representatives;~~

~~(2) One member of the House of Representatives from the minority party, appointed by the Speaker of the House of Representatives;~~

~~(3) Two members of the Senate from the majority party, appointed by the President of the Senate;~~

~~(4) One member of the Senate from the minority party, appointed by the President of the Senate.~~

~~(B) The Speaker of the House of Representatives shall designate one of the members of the Committee appointed under division (A)(1) of this section to serve as co chairperson of the Committee. The President of the Senate shall designate one of the members of the Committee appointed under division (A)(3) of this section to serve as the other co chairperson of the Committee. The Committee shall meet at the call of the co chairpersons. The co chairpersons may request assistance for the Committee from the~~

~~Legislative Service Commission.~~ 759

~~(C)~~ The Joint Medicaid Oversight Committee may examine the 760  
following issues: 761

(1) The implementation of the dual eligible integrated care 762  
demonstration project authorized by section 5164.91 of the Revised 763  
Code; 764

(2) The implementation of a unified long-term services and 765  
support Medicaid waiver component under section 5166.14 of the 766  
Revised Code; 767

(3) Providing consumers choices regarding a continuum of 768  
services that meet their health-care needs, promote autonomy and 769  
independence, and improve quality of life; 770

(4) Ensuring that long-term care services and supports are 771  
delivered in a cost-effective and quality manner; 772

(5) Subjecting county homes, county nursing homes, and 773  
district homes operated pursuant to Chapter 5155. of the Revised 774  
Code to the franchise permit fee under sections 5168.40 to 5168.56 775  
of the Revised Code; 776

(6) Other issues of interest to the committee. 777

~~(D)~~(B) The ~~co chairpersons of the~~ Committee chairperson shall 778  
provide for the Medicaid Director to testify before the Committee 779  
at least quarterly regarding the issues that the Committee 780  
examines. 781

**Section 5.** That existing Section 323.90 of Am. Sub. H.B. 59 782  
of the 130th General Assembly is hereby repealed. 783

**Section 6.** The Joint Medicaid Oversight Committee shall 784  
prepare a report with recommendations for legislation regarding 785  
Medicaid payment rates for Medicaid services. The goal of the 786  
recommendations shall be to provide the Medicaid Director 787

statutory authority to implement innovative methodologies for 788  
setting Medicaid payment rates that limit the growth in Medicaid 789  
costs and protect, and establish guiding principles for, Medicaid 790  
providers and recipients. The Medicaid Director shall assist the 791  
Committee with the report. The Committee shall submit the report 792  
to the General Assembly in accordance with section 101.68 of the 793  
Revised Code not later than January 1, 2015. 794

**Section 7.** The General Assembly encourages the Department of 795  
Medicaid to achieve greater cost savings for the Medicaid program 796  
than required by section 5162.70 of the Revised Code. It is the 797  
intent of the General Assembly that any amounts saved under that 798  
section not be expended for any other purpose. 799

**Section 8.** Nothing in this act shall be construed as the 800  
General Assembly endorsing, validating, or otherwise approving the 801  
Medicaid program's coverage of the group described in the "Social 802  
Security Act," section 1902(a)(10)(A)(i)(VIII), 42 U.S.C. 803  
1396a(a)(10)(A)(i)(VIII). 804

**Section 9.** All items in this section are hereby appropriated 805  
as designated out of any moneys in the state treasury to the 806  
credit of the designated fund. For all appropriations made in this 807  
act, those in the first column are for fiscal year 2014 and those 808  
in the second column are for fiscal year 2015. The appropriations 809  
made in this act are in addition to any other appropriations made 810  
for the FY 2014-FY 2015 biennium. 811

Appropriations

JMO JOINT MEDICAID OVERSIGHT COMMITTEE 812

General Revenue Fund 813

GRF 048321 Operating Expenses	\$	350,000	\$	500,000	814
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TOTAL GRF General Revenue Fund	\$	350,000	\$	500,000	815
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TOTAL ALL BUDGET FUND GROUPS	\$	350,000	\$	500,000	816
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OPERATING EXPENSES	817
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The foregoing appropriation item 048321, Operating Expenses, 818  
shall be used to support expenses related to the Joint Medicaid 819  
Oversight Committee created by section 103.41 of the Revised Code. 820

**Section 10.** Within the limits set forth in this act, the  
Director of Budget and Management shall establish accounts  
indicating the source and amount of funds for each appropriation  
made in this act, and shall determine the form and manner in which  
appropriation accounts shall be maintained. Expenditures from  
appropriations contained in this act shall be accounted for as  
though made in the main operating appropriations act of the 130th  
General Assembly.

The appropriations made in this act are subject to all 829  
provisions of the main operating appropriations act of the 130th 830  
General Assembly that are generally applicable to such 831  
appropriations. 832