

# RESTORING ARIZONA

PROTECTING OUR HEALTHCARE FUTURE

Response to:  
The Maricopa County Legislative District 15 Republican Committee's  
Resolution In Opposition to the Governor's Medicaid Plan

LD 15 says: WHEREAS, the Voters of Arizona clearly expressed their will to reject implementation of the Affordable Care Act (Obamacare) by amending the Arizona Constitution via Proposition 106 in 2010, and thus preventing an individual mandate; and

**TRUTH:** It was Republican Governor Fife Symington, who first proposed the idea of covering adults in the mid-90s. Then Arizona voters approved the measure in 1996 and again in 2000 via Proposition 204. The support from Arizona voters was overwhelming. The Governor's plan simply honors the will of the voters. The Governor's Medicaid plan has nothing to do with enforcing the individual mandate. In fact, it was clear that Proposition 106 did not affect the AHCCCS program whatsoever.

LD 15 says: WHEREAS, the State of Arizona cannot afford to be saddled with the costs of implementing this federal program and the "Circuit Breaker" clause is insufficient to prevent an out of control escalation of said costs; and

**TRUTH:** The Governor's plan protects the State's General Fund and takes Prop. 204 costs off the State's books by working collaboratively with the hospital industry to formulate an assessment. The State is clearly able to terminate this proposal at any time, so the "circuit breaker" also protects the State from any federal "bait and switch."

LD 15 says: WHEREAS, the "assessment" on hospitals is in reality just a hidden tax that will ultimately be passed on to hospital patients in the form of higher costs and is a disingenuous attempt to subvert the legislative process requiring tax increases receive super-majority approval in the legislature; and

**TRUTH:** Under the Phoenix Access to Care Ordinance, which the Governor has proposed adopting at a statewide level, hospitals are forbidden from passing on the costs to consumers. No law, however, protects consumers from hospitals passing on their costs of uncompensated care. We – all of us – are paying for uncompensated care. We are all covering the cost of care for people who do not have insurance but who still get cancer or people who get in a motorcycle accident and end up needing care in a trauma center. Recent studies put this at nearly \$2,000 per family. The assessment is similar to current programs, like the Managed Care Premium assessment and the recently passed Nursing Home assessment. It is well within the bounds of the Arizona Constitution and the precedent set by the legislature to allow agencies to set their own assessments for the industries that they regulate.

LD 15 says: WHEREAS, no government entitlement program has ever been scaled back, eliminated or held within its initial costs [sic] projections, and the long term and evolving costs of the Obamacare Medicaid Expansion will cause a severe financial hardship on Arizona's budget, just as surely as Obamacare will do the same to the country; and

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**TRUTH:** Not in Arizona – in 2011, when the state’s general fund was spread too thin, Governor Brewer led the effort to reduce the AHCCCS budget by \$2.5 billion, including eliminating the program that provided coverage for people with catastrophic medical events, known as the spend-down program. Further, the State froze enrollment for its KidsCare and childless adult program. In total, these efforts reduced the rolls by about 180,000 people.

Although the goal was always to restore access to this population to respect the will of the voters, when the state has faced difficult fiscal times, the Governor and legislature have not been afraid to scale back government entitlements. Further, Arizona already knows what it takes to provide coverage to the Proposition 204 population; it has been studied by experts from Harvard and published in the *New England Journal of Medicine*. The cost of this care is already well known to actuaries.

And finally, Governor Brewer’s plan calls for an automatic “circuit breaker.” Under this provision, the expansion population would *automatically* be repealed without another vote of the legislature if the federal government’s share falls below 80%.

LD 15 says: WHEREAS, the U.S. Supreme Court explicitly rules that each State is free to reject implementation of the Obamacare Medicaid Expansion and Insurance Exchanges, the two cornerstones of the Affordable Care Act, without which Obamacare collapses as a practical and functioning program; and

**TRUTH:** The Patient Protection and Affordable Care Act is the law of the land. Although Governor Brewer vehemently and courageously opposed the passage of the legislation, and participated in the lawsuit before the U.S. Supreme Court that sought to strike down the act, the Affordable Care Act is here to stay. Twenty-six states, including Arizona have rejected the Act’s offer to set up state exchanges; this will not stop the federal government from setting up a federal exchange. Similarly, failure to accept the federal government’s offer to fund the restoration of Arizona’s Medicaid program will not have any meaningful impact on the success or failure of the overall legislation. The Governor’s plan is about Arizona. It is not ObamaCare.

LD 15 says: WHEREAS, the Federal government is incapable of implementing these programs by 2014 or even 2016 without the local organization, legwork, and the financial subsidies of the States; The fastest and most efficient means to end Obamacare is simply for each State to refuse their implementation and allow them to fail; and

**TRUTH:** The fastest and most efficient means to end ObamaCare would have been for the American electorate to vote for Mr. Romney, whom the Governor endorsed, campaigned for and fully supported. Elections have consequences. Elected leaders have a duty to govern and make tough choices. Her plan does right by Arizonans. Resolutions like these come from those who have the luxury of living in their ideological worlds without having to understand the real-life implications of their theories.

LD 15 says: WHEREAS, by holding AHCCCS as the conservative model for Medicaid and an example to the other states, Governor Brewer is advocating for a conservative expansion of socialism, a truly contradictory concept; and

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**TRUTH:** This is a time for Republicans to rebuild and unite, not tear each other apart. Since when is it socialist to provide a safety net for the elderly, the disabled, the poor? And the AHCCCS system is truly a shining example of *limited* government where care is managed by *private* health plans and provided by *private* physicians and hospitals, the very same ones we all see for our own care.

LD 15 says: WHEREAS, supporting a government takeover of our health care system, even to secure large amounts of federal funds, does NOT reflect the values of the Republican Party or the interests of the taxpayers of Arizona; now therefore be it

**TRUTH:** Once again, the Governor's plan is about Arizona and Arizona's system is one of limited government. Limited government works. As the leader of the Republican Party, the one whom Republican precinct committeemen have been elected to support, Governor Brewer's plan is the embodiment of the Republican values of private sector partnerships and limited government interference.

LD 15 says: RESOLVED, that we, the Maricopa County Legislative District 15 Republican Committee do (unanimously) affirm and declare our opposition to the Governor's plan to expand Medicaid in support of Obamacare; and, be it further

RESOLVED, that we, the Maricopa County Legislative District 15 Republican Committee demand that the Legislators of the Arizona State House and Senate stand with the people of Arizona in opposition to the Governor's plan to expand Medicaid in support of Obamacare by defeating any bill to such ends.

**TRUTH:** Opposing the Governor's proposal to restore Arizona's innovative and nationally acclaimed AHCCCS program ignores the will of the voters, the fiscal realities of our state and the escalating costs of uncompensated care that threaten to drive up the costs of private health insurance premiums, hurt Arizona businesses and make Arizona uncompetitive. Preserving a strong and competitive economy and fostering the free-market ideals that AHCCCS embraces are at the core of the Republican Party's beliefs. So much so, in fact, that the AHCCCS enabling legislation was passed by a Republican-led legislature in 1981. Then, Republicans understood that their role as elected officials was not to "hold the line" but to come up with pragmatic, responsible solutions to the state's healthcare crisis. Now, our elected officials are faced with the same choice. Governor Brewer has proven she understands that her primary responsibility is to improve the lives of the citizens of Arizona; it is unfortunate that the Pima County GOP does not hold itself to the same standard. The Governor's plan supports Arizona. It is not in support of ObamaCare.