

Fast Facts

FAMILY OPPORTUNITY ACT

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What is the Family Opportunity Act (FOA)?

The Family Opportunity Act allows families to purchase Medicaid health care coverage for their children by paying a sliding-scale premium based on their income. The FOA was traditionally designed to be limited to families with incomes too high to qualify for Medicaid coverage but less than 300 percent of the Federal Poverty Level (FPL). In 2005, the federal government provided states the opportunity to implement an FOA program when it passed the Deficit Reduction Act of 2005.

Why Does Ohio need FOA?

The Family Opportunity Act was designed to fill the gap between families who are eligible for the State Children's Health Insurance Program (SCHIP) and medium income families who can afford or have access to health insurance coverage for their children. Caught in the middle are families with incomes that are too high to qualify for SCHIP and who have little or no access to quality health care coverage for their children.

What Would Ohio's Plan Look Like?

Governor Ted Strickland has proposed several changes in health care coverage programs that would impact families who need access to health care coverage for their children. First, the governor proposes that the income eligibility for SCHIP be increased from 200 percent of the FPL to 300 percent of the FPL. This change would eliminate any need for a "buy-in" option for families with incomes below 300 percent of the FPL.

Additionally, Strickland's plan also calls for the creation of a "buy-in" option for up to 4,000 children whose family's income exceeds 300 percent of FPL. This "enhanced" FOA program would permit parents to pay a limited premium, based on their income, for Medicaid health care coverage for their children.

Who would be eligible?

Under the traditional FOA proposal, families with incomes less than 300 percent of the FPL and whose children are 19 years old or younger and who have a disability, as determined by the Social Security Administration, are eligible to

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Action to Date

Congress enacts the Deficit Reduction Act, giving states the option to allow families to buy Medicaid coverage for their children with disabilities.

Governor Ted Strickland proposes expanding SCHIP and implementing a "buy-in" option for families similar to the Family Opportunity Act in his Blue Book Budget.

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obtain Medicaid coverage for their child. A premium or co-pay can be charged for Medicaid coverage, but cannot exceed 5 percent of the family's income if they make less than 200 percent of the FPL. A family whose income is more than 200 percent but less than 300 percent of the FPL may be charged up to 7.5 percent of their income to obtain Medicaid coverage for their child.

It is unclear at this time how the "enhanced" FOA program the governor has proposed would look, other than to allow premium payment or co-pays for a family whose income exceeds 300 percent of the FPL.

How Much Does FOA Cost?

No estimate has been provided. In the Governor's Blue Book Budget, the cost of the "enhanced" FOA is rolled into a line item that includes Disability Medical Assistance. The total biennium amount proposed for both of these programs is equal to \$68 million.

What Can You Do?

There are several options available to Ohio budget writers at this time. The first option is to enact the changes proposed by Governor Ted Strickland, including increasing eligibility for SCHIP and providing the resources for 4,000 families to buy Medicaid coverage based on their income.

Budget writers may also decide to implement bits and pieces of the governor's plan. This could include changing SCHIP eligibility, enacting a traditional or "enhanced" FOA or providing limited or expanded options of these or other programs to meet the growing need of healthcare for children with disabilities.

The last option is to do nothing. It is up to families in Ohio to communicate to their policymakers what option they believe best represents their needs.

More information can also be obtained online at www.ddc.ohio.gov.

Is there a DD Council Center for Public Policy in your area?

DD Council Centers for Public Policy are resource centers for advocates and policy makers to learn more about the issues and how people view them.

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