Ohio Medicaid Selects Managed Care Organizations

COLUMBUS, OHIO – The Ohio Department of Job and Family Services (ODJFS) has selected qualified managed care organizations to provide service to Ohioans enrolled in Medicaid beginning January 1, 2013. These plans were selected through a fair and open application process and an objective scoring methodology that was based on applicants’ past performance in coordinating care and providing high-quality health outcomes. Selections are preliminary, and plans still must meet a thorough readiness assessment.

“The managed care plans selected stood out among the applications and are committed to improving health outcomes, ensuring access to care, and providing intensive case management services, especially to those individuals with the most complex medical and social conditions,” said Ohio Medicaid Director John McCarthy. “I look forward to working with them to create a Medicaid managed care program that will focus on improving health outcomes.”

The selection process is part of Ohio Medicaid’s commitment to paying for performance and value, which was a hallmark of the Medicaid reforms in the Jobs Budget (House Bill 153), which saved taxpayers $1.5 billion and will improve care for vulnerable Ohioans. The contracts Ohio Medicaid signs with the selected managed care plans will require each plan to meet more stringent national performance standards in order to receive financial incentive payments. In turn, plans will be required to develop incentives for providers that are tied to improving quality-of-care and health outcomes.

In addition, Ohio will merge the current eight managed care service regions into three regions and will combine coverage for the Covered Families and Children (CFC) and Aged, Blind and Disabled (ABD) populations into a single contract in each region. This restructuring will position Ohio to be a national leader by increasing the stability of the program, providing consumers with more choices, and increasing efficiency for providers, payers and the state. The result of the scoring accelerates these efforts, because each of the selected plans was chosen to provide services in all three regions.

“Because the same plans will be serving each region, we will be able to operate Ohio’s Medicaid managed care program on a statewide basis,” McCarthy said. “This will simplify the program for individuals and providers by creating consistency across the state while also proving more choice.”

The following managed care organizations were selected in each of the three regions: Aetna Better Health of Ohio, CareSource, Meridian Health Plan, Paramount Advantage and United Healthcare Community Plan of Ohio.

Ohio’s Medicaid managed care program serves approximately 1.5 million individuals enrolled in Ohio’s CFC program, 129,000 enrolled in the state’s ABD program, and 37,000 children with special needs. Ohio’s Medicaid program serves more than 2.1 million low-income Ohioans.

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Current Medicaid Managed Care Program Structure
Very Complex: 38 health plan service arrangements
Less Stable: As few as 2,800 enrollees in a plan’s service area
Less Choice: Only 2 plans in 10 contract regions
New Medicaid Managed Care Program Structure

Five managed care plans will serve all three regions

- Aetna Better Health of Ohio
- CareSource
- Meridian Health Plan
- Paramount Advantage
- United Healthcare Community Plan of Ohio