

# Medicaid Expansion: State Perspectives and Tribal Impacts

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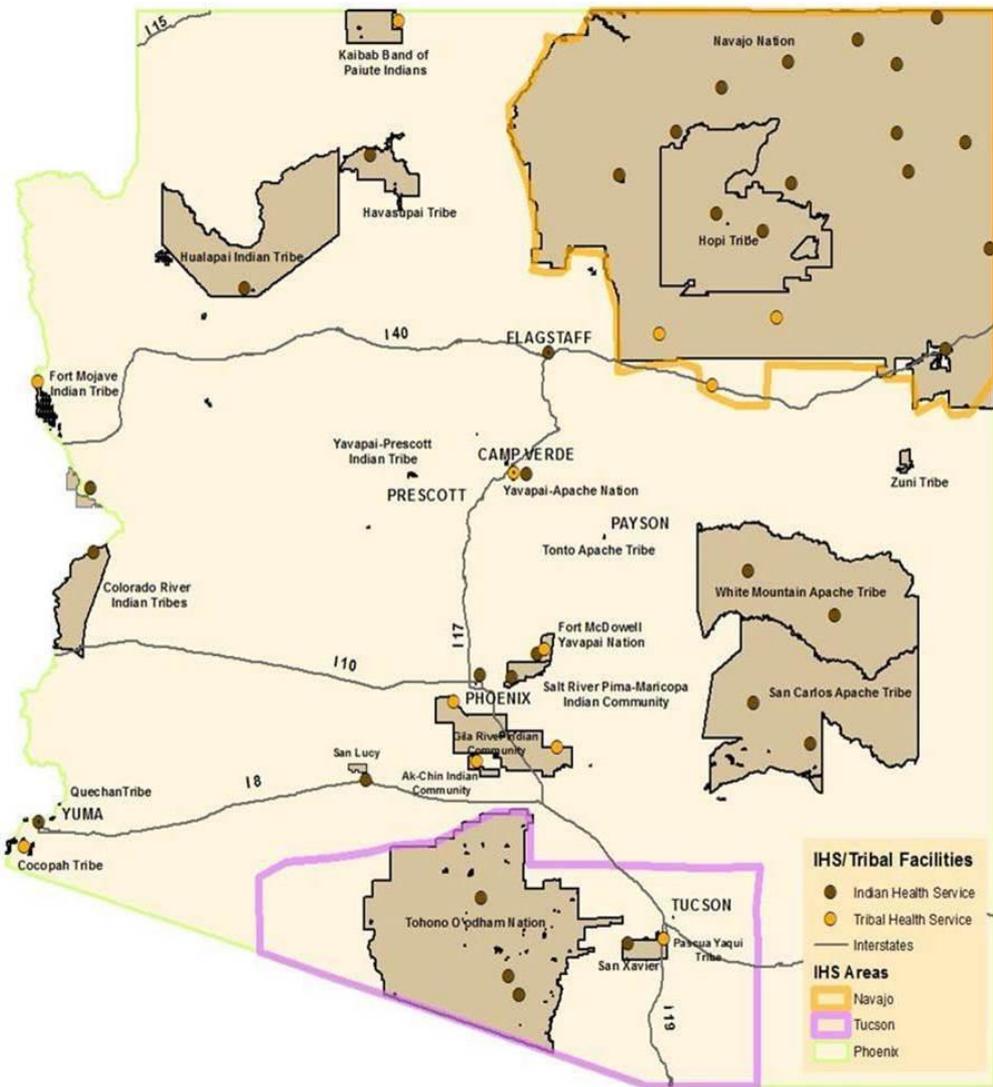
# Health Care Reform

- On March 23, 2010, President Obama signed the Patient Protection and Affordable Care Act (ACA) into law.
- The ACA protects the right of all Americans, including AI/ANs, to access affordable health care coverage; to remedy unequal access to health care; and to raise the health status of all persons.
- ACA instituted state & federal Health Insurance Marketplaces, expanded Medicaid eligibility to 133% FPL & strengthened Medicare.



# I/T/U Health Care System Improvements

- Health insurance gives individuals greater access to health care.
- AI/ANs benefit from increased resources that providers collect from Medicaid, Medicare & private insurance.
- Insurance increases access to services not available at IHS & Tribes.



# Health Care Reform “Challenges”

- **June 2012** - U.S. Supreme Court ruled on 6/18/12, that the ACA is **constitutional** based on U.S. Congressional *taxing authority*, but it ruled that States may decide to ***opt in*** or ***opt out*** of Medicaid Expansion, which includes adults without dependent children, up to the age of 65. (*NFIB v. Sebelius*)
- **June 2015** - The second U.S. Supreme Court ruling on 6/25/15, in favor of the ACA, stated the premium insurance subsidies are available to individuals in 34 states that rely on the Federal Marketplace. (*King v. Burwell*)

# Health Care Reform “Challenges”

- **January 2013** – Former Governor Brewer introduced a plan during the State-of-the-State speech to the Arizona State Legislature to restore Medicaid coverage to childless adults up to 100% FPL and expand Medicaid to 133% FPL.
- **June 2013** – After a long debate, the Governor’s Medicaid Moving Forward Plan (HB 2010) passed by a vote of 18-11 in the Senate and 33-27 in the House. The Governor signed the bill into law on 6/17/13.
- **September 12, 2013** - Opponents of Expansion initiated a *referendum process* to place the Governor’s plan on the November 2014 ballot. 86,405 signatures were required by this date, but the group fell short by 11,000.

# Health Care Reform “Challenges”

- **September 13, 2013** - Goldwater Institute files a lawsuit representing 36 Republican legislators claiming their votes were nullified since the hospital assessment “tax” used for the state match for childless adults should have required a supermajority (2/3) vote consistent with the AZ Constitution.
- Opponents of Expansion say HB 2010 violated the AZ Constitution’s separation of powers by giving the AHCCCS Director power to design and levy the tax rather than the state legislature.
- Proponents of Expansion say the assessment is allowed under exception clauses, also contained in the AZ Constitution.

# Arizona's Medicaid Moving Forward Plan Implemented

- **Medicaid Expansion** in Arizona went into effect on 1/1/14, despite legal challenges.
- Arizona 2011 freeze on childless adults up to 100% FPL was lifted.
- Coverage expanded to adults without dependent children up to age 64 with household income at or below 133% FPL.
- Eligibility and enrollment processes were aligned for Medicaid, Food Stamps (SNAP) & Financial Assistance (TANF).



# Health Care Reform “Challenges”

- **February 2014** – Governor’s/Agency’s motion to dismiss granted by the Arizona Superior Court stating that none of the plaintiffs had standing to challenge HB 2010, as they did not suffer a particular harm. Legislators filed an appeal.
- **April 2014** – Arizona Court of Appeals reversed and found that legislators were proper parties to sue. Governor/Agency appealed to the Arizona Supreme Court.
- **November 2014** – Oral arguments heard by the AZ Supreme Court. Court agreed Legislators were a proper party to sue, but case remanded back to the Trial Court for a ruling on the merits of the case.
- **January 2015** - Governor Doug Ducey’s Inauguration. Governor’s legal counsel and resources withdrawn from defending the case. Goldwater Institute staff member selected as Health Policy Advisor to the Governor.

# Health Care Reform “Challenges”

- **March 2015** - SB 1092 - AHCCCS Annual Waiver Submittals, signed into law by Governor Ducey on 03/06/15, requires AHCCCS to apply annually to CMS for Waivers or amendments that:
  - a. Institute a work verification requirement for all able-bodied adults (19+) receiving covered services
  - b. Require that Medicaid beneficiaries are employed, seeking employment or attending job training
  - c. Ban the eligible person for 1 year if the person fails to report family income or makes false statements
  - d. Restrict Medicaid eligibility to a lifetime cap of 5 years. Some exceptions to the lifetime cap were added in an amendment
  - e. Require premiums and co-pays not to exceed 5% of the AHCCCS member’s household income
  - f. Eliminate non-emergency transportation

# Health Care Reform “Challenges”

- **April 2015** - HB 2643 - Sovereign Authority; Affordable Care Act, signed into law by Governor Ducey on 4/10/15. Prohibits the state and political subdivisions from using any personnel or financial resources to enforce, administer, or cooperate with the Affordable Care Act (ACA) except for regulatory functions.
  - a. Prohibits funding or implementing a State-based Exchange
  - b. Limits the availability of self-funded health insurance programs or the reinsurance or other products that are traditionally used with self-funded health insurance programs
  - c. Disallows funding or aiding in the prosecution of any entity for a violation of the ACA.

# Health Care Reform “Moving Forward”

- **May 2015** - Arizona Superior Court accepts AZ Center for Law in The Public Interest motion to add 4 childless adults as defendants to the Legislators’ lawsuit. Center’s view is that, *“the AHCCCS Director cannot adequately protect the Medicaid program as the sole defender as the result of the change in the political landscape.”*
- **July 2015** - Arizona Superior Court hear oral arguments in the Biggs v. Betlach lawsuit.
- **July 2015** – Gov. Ducey/Tribal Leaders’ Meeting. Primary focus was on drought and water policies. Concerns addressed included 12 month limitation on TANF benefits and merging of the state behavioral health system under AHCCCS, both scheduled to happen on 7/1/16.

# Health Care Reform “Moving Forward”

- **August 2015** - Superior Court rules Legislators failed to prove hospital assessment is a tax not a fee.  
*“Arizona Constitution recognizes an exception to the two-thirds voting requirement for an assessment that is authorized by an Arizona statute, that is not prescribed by a formula, amount, or limit imposed by the Legislature or any other Arizona authority, and that is set by a state officer or agency.”*
- Appellate Court appeal likely...

# Health Care Reform “Moving Forward”

- **August 2015** – Governor Ducey announces AHCCCS CARE (Choice, Accountability, Responsibility, Engagement) (SB 1092). Establishes Health Services Accounts (HSA’s) for collecting patient co-pays rather than at point of service.
- **August 2015** - Official Tribal Consultations occur. (Flagstaff, Tucson). Tribes request 3 workgroups to address Uncompensated Care Payment Methodology, Former Foster Care Youth Medicaid Eligibility & Traditional Healing.
- **September 2015** - Arizona will submit its letter of intent to apply for a new 5 year Demonstration by September 30, 2015. Arizona’s current Waiver is scheduled to expire September 30, 2016.

# AI/AN Demographics in Arizona

<b>AI/AN population alone (ACS 2013)</b>	<b>286,953</b>
<b>AI/AN population alone or in combination with 1+ race (ACS 2013)</b>	<b>346,368</b>
<b>AI/AN enrolled in the AHCCCS American Indian Health Program (AIHP)</b>	<b>114,296</b> <b>(+7,053 = 7% growth this year)</b>
<b>AI/AN enrolled in MCO's</b>	<b>Approximately 30-40,000</b>
<b>AI/AN childless adults in new coverage group enrolled in AIHP –</b>	<b>27,000</b>
<b>AI/AN percentage of the total AHCCCS population (1.7 million)</b>	<b>9.5%</b>
<b>AZ/Reservation Unemployment Rate (2012)</b>	<b>7.9%/26.5%</b>

# Thank you!

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