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TOP NATIONAL STORY

GM, UAW reach tentative agreement

The deal must be approved by workers, could end long strike.

By Tom Krisher Associated Press

DETROIT – Facing the loss of another \$200 million this week to a lengthy strike, General Motors CEO Mary Barra wrapped up her weekend by going to the United Auto Workers' Detroit headquarters intent on getting a new contract.

Joined by manufacturing chief

Gerald Johnson at the meeting that started late Sunday, they were able to close a deal with UAW President Shawn Fain and other bargainers early Monday that should end a contentious six-week work stoppage, three people briefed on the matter said Monday.

The tentative deal, which came on Fain's 55th birthday, capped a furious few days of agreements that still need to be ratified by 146,000 UAW members at GM, Ford and Jeep-maker Stellantis. Ford agreed to a new contract last week and was followed by Stel-

lantis on Saturday, which raised the pressure on GM to settle for essentially the same terms.

Members could still vote down the contracts, but it's likely they would bring labor peace to the domestic auto industry, at least until they'd expire April 30, 2028.

All three companies agreed to raise general wages by 25% for top assembly plant workers and add cost of living adjustments that would bring their pay increases to over 30% by the time the contracts end, said the people, who

Deal continued on A5



United Auto Workers members walk on the picket line outside a General Motors facility in Van Buren Twp., Mich., on Monday. MIKE HOUSEHOLDER / ASSOCIATED PRESS

ONLY IN THE NEWS-SUN



Springfield resident Peggy Hanna writes with her companion "Izzy" on Monday. Hanna has turned a novel she penned into a screenplay and has found a director to make it a movie. She is securing the funding and plans to film it in Springfield next year with local actors. BILL LACKEY / STAFF

Writer, activist wants to shoot film in Springfield

Founder of Peace Camp seeking funds to make a family movie about fostering children.

By Vicky Forrest Contributing Writer

When she was raised in Chicago, Peggy Hanna's Irish-American father had big ideas about what his daughter could do.

He wanted her to be a sports writer. His other career suggestion for her, since she was so petite, was to be a race horse jockey.

"There were no women doing those things in those days," Hanna said with a laugh. "But I do wonder if his advice helped keep me open to opportunities in life. Somewhere along the line I learned about positive think-

ing, and I think it does come more naturally to me than to other people."

At age 81, Hanna, a community activist, is currently focusing her positive thinking on the production of a feature film based on her first screenplay.

She already has an experienced film director on board, a budget and planned filming timeframe. She's now seeking funding to make her movie a reality.

"Under 'S' for Sucker" would be a family film based on a true story from Hanna's own experience as a foster parent. It highlights two sides of the foster experience – the struggle of foster children as well as the struggles biological children sometimes face in welcoming foster siblings to the family.

The story is adapted from a novel Hanna wrote that has yet to find a publisher. After taking a

Wittenberg University screenwriting class a decade ago, she decided to adapt the novel for film.

To get feedback on her first screenplay effort, she submitted the film script for review to multiple screenwriting contests, winning 14 accolades and second place in a national screenwriting competition.

With that confidence builder, Hanna launched a search for an experienced director of family oriented films on the internet. She connected with the owner of America's Production Company, Kel Thompson, who has won or placed in 14 film festivals nationally and internationally. After reading Hanna's screenplay, Thompson signed on to direct.

Earnings from the film would be donated to support local foster care agencies and efforts.

Film continued on A5

DIGGING DEEPER

Medicaid estate recovery in Ohio can charge more than cost of care

By Samantha Wildow Staff Writer

Ohio charges the estates of deceased Medicaid recipients sometimes more than the cost of services they received, a practice not recommended by a national advisory group, a Springfield News-Sun investigation found.

For months, the News-Sun has reported how Ohio Medicaid is more aggressive than other states in recouping Medicaid costs from deceased residents and is in the minority of states that puts liens on Medicaid recipients' properties.

This story looks at how the way Ohio pays for Medicaid can result in people being charged

more or less in estate recovery than the cost of the services they received through Medicaid.

There are about 3.3 million people enrolled under Medicaid as of September, and of those enrollees, approximately 2.9 million are under managed care programs, which are funded through "capitation payments."

Capitation payments are a flat amount, usually per-person per-month, and in exchange, the managed care entity provides the covered health care services, said Alice Burns, associate director of KFF's Program on Medicaid and the Uninsured.

Medicaid continued on A5

INSIDE

Driver in fatal bus crash back in court

Hermanio Joseph, the driver accused in a deadly school bus crash that killed an 11-year-old Northwestern student and injured several others, appeared in Clark County Common Pleas Court on Monday for the first time since his arraignment. B1



HERMANIO JOSEPH

THE LATEST

11 died, more than 70 injured in shootings over the weekend. A2

Administration wants to narrow its student loan relief plan. A4

INDEX

Business A6 Crossword C5 Comics C4 Obituaries B3

Volume 42, Number 304



6 02099 11982 5

THANK YOU FOR SUBSCRIBING TO THE SPRINGFIELD NEWS-SUN

FROM PAGE ONE

WHITE HOUSE

Biden wants to move fast on AI safeguards

By Josh Boak
and Matt O'Brien
Associated Press

WASHINGTON — President Joe Biden on Monday signed an ambitious executive order on artificial intelligence that seeks to balance the needs of cutting-edge technology companies with national security and consumer rights, creating an early set of guardrails that could be fortified by legislation and global agreements.

Before signing the order, Biden said AI is driving change at “warp speed” and carries tremendous potential as well as perils.

“AI is all around us,” Biden said. “To realize the promise of AI and avoid the risk, we need to govern this technology.”

The order is an initial step that is meant to ensure that

AI is trustworthy and helpful, rather than deceptive and destructive. The order — which will likely need to be augmented by congressional action — seeks to steer how AI is developed so that companies can profit without putting public safety in jeopardy.

Using the Defense Production Act, the order requires leading AI developers to share safety test results and other information with the government. The National Institute of Standards and Technology is to create standards to ensure AI tools are safe and secure before public release.

The Commerce Department is to issue guidance to label and watermark AI-generated content to help differentiate between authentic interactions and those generated by software. The exten-

sive order touches on matters of privacy, civil rights, consumer protections, scientific research and worker rights.

White House chief of staff Jeff Zients recalled Biden giving his staff a directive when formulating the order to move with urgency.

“We can’t move at a normal government pace,” Zients said the Democratic president told him. “We have to move as fast, if not faster, than the technology itself.”

In Biden’s view, the government was late to address the risks of social media and now U.S. youth are grappling with related mental health issues. AI has the positive ability to accelerate cancer research, model the impacts of climate change, boost economic output and improve government services among other bene-



President Joe Biden signs an executive order on artificial intelligence as Vice President Kamala Harris looks on, in Washington, on Monday. EVAN VUCCI / ASSOCIATED PRESS

fits. But it could also warp basic notions of truth with false images, deepen racial and social inequalities and provide a tool to scammers and criminals.

With the European Union

nearing final passage of a sweeping law to rein in AI harms and Congress still in the early stages of debating safeguards, the Biden administration is “stepping up to use the levers it can

control,” said digital rights advocate Alexandra Reeve Givens, president of the Center for Democracy & Technology. “That’s issuing guidance and standards to shape private sector behavior and leading by example in the federal government’s own use of AI.”

The order builds on voluntary commitments already made by technology companies. It’s part of a broader strategy that administration officials say also includes congressional legislation and international diplomacy, a sign of the disruptions already caused by the introduction of new AI tools such as ChatGPT that can generate text, images and sounds.

The guidance within the order is to be implemented and fulfilled over the range of 90 days to 365 days.

Medicaid

continued from A1

“Capitation rates are set usually within a geographic-based group and an eligibility group,” Burns said. The capitation rates are set to equal the average of all of those people’s health care spending, Burns said.

There are multiple arguments for doing this. It makes state budgeting easier because it simply pays a flat amount per recipient rather than paying for the specific care each recipient received.

Advocates also argue it incentivizes managed care providers to promote preventative care, since they keep the difference if they can cut down on expensive emergency treatment. Critics say it incentivizes managed care providers to cut costs and make care less accessible.

“There have been a ton of studies on what are the effects of managed care, and some of them find good effects, some of them find negative effects,” Burns said. “So the good effects may be it could lower costs. It could encourage preventative care use. It could encourage the coordination of services.”

“On the flip side, the managed care entities have an incentive to save money, and so there have been other studies saying it makes it harder for people to access care; people have worse inferior outcomes and so forth.”

Capitation and estate recovery

The value of capitation aside, the amount the state pays per Medicaid recipient is based on the capitation rate, not what that person received in services.

Federally, the state is only required to seek estate recovery for those on Medicaid who are 55 or older and who are permanently institutionalized. Ohio goes further, and under the state’s administrative code, requires the Ohio attorney general to seek recovery from the estates of:

(1) A permanently institutionalized individual of any age, in the amount of all Medicaid benefits correctly paid including managed care capitation payments; or,

(2) An individual 55 years of age or older who is not permanently institutionalized, in the amount of all Medicaid benefits correctly



Ohio’s Medicaid estate recovery program is based on capitation payments, which pay for managed care programs, rather than cost of care. NICK GRAHAM / STAFF

paid, including managed care capitation payments (with some exceptions for benefits under the Medicare premium assistance programs) after the individual turned 55.

Of the 3.3 million on Medicaid, about 560,000 of them are 55 and older. The state also pays Medicare premiums on behalf of some people who are also enrolled in Medicare, and those premiums would not be subject to estate recovery.

MACPAC recommendations

In its 2021 report on estate recovery, Medicaid and CHIP Payment and Access Commission (MACPAC), a group that advises Congress, recommends that when the estates of applicable Medicaid enrollees get charged for capitation rates, instead they should get charged for what services were actually utilized.

“The current situation is, if someone is enrolled in managed care, estate recovery would be based on what the state paid for the capitation payments and not for the actual services they used,” Burns said.

“One thing about Ohio is that they recover some optional services. States are all required to apply estate recovery to nursing facility care. Ohio chooses to apply it to other services as well.”

For those on a Medicaid managed care plan, if they are 55 or older, their estates will get charged back the managed care capitation payments the state funded after they die. It is only for the capitation payments

made for them after they turned 55 years old, but even if the capitation payments are more than the actual services the individuals utilized, their estates will still be billed for the capitation payments and not the specific services.

On the reverse, if someone is using services that go beyond what that capitation payment is, their estate would not be charged for that extra amount.

MACPAC’s recommendation is “to pursue estate recovery based on the cost of care when the cost of services used by a beneficiary was less than the capitation payment made to a managed care plan.” The rationale is that this method would “avoid circumstances in which individuals’ estates are pursued for more than the cost of care that was provided to them,” the group says.

Recovery debate

The Medicaid enrollees this would apply to are also likely unaware of what the capitation payments are that are being made on their behalf.

“Even if a Medicaid beneficiary over age 55 receives no care from their managed care plan, under current law, the state still retains the right to pursue the beneficiary’s estate for the entire cost of all capitation payments paid to the plan by the state,” the group says.

This differs from other federal programs for which no funds are recovered from the enrollees’ estates after they die.

State officials counter that they are being responsible stewards of taxpayer money by aggressively recouping

Medicaid costs. The total recouped through estate recovery is less than 1% of the total spent in the program.

Ohio Medicaid’s estate recovery program also already has authorization from the Centers for Medicare and Medicaid Services to pursue repayment for capitation, the state says, and changing it would require “significant procedural shifts for the state” in order to pursue the cost of care instead.

“For the department to establish estate recovery reimbursements on the cost of care vs. capitation payments would involve revisions to Ohio’s Medicaid state plan that is subject to CMS approval, as well as significant procedural shifts for the state, changes to information systems, and actuarial involvement for each settlement,” said Lisa Lawless, communications director for the Ohio Department of Medicaid.

“The state of Ohio is not considering these options at this time.”

Advocates for the elderly and poor say recovery is not evenly distributed.

“The burden of estate claims falls disproportionately on economically oppressed families and communities of color, preventing families from building wealth through home ownership, which has been historically denied to communities of color through discriminatory public policy,” says a 2021 issue brief from the national nonprofit Justice in Aging.

Contact this reporter at 937-503-5305 or email samantha.wildow@coxinc.com.

Deal

continued from A1

asked not to be identified because they weren’t authorized to talk publicly about the deal.

Workers would get an immediate 11% pay raise upon ratification.

The GM deal should make Fain’s birthday a happy one. Most industry analysts say contracts with the Detroit Three are victories for the UAW, which had sought big gains to make up for concessions it made to help the companies get through the Great Recession of late-2007 to 2009. Initially Fain wanted 40% raises and even asked for a 32-hour work week for 40 hours of pay, but he didn’t get all of his demands.

During the talks, which began last summer, the companies said they were reluctant to agree to the union’s terms, fearing they would force them to raise vehicle prices higher than competitors with nonunion factories in the U.S., including Toyota and Tesla.

For GM, which was losing millions of dollars each week the strike lasted, the impetus was clear: Reach a deal so it could open an SUV factory in Spring Hill, Tennessee, on time Monday morning, and get a highly profitable truck-based SUV plant in Arlington, Tennessee, back online as soon as possible.

That didn’t happen, as workers at Spring Hill and about 18,000 others on strike at GM assembly plants and parts warehouses awaited official word of the agreement Monday from the union. However, workers were expected to start returning to work as early as Monday.

Mike Huerta, president of UAW Local 602, which was on strike in Lansing, Michigan, was hesitant to celebrate the deal before seeing more information, saying that “the devil’s in the details.”

“Our bargainers did their job. They’re going to present us with something and then we get to tell them it was good enough or it wasn’t,” said Huerta.

With workers huddled around a fire behind him, Huerta said that it’s been a tough few nights on the picket lines with dropping temperatures and rain, but that spirits have remained high.

“We were ready to continue if we needed to,” Huerta said. “And if we do turn it down, we’ll be ready to go back again.”

Shammira Marshall, a forklift driver at GM’s parts warehouse in Van Buren Township, Michigan, west of Detroit, said the holidays will be a bit nicer this year thanks to the tentative deal.

“Christmas, Thanksgiving, the New Year — that’ll help,” she said of her expected raise.

This marked Marshall’s second strike against GM, having walked picket lines in 2019. As word came down of a deal, she and other UAW members worked to disas-

semble a tent that strikers had used.

“This time it wasn’t bad, because I knew what to expect,” she said.

GM was the last company to reach a deal, and it came after nearly 4,000 union workers walked out of GM’s largest North American plant, in Spring Hill, Tennessee, by surprise on Saturday night.

President Joe Biden was asked about the deal Monday, as he boarded Air Force One back to the White House. He gave a thumbs-up and said: “I think it’s great.”

Also Monday, 8,200 Stellantis workers in Canada represented by a different union, Unifor, briefly went on strike before reaching a deal that comes with base hourly wage increases of nearly 20% for production workers. General Motors and Ford workers in Canada have already voted to ratify a three-year contract agreement with the company.

Spring Hill, where workers hit picket lines Saturday, is a key facility that would have brought down other GM factories had its workers stayed on strike. It produces the engines for vehicles assembled at nine plants as far afield as Mexico, plus the electric Cadillac Lyriq, GMC Acadia and two Cadillac crossover SUVs.

Erik Gordon, a business and law professor at the University of Michigan, said the union got much of what it wanted in the deals, which will raise the companies’ costs at a critical and historic time as the industry switches from internal combustion engines to electric vehicles.

“The companies are trying to figure out how to transition to EVs without losing too many billions of dollars, and now face a huge bump in labor costs for the products that will finance the EV transition,” he said.

A study this month by Moody’s Investors Service found that annual labor costs could rise by \$1.1 billion for Stellantis, \$1.2 billion for GM and \$1.4 billion for Ford in the final year of the contract. The study assumed a 20% increase in hourly labor costs. Ford said the deals will add \$850 to \$900 in labor costs per vehicle.

Wells Fargo Analyst Colin Langan estimated that the contracts would drive up the companies’ hourly total labor costs by about 30%, to \$76.08 at Ford, \$78.15 at GM and \$75.63 at Stellantis. Analysts have said that foreign automakers with U.S. factories generally have hourly labor costs of \$45 to \$60, which includes what they spend on worker benefits.

The union, however, said the companies are making billions of dollars in profits per year and can afford to pay workers to make up for previous concessions. It contends labor expenses are only 4% to 5% of a vehicle’s costs.

The higher costs, plus a more combative stance against the companies from Fain, could make GM, Ford and Stellantis rethink opening any new factories in the U.S., said Gordon.

Film

continued from A1

Plans call for filming to take place in Springfield and Clark County in the fall of 2024, with local actors featured in all roles.

“We’ll be working closely with the Springfield Civic Theater and the Springfield Arts Council to draw on local talent and for production support,” Hanna explains. “We have lots of talent around here.”

The Ohio Film Office of the

state Department of Development will also be involved in the effort.

Local companies, individuals and organizations can support Hanna’s production efforts by pledging contributions large and small to Under S Productions, a 501(c)3 created to fund the project. Information is available at www.undersproductions.com.

Hanna’s life itself could make for an inspiring movie.

So far, Hanna has been a biological mother to five, an adoptive mother of four and

a foster parent to many others. She became an activist during the Vietnam War era, helping to found Springfield People for Peace and establish the Springfield Peace Camp, which is now in its 50th year of operation and continues to teach children how to resolve conflict every summer.

She served as a delegate to the White House Conference on Families in 1980, has run for office as a candidate for Ohio State Representative and U.S. Congress, and served twice as a

delegate to the Democratic Party National Convention.

She is a published author and, if successful in her effort to raise corporate sponsorship and pledges for “Under ‘S’ for Sucker,” will add screenwriter and film producer to her list of lifetime achievements.

“I never dreamed of being anything more than a housewife and mother,” Hanna said.

“I tell young people to take risks and get out of your comfort zone in order to realize your dreams.”