



## PRESS STATEMENT August 21, 2017

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### Senate veto actions: Protect transit, counties Medicaid expansion

Governor Kasich vetoed 47 provisions in the state budget and the House overrode 11 of them. Most of them had to do with Medicaid. Medicaid is Ohio's largest single health insurer, covering around 3 million people, a quarter of all Ohioans. About two-thirds of its funding comes from federal dollars. Because of this, Medicaid is the state's largest program. It has a widespread impact across state and local budgets.

On August 22, the Senate meets to vote on the vetoes. We urge the Senators to override the veto of the Managed Care Organization (MCO) tax fix, in order to reverse a big cut to counties and transit agencies. But they should not override the vetoes of the harmful "Healthy Ohio" plan and of changes to Controlling Board authority.

#### **The Senate should override the veto to restore the MCO tax**

The new budget moves a Medicaid provider tax — the MCO tax — out of the state sales tax base, cutting out a revenue stream of more than \$200 million a year for counties and transit agencies with a local sales tax levied on the state base. The legislature found a fix to reverse this cut, but the governor vetoed it. The House overrode the veto. The Senate needs to join the House and override the veto, protecting local services and public transit.

#### **The Senate should not override the veto of Controlling Board authority over Medicaid expansion funds**

The legislature's budget introduces uncertainty in funding for the Medicaid expansion (which serves about 700,000 people) by placing the decision on whether to continue such funding in 2019 with the state Controlling Board, a small committee that includes just six legislators and a representative of the budget director, and forbids release of funds if there are certain changes to federal Medicaid law. This uncertainty undermines the financial stability hospitals and health care providers need to plan for patient care and health services. The Governor vetoed the provision. The Senate should vote 'NO' on an override, and let the Governor's veto stand.

#### **The Senate should not override the governor's veto of the "Healthy Ohio" plan**

Legislators added the so-called "Healthy Ohio" plan to the 2016-2017 budget, requiring the state to apply for a waiver of certain rules to charge non-elderly, non-disabled adults covered by Medicaid monthly premiums and lock out those who couldn't pay. The state's application showed enrollment would fall by between 125,000 to 140,000. A thousand Ohioans wrote to protest. The federal government rejected the proposal, but the budget passed by the General Assembly mandates re-submission. The governor vetoed this provision. The Senate should vote 'NO' on an override, and let the governor's veto stand.