



For Immediate Release  
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## **Senate Passes Reform Budget, Reducing Spending and Eliminating \$8 Billion Shortfall without Raising Taxes**

(Columbus) - The Ohio Senate today passed a reform-focused budget that reduces spending and eliminates an \$8 billion dollar shortfall without raising taxes, while allowing Ohioans to keep more of their hard earned money in a difficult economy.

“We really only had one choice, and that was reduce spending or raise taxes,” said Senator Shannon Jones (R-Springboro). “We weren’t going to ask Ohio families to pay more in this economy, so we made some difficult choices and worked to bring some much needed fiscal responsibility back to Columbus. At the same time, we also tried to mitigate the extent of the changes by placing our limited resources in the areas of most importance, particularly the education and wellbeing of our children.”

The Senate budget provides additional support for public education by adding \$115 million to ensure every school district in Ohio will receive at least their current level of basic state aid (excluding federal stimulus funding) over the next two years. The additional funding includes \$30 million in incentives to reward high-quality schools that achieve a rating of either excellent or excellent with distinction.

Senator Jones successfully included several amendments to the bill that address specific needs related to Medicaid transformation and its impact on children’s health issues:

### **Medicaid**

Changes the outdated payment rules that are currently focused on the quantity of services performed rather on the quality of the health outcomes.

### **Children's Hospitals**

Recognizes that Children's Hospitals play the vital role in achieving quality health outcomes for children. Increases funding by \$8 million over the biennium to assist in the care of children. More than half of all patients in children's hospitals are covered by Medicaid. The funding also allows the hospitals to draw down additional federal funds to help support the care of our kids – a disproportionate share being those kids served by the Medicaid system.

### **Accountable Care Organizations**

Additionally, clarifies the process for how children's hospitals can evolve into pediatric accountable care organizations for Ohio's chronically disabled Medicaid children. This structure will allow caregivers to coordinate the care that is best needed for the child while at the same time bring savings opportunities for the system.

### **Healthcare Partnership**

Allows the Office of Health Transformation to partner with the Best Evidence for Advancing Children's Health (BEACON) Council to develop ways to improve outcomes and reduce costs for health care for children. This council has already been the breeding ground for reforms and this partnership will further these much needed efforts.

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