



Pima County Interfaith Civic Education Organization

## COMMENTS ON PROPOSED AHCCCS WAIVER – JAN. 2017 HEARING

My name is Judith Keagy. I am here representing the Pima County Interfaith Civic Education Organization, the local affiliate of the Arizona Interfaith Network. PCICEO is a non-profit, non-partisan organization comprised of a broad range of denominations and faith communities and other non-profit organizations that share a commitment to the common good.

We strongly supported and applaud the improvements in accessibility made possible by reopening the KidsCare program, the expansion of Medicaid for parents and childless adults, and the implementation of the federal ACA marketplace for other low income citizens in Arizona. These programs have enabled over 600,000 Arizonans to gain healthcare coverage. We are extremely concerned about the impact of repeal of the ACA without a comprehensive alternative in place which truly meets the needs of those 600,000 citizens of our state. We are also very concerned about proposals to convert the Medicaid program to a block grant program, since that would disadvantage states like Arizona that experience population growth and have programs that are already functioning in an efficient and cost-effective manner.

We are proud of our AHCCCS program and the recognition it enjoys as one of the nation's premier Medicaid agencies. We want to see the AHCCCS system build on its strengths as a well-run and cost-effective state program and improve even more. It is in that spirit that we submit the following comments on the proposed AHCCCS waiver request.

We wish to express our concerns about the waiver provisions that appear to lack basic understanding of the day to day lives of members and their families and the burdens that these proposed provisions will impose on them. Consistent with the moral principles of reciprocity and empathy as expressed in the "Golden Rule", we believe governments should



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more fully consider how their decisions affect “the least of these” (*Matthew, 25*). There are many potential unintended consequences which are likely to result if these provisions are approved. Overall, we believe the proposed lifetime limits and work requirements will be barriers to care that will result in poorer health outcomes and increases in the number of uninsured. For these reasons, we strongly oppose the following proposed provisions:

**The five-year limit and work requirements imposed on so-called “able-bodied” adults** - PCICEO opposes any arbitrary time limits on AHCCCS (Medicaid) eligibility and the linkage of any work-related requirements to eligibility for Medicaid coverage. AHCCCS is not a work program. It is a vehicle for providing adequate health care services to Arizona’s citizens who are unable to afford health coverage on their own. Threats to insurance coverage could lead to more bankrupt families, delayed care and more uncompensated care. Work requirements are likely to result in a loss of health coverage, with little or no gain in long-term employment.

- Lifetime enrollment limits do not make sense, given the counter-cyclical nature of the Medicaid program during periods of economic downturns and increasing unemployment. When people get sick and lose their jobs, they may become eligible for AHCCCS. If they recover and return to work, they may no longer be eligible for AHCCCS. This cycle can be repeated multiple times over a person’s lifetime and thus an arbitrary limit of five years of eligibility is an unwarranted barrier to healthcare. This means that lifetime limits would disproportionately affect older adults who need care, but are denied due to prior years’ coverage. This amounts to a form of age discrimination.
- The introduction of a program requiring members to obtain work assumes there are large numbers of low-income, able-bodied individuals who are purposely deciding to abstain from work. We have not seen any evidence justifying this assumption. While we agree that more coordination and referral between AHCCCS and workforce development and



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placement programs would be beneficial, onerous reporting requirements and punitive measures are not appropriate. If a work requirement is approved, the periodicity of reporting needs to be much longer and consistent with existing eligibility periods and exceptions need to be very broad to account for those who struggle to maintain employment. We note that we could not find several exemptions that were added as updates to the last waiver proposal in this current draft version, including *persons defined as Seriously Mentally Ill (SMI), caregivers of the elderly or disabled, and those in the, as yet undefined, group of “medically frail” individuals*. Furthermore “able-bodied adult” is still not adequately defined, nor does it clearly specify the following additional exceptions.

- Those caring for a child over age 6 with special health care needs or a chronically ill adult. Forcing a caregiver to work under these circumstances could lead to having to institutionalize their loved one or make much more costly alternative arrangements for in-home care.
- Grandparents or step-parents caring for children under 6 years old.
- Older adults under 65 who were displaced from employment during the recession and have since accessed their Social Security benefits due to a health condition.
- Those medically vulnerable individuals who have a chronic physical or mental illness that is not covered under existing disability or SMI criteria.
- Those with illnesses that are characterized by periods of good health followed by long periods of poor health that affect their ability to work, i.e. lupus, multiple sclerosis, etc.
- Those who have been convicted of a crime and are now unable to secure employment because they have been labeled as undesirable, despite paying for their crime and regardless of present good behavior.
- Furthermore, we question the need to add potentially costly and complex



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administrative tracking procedures that provide no value added benefits to AHCCCS members and providers. This risks diverting money away from the delivery of direct health services. We are concerned about the establishment and added burden of additional workload to state departments that are already working with limited staffing. We also note the likely additional burden placed on employers by the frequent employment verification process.

- We are also concerned about the affect of provisions related to cost-sharing for emergency room care and the use of emergency transportation. Emergency department use may be necessary in non-emergent situations if there are no alternatives available to those seeking care, especially in rural settings. Individuals may not seek early and appropriate medical services until they believe it is an emergency because of the cost implications. We are concerned that there are few details explaining how this section of the waiver would be implemented. For example, the last waiver request would have imposed significant cost sharing on any use of the emergency department that did not result in a hospital admission. Symptoms of a heart attack or stroke that is ruled out after evaluation and monitoring, or stabilization of a broken limb are examples of situations that usually don't result in an admission and should not be subject to higher co-pays. It would be much more effective to create programs that provide better proactive case management and care coordination for those who are clearly identified as "frequent flyers", than to impose these requirements on the entire population affected by the waiver. Similar concerns are relevant to the co-pays that could be imposed to use of emergency transportation services for situations that are subsequently determined as non-emergencies.

Finally, to reiterate our general critique of these aforementioned AHCCCS waiver requirements, we feel that the proposed changes, however well intentioned, will instead make AHCCCS members' lives even more difficult. Perhaps it would have been helpful to



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have people in poverty at the table when these waiver provisions were drafted, along with those organizations that work most closely with them and have a more realistic understanding of the struggles many of these members face on a daily basis.

We recognize that we currently have an excellent Medicaid program in AHCCCS and very much want to see the program sustained and improved. PCICEO appreciates the opportunity to comment on the concerns we have about the parts of this proposal which are likely to have a very negative impact on the program and its recipients and may result in a number of unintended consequences.

We also have a number of questions related to the definition of able-bodied and the specific exclusions to these lifetime limits and work requirements....

Is AHCCCS willing to add to the exemptions specified in the draft?

Can you specify what the current and/or proposed rules are in reference to the exception described in item 1. (e) (iv)? "Has been determined to be physically or mentally unfit for employment by a health care professional in accordance with rules adopted by the administration."

Will you be providing greater detail regarding the planned implementation of these proposed changes prior to submitting the waiver request so the public is more fully informed about the state's intentions in advance and given the opportunity to comment further?