

# RESTORING ARIZONA

## PROTECTING OUR HEALTHCARE FUTURE

### The Governor's Plan:

Restores and slightly expands coverage to childless adults and parents with up to \$15,000 annual income (138 percent of Federal Poverty Level), at a cost to the state of \$150 million annually, while bringing in nearly \$1.2 billion in federal funds to cover this population.

Entirely covers the cost to the state by implementing a special assessment on hospitals; the governor has proposed adopting the Phoenix Access to Care Ordinance, which prohibits providers from passing on the cost of the assessment to patients.

Includes "circuit breaker": if the federal government drops its level of funding below 80 percent, the expansion would automatically roll back.

### Arizona's Medicaid Program

Called the Arizona Health Care Cost Containment System, or AHCCCS, this funding would be administered through AHCCCS, which is a national leader in controlling costs, embracing privatization and reducing fraud, while also promoting good quality continuity of care. AHCCCS is the 9<sup>th</sup> lowest-cost Medicaid program in the country and less than 2% of the program's cost is dedicated to administration. AHCCCS is approximately \$700 cheaper per enrollee per year than the average Medicaid program, and the program is nearly \$3,000 cheaper per enrollee than the most expensive Medicaid programs in the country.

### Prop. 204

Passed in 2000, Arizona voters expanded coverage to childless adults and parents up to \$11,170 annual income (100 percent of Federal Poverty Level). In 2011, the governor froze eligibility for childless adults, since then 180,000 have lost coverage. The estimated cost of restoring coverage to this population is about \$400 million per year.

### Effects on Arizona's Economy

People without insurance already show up in our doctors' offices and emergency rooms, and when they can't pay it costs all of us. Studies show that on average, insurance premiums are \$1,770 higher because of the costs of uncompensated care. This is \$141.66 extra a month to help cover the costs of people who show up in the emergency room because they have no other place to go. Restoring Medicaid will not only give people coverage to get help when they need it, but will also alleviate the burden on our system of finding dollars to pay for that care.

We cannot afford to wait on restoration as the costs of uncompensated care continue to skyrocket. The Arizona Hospital Association reports that the uncompensated care percentage has increased in Arizona from its traditional level of approximately 3.6% in 2008 to 7.4% in July of 2012. This is a job killer, and hinders the economic benefits of a strong healthcare system.

A recent study by Arizona State University reveals that **more than 15,000 healthcare industry jobs** will be created by restoring and expanding Medicaid coverage in Arizona.

Visit [www.RestoringArizona.com](http://www.RestoringArizona.com) or like us on Facebook to receive regular updates on how you can do your part to support Medicaid restoration.