February ___, 2025

The Honorable Secretary _____

U.S. Department of Health & Human Services

200 Independence Avenue, S.W.

Washington, D.C. 20201

RE: Group VIII 1115 Demonstration Waiver Application

Dear Secretary _____:

On behalf of Ohio, I respectfully submit the State's Group VIII Section 1115 demonstration proposal.

State legislation enacted during the summer of 2023 directed the Ohio Department of Medicaid (ODM) to submit an 1115 application to include work requirements as part of the eligibility requirements for the adult Medicaid expansion population (Group VIII). ODM has developed a proposal to operationalize the eligibility category in a pragmatic way that supports the underlying goals of promoting economic stability and financial independence while improving health outcomes.

The Group VIII demonstration proposal meets the intent of the State law in a way that leverages existing State processes and systems, to minimize confusion and administrative burden.

Thank you for your consideration of Ohio's 1115 Waiver application. If you have any questions or need additional information as you review, please do not hesitate to reach out.

Sincerely,

Ohio Department of Medicaid

Group VIII 1115 Demonstration Waiver

Contents

SECTION I: PROGRAM DESCRIPTION

DEMONSTRATION OVERVIEW

In July 2023, the Ohio General Assembly enacted House Bill 33 (HB 33), which included Ohio Revised Code (ORC) section 5166.37 requiring new eligibility limitations for the adult Medicaid expansion population under 1902(a)(10)(A)(i)(VIII) of the Social Security Act (Group VIII).[1] These new limitations require that in order to qualify for enrollment in Group VIII, an individual must satisfy at least one of the following criteria:

1) Be at least fifty-five years of age;
2) Be employed;
3) Be enrolled in school or an occupational training program;
4) Be participating in an alcohol and drug addiction treatment program;
5) Have intensive physical health care needs or serious mental illness.

To implement this section of HB 33, the Ohio Department of Medicaid (ODM; referred to herein as "the State" or "Ohio") developed a new pre-enrollment requirement for the Medicaid Group VIII population. Specifically, to help improve health outcomes in Ohio and enhance individuals' economic stability, Ohio is seeking Social Security Act Section 1115 Demonstration waiver authority to implement this statewide pre-enrollment requirement by limiting pathways to qualifying for this covered group.

It is widely recognized that poverty, food insecurity, housing, employment status, and substance use disorders can impact an individual's overall health. Indeed, there is a strong connection between improved health and being employed and engaged in one's healthcare choices.[2] There has been a

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[1] http://codes.ohio.gov/orc/5166.37v1: (A) The medicaid director shall establish a medicaid waiver component under which an individual eligible for medicaid on the basis of being included in the expansion eligibility group must satisfy at least one of the following requirements to be able to enroll in medicaid as part of the expansion eligibility group:

(1) Be at least fifty-five years of age;

(2) Be employed;

(3) Be enrolled in school or an occupational training program;

(4) Be participating in an alcohol and drug addiction treatment program;

(5) Have intensive physical health care needs or serious mental illness.

(B) Not earlier than February 1, 2025, and not later than March 1, 2025, the director shall seek approval from the United States centers for medicare and medicaid services to implement the medicaid waiver component described in this section.

[2] See "The Social Determinants of Health: It's Time to Consider the Causes of the Causes." Paula Braveman, MD, MPH and Laura Gottlieb, MD, MPH, "Public Health Rep. 2014 Jan-Feb 129 (suppl2): 19-31; "Social

decrease in Group VIII enrollment as compared to pandemic figures due to employed individuals being discontinued from Medicaid. This decrease occurred during the return to routine operations because individuals who had gained Medicaid coverage during the COVID-19 public health emergency (PHE) were able to find employment and no longer needed publicly funded healthcare. [34]

This demonstration is not intended to answer the question of whether individuals on Medicaid should work, or whether individuals who can work should be on Medicaid. The Medicaid program was created as part of a much larger legislative and social agenda and was part of a war on poverty. Central to this demonstration is the premise that this covered group is the quintessential safety net for those who need it while improving their situation and reaching independence. To that end, this demonstration will ensure that the requirements of section 1902(a)(30)(A) of the Social Security Act are met by providing methods and procedures related to utilization and payment for care and services available under the State Plan to ensure that payments are consistent with efficiency and economy.

This demonstration will use data to identify individuals who meet one or more of the five pre-enrollment criteria. There will be no regular reporting by enrollees. Individuals with household earned income at or above 30% of the federal poverty level will be presumed to be employed. Individuals who have applied for or are enrolled in another program that has disability as a basis for enrollment will be presumed to have intensive physical or mental health status. Incarcerated individuals will be exempt from the status requirements and will remain enrolled until their release from the carceral setting. Individuals who qualify under another eligibility category will be exempt.

DEMONSTRATION PURPOSE AND GOALS

The 1115 Demonstration waiver application is submitted to comply with the legislative intent of the statute enacted by the Ohio General Assembly.

The goals of this 1115 Demonstration waiver are (i) to promote economic stability and financial independence, and (ii) to improve health outcomes by encouraging individuals to be engaged with their health and healthcare.

An objective of the Medicaid program, in addition to furnishing services, is to advance the health and wellness needs of its beneficiaries, and that it is appropriate for the State to structure its demonstration project in a manner that prioritizes meeting those needs. This demonstration group are enrolled as part of Ohio's next generation managed care plans which go beyond just routine medical care and focus on interventions that drive better health outcomes and quality of life improvements, and that may increase beneficiaries' financial independence. This demonstration is only to engage the engageable. It only applies to members who say they can benefit from job training

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Determinants of Health" available at healthypeople.gov; "Beyond Health Care: The Role of Social Determinants in Promoting Health and Health Equity," Nov. 4, 2015 available at https://www.kff.org/disparities-policy/issue-brief/beyond-health-care-the-role-of-social-determinants-in-promoting-health-and-health-equity/.

[3] https://grc.osu.edu/OMAS/2023Survey

[4] https://medicaid.ohio.gov/stakeholders-and-partners/reports-and-research/caseload-reports/caseload-reports

or work. Here is how Ohio's demonstration functions.

Ohio's demonstration waiver is designed to identify individuals through data available to the state, and exempt any individual who:

- is over 55, or
- is already working, or
- is already in job training or school,
- is participating in an alcohol and drug addiction treatment program, or
- cannot work due to underlying mental health, substance use, or medical conditions.

Ohio's demonstration doesn't require any of the above groups to report activities, fill out forms, or take any action beyond the standard reporting of changes required of any Medicaid enrollee as noted above. In short, this demonstration will enable the state to marshal its resources to support those who cannot work, and to support those who are engaged in their own healthcare choices.

Ohio's Medicaid managed care plans today already provide incentives and education, incentivize healthy behavior, and/or improve financial involvement and health literacy related to the cost of care. Such operations include completing an annual Health Risk Assessment (HRA) or attending an annual wellness exam or routine dental exams.[5] Some have taken the next step – along with the state of Ohio - to add employment related services which includes job training and employment connections.

Ohio is developing procedures for supporting more job training and employment opportunities for the Medicaid expansion group through the Ohio Means Jobs program, which offers job-searching, upskilling, and career-pathing activities, and in partnership with Ohio's Medicaid managed care plans, some of which already offer job training and job placement for their Medicaid members. Beneficiaries are also able to access information regarding job openings, training, and career opportunities through Ohio's Workforce Innovation and Opportunity Act (WIOA) one-stop centers.

The value of member and patient engagement goes hand-in-hand. A growing body of academic policy research shows that patient and family engagement in health care is associated with improved health outcomes and health care cost efficiencies. Having the skills, knowledge, and confidence to effectively manage care is associated with improved self-rated health,[6,7]increases in preventive health behaviors

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[5] https://ohiomh.com/

[6] Simmons, L.A., Wolever, R.Q., Bechard, E.M. et al. Patient engagement as a risk factor in personalized health care: a systematic review of the literature on chronic disease. Genome Med **6**, 16 (2014). https://doi.org/10.1186/gm533

[7] Harvey L, Fowles JB, Xi M, Terry P. When activation changes, what else changes? the relationship between change in patient activation measure (PAM) and employees' health status and health behaviors. Patient Educ Couns. 2012 Aug;88(2):338-43. doi: 10.1016/j.pec.2012.02.005. Epub 2012 Mar 27. PMID: 22459636.

and decreases in health risk behaviors.[8]

Studies show that poverty, food insecurity, housing, and employment status can impact an individual's overall health, and there is a strong connection between improved health and being employed. [9] Working has been shown to help stabilize people struggling with mental health conditions.[10] Other studies show unemployment is inversely related to life expectancy. [11]

In sum, this demonstration will support the stated goals by enabling ODM and the Medicaid managed care plans to focus their resources and efforts on those who are engaged with their health choices and independence.

[8] Hibbard, J. H., and J. Greene. "What the Evidence Shows About Patient Activation: Better Health Outcomes and Care Experiences; Fewer Data on Costs." Health Affairs, vol. 32, no. 2, 2013, pp. 207–214. doi:10.1377/hlthaff.2012.1061

[9] Beyond Health Care: The Role of Social Determinants in Promoting Health and Health Equity, KFF (May 2018), https://perma.cc/7WSY-XR9V

[10] *How working improves your mental health*, McLean Medical (June 26, 2020), https://perma.cc/A7ZY-7HHZ

[11] *Unemployment, Disability and Life Expectancy in the United States: A Life Course Study*, 9 Disability and Health Journal 46-53 (2016), https://perma.cc/HAP9-DSW9.

DEMONSTRATION HYPOTHESIS AND EVALUATION

To track progress, the State has identified the following areas for its research and evaluation efforts. The table below presents a preliminary plan for how the State may evaluate its efforts, with possible future adjustments and subject to CMS approval.

Methodology	Data Sources and Metrics
Hypothesis 1: Group VIII population will have improved health outcomes because of employment, education, and/or engagement in their healthcare activities	
Track and compare health service utilization between pre- and post-levels for members of the 1115 demonstration waiver	Claims data: Primary Care Encounters
Track and compare chronic disease management compliance rates for pre-and post-1115 demonstration waiver members	Claims data: Chronic disease management code
Track and compare employed status of members in educational or job training programs	Wage data from OhioBenefits; Third-party data
Track and compare status of members in SUD programs	Claims and encounter data: SUD treatment
Hypothesis 2: Group VIII population will have broader sustained employment over time	
Compare the rate of sustained employment of Group VIII individuals prior to the 1115 demonstration waiver to the rate of sustained employment after implementation	Group VIII Survey
Track members' employment rates	Group VIII Survey

DEMONSTRATION AREA

The Requirement will operate statewide.

DEMONSTRATION TIMEFRAME

The 1115 Demonstration waiver is requested for a five-year approval from January 1, 2026, to December 31, 2030.

DEMONSTRATION IMPACT TO MEDICAID AND CHIP

The Requirement is an eligibility restriction on the Medicaid Group VIII population. Any new applicant not meeting the restricted requirements will not be enrolled in the Group. Any person presently enrolled in the Group who does not meet the restricted requirements will be disenrolled at their next renewal review. This requirement will not impact CHIP.

SECTION II: DEMONSTRATION ELIGIBILITY

ELIGIBILITY GROUPS

Only individuals in receipt of Medicaid in the Group VIII category will be appraised to determine if they also need to meet the Requirement to maintain their Medicaid eligibility.

Eligibility Group Name	Social Security Act and CFR Citations	Income Level
Group VIII	Social Security Act section 1902(a)(10)(A)(i)(VIII) 42 CFR 435.119	0-133% FPL plus 5% disregard

REQUIREMENT – ELIGIBILITY STANDARDS, METHODS, AND PROCEDURES

As part of the eligibility review process either at application or at renewal, individuals will be evaluated to determine whether they also meet the eligibility restriction, or whether they meet an exemption, to meet or maintain their Medicaid eligibility.

Ohio will first use data available from Ohio Benefits (Ohio's eligibility and enrollment system) to verify whether an individual meets the basic eligibility requirements noted above. If successfully verified, that status will be entered into the system, and the case will proceed for a standard automated ex parte review.

For individuals for whom Ohio cannot verify eligibility with data available to the state, Ohio will employ a third-party data vendor to verify the basic eligibility requirements using external data sources. Data obtained through the vendor will be made available to state or county caseworkers for a final eligibility determination. Individuals will be required to confirm or dispute the data provided to county caseworkers. The case will proceed to an automated ex parte review only after the basic eligibility criteria is confirmed as being met. Ohio will be requesting federal match for the cost of the third-party data vendor. Cost for such a vendor have not been determined.

If basic eligibility criteria are not met a notice of denial or termination will be issued. Individuals will have appeal rights, including the right to appeal the State's decision that the individual does not meet the eligibility criteria for Group VIII.

ENROLLMENT LIMITS

There are no enrollment limits proposed in this 1115 Demonstration waiver application.

PROJECTED ELIGIBILITY AND ENROLLMENT

It is anticipated that enrollment in Group VIII will fluctuate over time as people become familiar with the Requirement and as individuals gain and maintain private insurance coverage.

Calendar Year (CY) 2025 estimates indicate there will be 766,296 individuals enrolled in Group VIII absent the waiver and, for CY 2026 (DY1), the projected enrollment absent the waiver is expected to be 769,585 individuals. Ohio does not collect information regarding some of the exemptions that will be allowed under this proposal, and therefore the number of exempt individuals will likely be higher than we can currently estimate. The State believes that of the 769,585 Group VIII enrollees in CY 2026, no

more than 61,826 individuals will be considered not exempt and not currently working. Eligibility reviews will be conducted in accordance with the standard eligibility renewal dates. While Ohio will work with all individuals who are not otherwise deemed to be exempt or already meeting the Requirement to ensure that they have the tools and supports they need to comply, ODM is estimating that 61,826 enrollees will lose their Medicaid eligibility. Because of eligibility processes and renewals, ODM anticipates there will be a lag in disenrollment during the first year of the demonstration. The below table shows projected Group VIII enrollment with the waiver in place.

Demonstration Year	Projected Group VIII Avg Monthly Enrollment
DY 1	707,758
DY 2	711,297
DY 3	714,854
DY 4	718,428
DY 5	722,020

LONG-TERM SERVICES AND SUPPORTS

Post-eligibility treatment of income is not impacted by this demonstration. Spousal impoverishment rules will not be impacted by this demonstration.

SECTION III: BENEFITS AND COST SHARING REQUIREMENTS

N/A 1-10

The 1115 Demonstration waiver application does not propose to change Ohio's Alternative Benefit Plan benefits (that Group VIII individuals receive) or impose new cost-sharing requirements. Enrollees will continue to receive the same benefits currently provided in Ohio's Alternative Benefit Plan.

SECTION IV: DELIVERY SYSTEM AND PAYMENT RATES FOR SERVICES

The 1115 Demonstration waiver application only impacts eligibility. Individuals eligible for Medicaid and who are complying with the Requirement will continue to receive Medicaid coverage through the managed care plans as they do currently.

SECTION V: IMPLEMENTATION OF DEMONSTRATION

Ohio's target date for implementing the Work and Engagement Requirement statewide is January 1, 2026. Individuals who apply for Medicaid on or after that date will be notified through the application process that they qualify for Medicaid or are ineligible for Medicaid.

Individuals enrolled in Group VIII prior to January 1, 2026, will be evaluated under the new Requirement at their next eligibility renewal. The process will follow the same steps as annual Medicaid eligibility renewals with additional verification of the new Group VIII eligibility requirements.

SECTION VI: DEMONSTRATION FINANCING AND BUDGET NEUTRALITY

CMS recommends two approaches to develop budget neutrality projections:

1. Standard Method: This requires a projection of with-waiver (WW) expenditures that

demonstrate savings relative to without-waiver (WOW) projections.

2. Hypothetical Method: Projections assume WW expenditures are equal to WOW expenditures, acknowledging that program changes may be made in absence of implementing a formal waiver process.

CMS also utilizes two potential methodologies of evaluating budget neutrality once the demonstration has commenced:

1. Per Capita Method: Assessment of the per member per month (PMPM) cost of the Demonstration, and;
2. Aggregate Method: Assessment of total expenditures, based on both the number of members and PMPM cost of the Demonstration.

ODM has prepared these budget neutrality projections for the 1115 Waiver using the *Standard Method* and assuming CMS will evaluate budget neutrality using the *Per Capita Method*. The budget neutrality projections were developed using CMS budget neutrality requirements as outlined in the recent State Medicaid Director letter dated August 22, 2024.[12] The work participation and engagement requirements budget neutrality worksheets are attached in the Appendix accompanying this document.

The rest of this section documents the supporting data and methodology included in the worksheets using guidance provided by CMS.

BUDGET NEUTRALITY PROJECTIONS

MEG Definitions and Historic Data[13]

Actual historical data was reviewed and stratified in two separate Medicaid eligibility groups (MEGs):

- **Expansion MEG 1: Managed Care** – Incudes eligible members who are enrolled in the Medicaid Managed Care (MMC) and / or OhioRISE programs.
- **Expansion MEG 2**: **Fee For Service (FFS)** – Includes eligible members who are not enrolled in any of the MMC and OhioRISE programs.

These MEGs include only the adult Medicaid Expansion population ('Group VIII') that would be subject to the proposed work participation and engagement requirements under the waiver.

Historical member month trends were reviewed for Group VIII beneficiaries. For each of these member months, ODM also reviewed corresponding Medicaid eligible expenditures within the month. This includes the capitation payments attributed to the beneficiaries enrolled in managed care and any

[12] https://www.medicaid.gov/federal-policy-guidance/downloads/smd24003.pdf

[13] In the August 22, 2024 SMD letter, CMS indicated they are no longer requesting five years of historic expenditure data in order to calculate the trend rate. CMS will no longer compare the state's historic trend rate to the President's budget trend rate and is no longer using the lower of the two trend rates. Therefore, a summary of historical expenditures has not been included.

FFS and Single Pharmacy Benefit Manager (SPBM) claims that were incurred outside of managed care. For the FFS MEG, this review solely considered FFS claims for these beneficiaries as they are not enrolled in managed care.

DY 00 Development

Key time periods in the workbook are included below:

- Year Preceding the Demonstration: January 2025 – December 2025 (DY 00)
- Demonstration Period: January 2026 – December 2030 (DY 01 – DY 05)

The sections below outline the methodology utilized to develop the DY 00 estimates that are used as the starting point for projections attributable to the demonstration period.

Eligible Member Months

WOW

When analyzing Group VIII experience in recent years, eligible member months were materially impacted by the continuous Medicaid eligibility requirement under the pandemic-era public health emergency (PHE), which materially decreased member movement out of the Group VIII population. With the PHE ending effective May 11, 2023, member dis-enrollment increased materially. For both MEGs, to determine eligible member months representative of experience moving forward, ODM relied on Group VIII enrollment as of June 2024 to be the basis for attributing eligible member months to the DY 00 Base Year.

WW

To estimate the eligible member months under the proposed waiver eligibility requirements, ODM developed a list Group VIII members which, based on enrollment as of June 2024, would be assumed to meet eligibility requirements under the waiver.

Table 1 below shows a comparison of enrollment for the Group VIII population under current eligibility requirements versus enrollment estimated under the work participation and engagement requirements.

TABLE 1 – DISTINCT MEMBER COUNTS, JUNE 2024 MEMBERS				
	CURRENT GROUP VIII		WAIVER ELIGIBLE GROUP VIII	
AGE / GENDER	MANAGED CARE	FFS	MANAGED CARE	FFS
19-34 F	140,340	4,380	131,675	3,961
19-34 M	166,808	5,102	150,499	4,471
35-44 F	71,189	2,047	66,118	1,847
35-44 M	89,591	3,134	77,866	2,668

45-54 F	70,259	2,606	62,662	2,380
45-54 M	71,323	2,977	61,455	2,635
55-64 F	63,384	6,651	63,384	6,651
55-64 M	59,173	6,792	59,173	6,792
Total Eligible	**732,067**	**33,689**	**672,832**	**31,405**

Calendar Year (CY) 2025 estimates indicate there will be 766,296 individuals enrolled in Group VIII absent the waiver and, for CY 2026 (DY1), the projected enrollment absent the waiver is expected to be 769,585 individuals. Ohio does not collect information regarding some of the exemptions that will be allowed under this proposal, and therefore the number of exempt individuals will likely be higher than we can currently estimate. The State believes that of the 769,585 Group VIII enrollees in CY 2026, no more than 61,826 individuals will be considered not exempt and not currently working. Eligibility reviews will be conducted in accordance with the standard eligibility renewal dates. While Ohio will work with all individuals who are not otherwise deemed to be exempt or already meeting the Work and Engagement Requirement to ensure that they have the tools and supports they need to comply, ODM is estimating that 61,826 enrollees will lose their Medicaid eligibility. Because of eligibility processes and renewals, ODM anticipates there will be a lag in disenrollment during the first year of the demonstration. The below table shows projected Group VIII enrollment with the waiver in place.

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PMPM Cost

WOW

The PMPM cost underlying the managed care MEG is made up of two components: the associated capitation payments and the FFS claims cost outside of managed care for the eligible member months. FFS claims cost for this population are larger in magnitude than historical time periods due to ODM's introduction of the single pharmacy benefit manager (SPBM) in October 2022.

To estimate the capitation portion of the Managed Care MEG PMPM cost, ODM applied calendar year (CY) 2024 MMC and OhioRISE capitation rates to the distribution of member months identified in DY 00 to arrive at estimated CY 2024 capitation PMPM for the managed care MEG. ODM then adjusted CY 2024 capitation PMPM to reflect anticipated cost changes by CY 2025. This included adjustments to reflect changes in acuity as a result of PHE unwinding, and the impact of program/policy changes and prospective claims trend.

Similarly, to estimate the FFS/SPBM PMPM cost for both MEGs, CY 2023 PMPM costs were trended to

the midpoint of CY 2025 and reflected the impact of cost changes anticipated by CY 2025.

The total estimated DY 00 PMPM cost for the managed care MEG was developed by adding the capitation PMPM cost and the trended FFS/SPBM PMPM cost.

WW

As mentioned previously, ODM developed a member listing which identified Group VIII members as of June 2024 that would meet eligibility requirements under the waiver. Eligible waiver members were then mapped to available claims, encounter, and eligibility data incurred during CY 2023.

To estimate the PMPM cost impact of eligibility requirements under the waiver, ODM summarized and PMPM costs using CY 2023 data and compared cost relativities for members expected to remain in the program versus those who would not. An acuity adjustment was applied to the WOW PMPM cost to account for these projected cost differences when compared to the current Group VIII population.

DY 01-05 Development

Based on review of historical enrollment changes prior to and after the PHE, ODM assumed a 0.5% annual caseload trend over the five-year demonstration for each MEG, under all WOW and WW scenarios. In addition, the development used a projected annualized PMPM cost trend reflecting the estimated President's budget trend for each MEG (5.0% for Managed Care and FFS) under all scenarios.

Table 2 below contains a summary of the projected member months and PMPM cost for DY 00 (CY 2025) through DY 05 (CY 2030) under current eligibility requirements by MEG.

TABLE 2 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, CURRENT ELIG REQUIREMENTS

MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	8,784,804	8,828,728	8,872,872	8,917,236	8,961,822	9,006,631
PMPM Cost	$ 970.60	$ 1,019.13	$ 1,070.09	$ 1,123.59	$ 1,179.77	$ 1,238.76
Expenditures	$ 8,526,523,562	$ 8,997,621,587	$ 9,494,771,235	$ 10,019,317,218	$ 10,572,888,975	$ 11,157,054,601
FFS						
Member Months	404,268	406,289	408,321	410,362	412,414	414,476
PMPM Cost	$ 1,255.70	$ 1,318.49	$ 1,384.41	$ 1,453.63	$ 1,526.31	$ 1,602.63
Expenditures	$ 507,640,301	$ 535,688,432	$ 565,283,380	$ 596,515,082	$ 629,471,922	$ 664,252,110
Total Expenditures	**$ 9,034,163,863**	**$ 9,533,310,019**	**$ 10,060,054,615**	**$ 10,615,832,300**	**$ 11,202,360,897**	**$ 11,821,306,711**

Table 3 below contains a summary of the projected member months and PMPM cost for DY 00 (CY 2025) through DY 05 (CY 2030) under the waiver eligibility requirements by MEG.

TABLE 3 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, WAIVER ELIG REQUIREMENTS						
MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	8,073,983	8,114,353	8,154,925	8,195,700	8,236,678	8,277,861
PMPM Cost	$ 1,020.35	$ 1,071.36	$ 1,124.93	$ 1,181.18	$ 1,240.24	$ 1,302.25
Expenditures	$ 8,238,256,878	$ 8,693,393,356	$ 9,173,719,649	$ 9,680,596,344	$ 10,215,457,529	$ 10,779,845,002
FFS						
Member Months	376,864	378,749	380,642	382,546	384,458	386,381
PMPM Cost	$ 1,325.26	$ 1,391.52	$ 1,461.10	$ 1,534.16	$ 1,610.87	$ 1,691.41
Expenditures	$ 499,442,528	$ 527,036,229	$ 556,156,503	$ 586,886,063	$ 619,312,287	$ 653,527,938
Total Expenditures	**$ 8,737,699,406**	**$ 9,220,429,585**	**$ 9,729,876,152**	**$ 10,267,482,407**	**$ 10,834,769,816**	**$ 11,433,372,940**

Disproportionate Share Hospital (DSH) Expenditure Offset

Not applicable.

Summary of Budget Neutrality

Appendix A includes the 1115 Waiver budget neutrality workbook. It includes the following applicable worksheets:

- WOW
- WW
- Summary

Table 4 below contains a summary of the net change in member months and expenditures for DY 00 (CY 2025) through DY 05 (CY 2030) when comparing the WOW and WW scenarios.

TABLE 4 – 1115 BUDGET NEUTRALITY PROJECTIONS BY MEG, COMPARISON						
MEG	DY 00	DY 01	DY 02	DY 03	DY 04	DY 05
Managed Care						
Member Months	(710,821)	(714,375)	(717,947)	(721,537)	(725,144)	(728,770)
PMPM Cost	$ 49.75	$ 52.23	$ 54.84	$ 57.59	$ 60.47	$ 63.49
Expenditures	$ (288,266,684)	$ (304,228,231)	$ (321,051,586)	$ (338,720,873)	$ (357,431,446)	$ (377,209,599)
FFS						
Member Months	(27,404)	(27,541)	(27,678)	(27,817)	(27,956)	(28,096)
PMPM Cost	$ 69.56	$ 73.03	$ 76.69	$ 80.53	$ 84.56	$ 88.78
Expenditures	$ (8,197,773)	$ (8,652,203)	$ (9,126,877)	$ (9,629,019)	$ (10,159,635)	$ (10,724,172)
Total Expenditures	**$ (296,464,457)**	**$ (312,880,434)**	**$ (330,178,463)**	**$ (348,349,893)**	**$ (367,591,081)**	**$ (387,933,771)**

Additional Information to Demonstrate Budget Neutrality

ODM does not believe there is any other information necessary for CMS to complete its analysis of the budget neutrality submission.

SECTION VII: LIST OF PROPOSED WAIVERS AND EXPENDITURE AUTHORITIES

1. **Comparability of Eligibility Requirements**: Section 1902(a)(10)(A)(i)(VIII) and 1902(a)(17) to the extent necessary to enable Ohio to require work, training, and/or engagement as a condition to qualify for and maintain eligibility for the eligibility category defined in 1902(a)(10)(A)(i)(VIII).
2. **Provision of Medical Assistance** Section 1902(a)(8) to the extent necessary to suspend and terminate eligibility for individuals who fail to meet the qualifying activities requirement.
3. **Expenditure authority** to employ a third-party data vendor to verify the basic eligibility requirements using external data sources.
4. **Renewal on basis of information available** to the agency 42 CFR 435.916. To the extent necessary to verify individuals enrolled in Group VIII continue to meet one of the restricted eligibility requirements

SECTION VIII: PUBLIC COMMENT PERIOD

The public comment period initiates December 17, 2024. Upon conclusion of the 30-day public comment period, this section will contain a summary of the comments received.