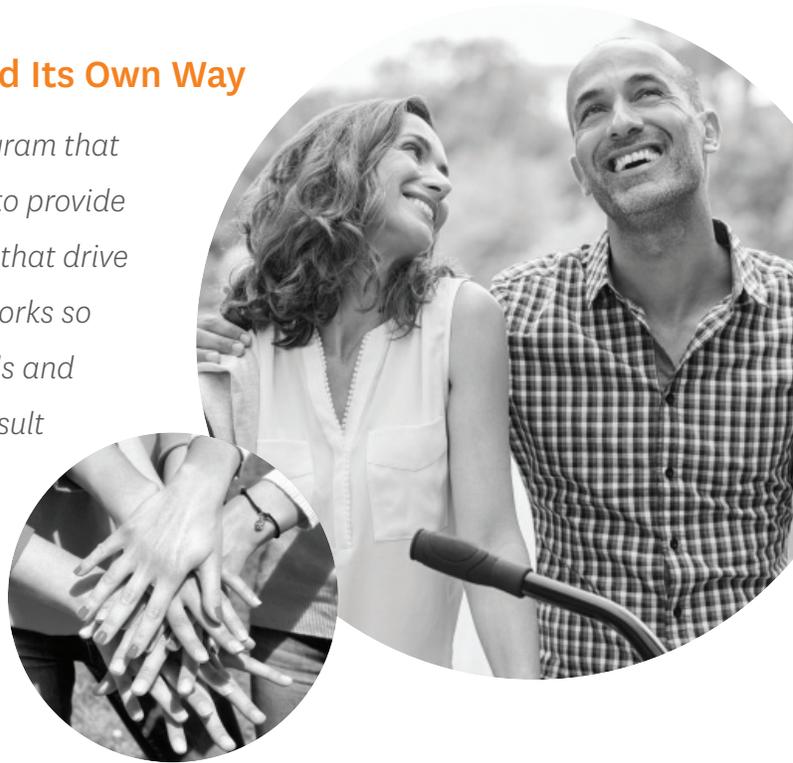


Arizona's Medicaid Journey



Arizona Has Always Done Medicaid Its Own Way

Medicaid in Arizona is known as AHCCCS, a program that leverages the private sector to the greatest extent to provide health care coverage through private health plans that drive market-based innovations and leverage their networks so members receive their care from the same hospitals and doctors as commercially insured Arizonans. The result has been highest quality care at a low cost. This is why Arizona is considered the Gold Standard.



AHCCCS by the Numbers

- **1.9 Million Arizonans** Enrolled in AHCCCS – 1 in 4 Arizonans in Medicaid
- Rural areas rely on AHCCCS coverage. Example: **66% percent of the residents in Apache County** are enrolled in the AHCCCS program
- **400,000 Adults** enrolled in the adult group whose eligibility is directly at risk under AHCA
 - 31% are over the age of 50
 - 31% are under the age of 30

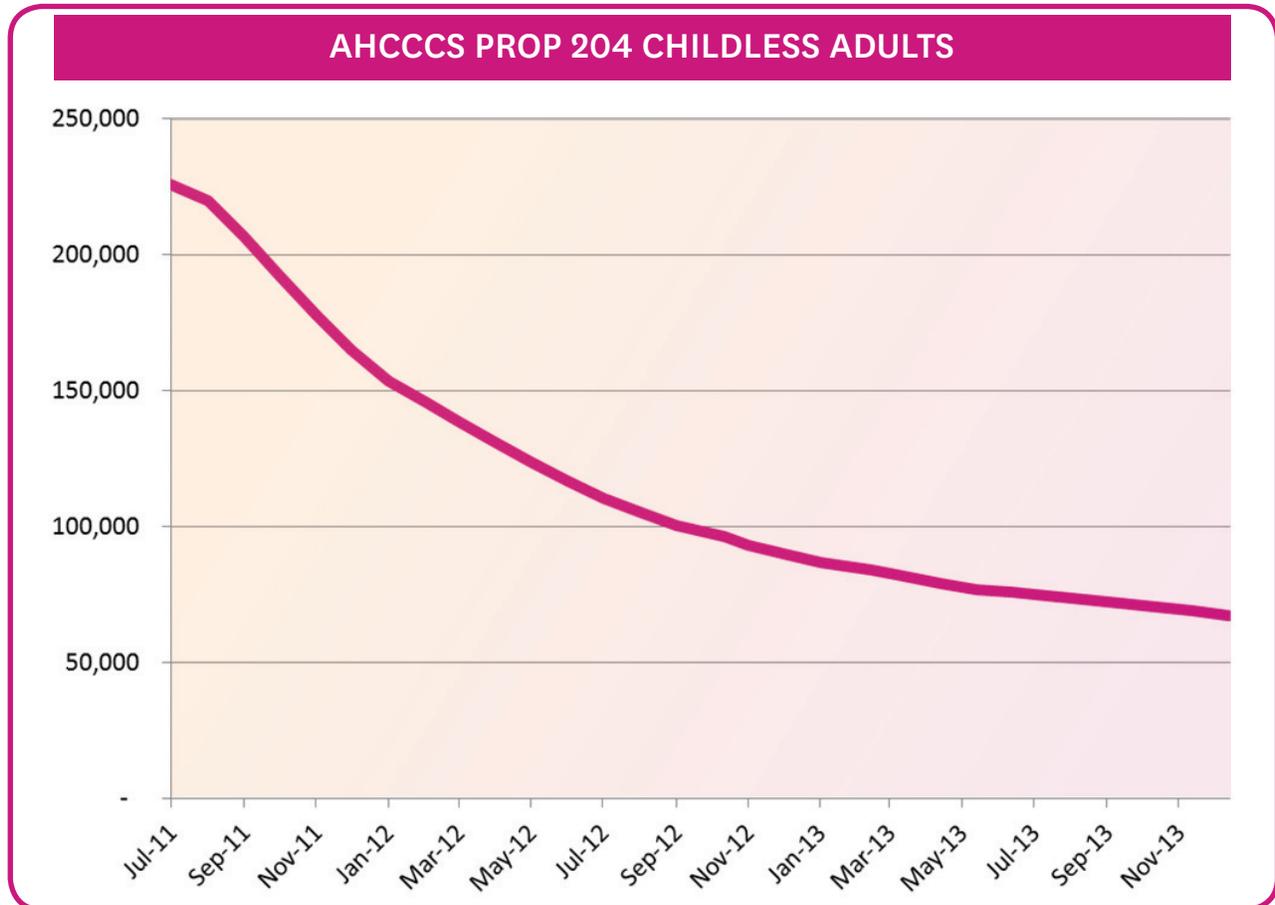


What Is at Stake for Arizonans: Real Life Implications

| Adults 0-138% | |
|---|---------|
| Total Number Enrolled in that Category | 400,000 |
| Number who received a mental health service in 2016 | 82,000 |
| Number with Substance Use Disorder Diagnosis | 47,000 |
| Number with Cancer/Tumors | 26,700 |
| Number of Individuals Determined SMI | 11,563 |



Arizona Knows Exactly What Happens With No Adult Coverage



*In July 2011, adult enrollment of the Prop. 204 population (0-100% FPL) was frozen. At that time, about **220,000 adults** were enrolled. By December 2013, about **67,000 adults** were enrolled.*

Result:

- Unsustainable levels of hospital uncompensated care;
- Those costs get passed on to all Arizonans through higher hospital costs and premiums;
- Hospitals are forced to reduce level of staffing and services;
- Arizonans in need lack the support to address health care conditions like cancer or serious mental illness and consequently struggle to live independently or contribute to society.



The Right Approach

States like Arizona that have done things the right way should be able to maintain a state-drive, market-based approach. Federal support is needed to support states, not decimate health care gains. Some of these supports should include:

- Maintaining the enhanced federal match for the adult population through a longer phase down period;
- Obtaining federal flexibilities to streamline the program, improve efficiencies and better coordinate care;
- Ensuring future funding of Medicaid is linked to the medical consumer price index with a bonus for low cost states like Arizona; and
- Eliminating the rebase that was in the House version of the AHCA bill, which would cost Arizona \$100 million a year just for being efficient.