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

<table>
<thead>
<tr>
<th>Adults 0-138%</th>
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<tbody>
<tr>
<td>Total Number Enrolled in that Category</td>
<td>400,000</td>
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<tr>
<td>Number who received a mental health service in 2016</td>
<td>82,000</td>
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<tr>
<td>Number with Substance Use Disorder Diagnosis</td>
<td>47,000</td>
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<tr>
<td>Number with Cancer/Tumors</td>
<td>26,700</td>
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<tr>
<td>Number of Individuals Determined SMI</td>
<td>11,563</td>
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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.