

Issue: AZ Healthcare

Talking Points: Unaffordable Healthcare in Arizona

Arizona ranks 43rd in the nation on healthcare affordability and accessibility. Without an employer-sponsored plan or a government program, the vast majority of Arizonans cannot afford healthcare insurance. While Democrats actively try to solve this problem, Republicans pursue policies that restrict access to healthcare at a time when it is most needed—during a global pandemic that threatens us all.

Status of Healthcare in Arizona

Before COVID-19 Pandemic

- A shocking *one-third* of Arizonans were uninsured or relied on Medicaid in 2018. 22% on Medicaid; 11% uninsured—more than 1 in 10 people without coverage
- Worse yet, nearly *one-half* of children were uninsured or on Medicaid in 2018. 40% on Medicaid/KidsCare; 8.4% uninsured—the 3rd worst state in the nation

Since the Republican Mishandling of the Pandemic

- AZ experienced the worst outbreak of COVID-19 in the U.S. because Republican leaders ignored the science experts. Their mismanagement has prolonged the shutdown of businesses. Workers have lost their jobs and their employer-sponsored health benefits. Current AZ stats that should scare you: 27% on Medicaid; 17% of adults under age 65 uninsured

Congress temporarily increased the federal share of Medicaid, yet it is not nearly enough. With rising unemployment and business closures, the state is losing revenue while Medicaid enrollment and expenses are rising. Without more federal relief, the state will probably have to reduce Medicaid reimbursement rates, which will force many Medicaid healthcare providers to cut services or close.

Democrats Attempt to Solve the Problem

- All AZ Democratic legislators voted in 2013 to expand Medicaid eligibility under the Affordable Care Act (ACA). Now anyone in AZ with incomes below 138% of the federal poverty level can qualify.
- In 2020 AZ Democrats introduced legislation to study how a reinsurance program could help lower premiums. The bill died in committee.
- In 2018 and again in 2020, Democrats introduced state legislation to allow uninsured Arizonans to buy into the state Medicaid program by paying premiums and cost-sharing charges (co-pays, deductibles, etc.). The bills died in Republican-led committees.

In 2019, ten states introduced Medicaid buy-in proposals. There are three main models from which states such as Arizona could immediately benefit should Democrats gain a majority in the state legislature: *Basic Health Plan*, *Qualified Health Plan*, and *Off-Exchange Plan*.

Republicans Restrict Access to Healthcare

Opposition to Medicaid and ACA Medicaid Expansion

- Most AZ Republican state legislators voted against Medicaid expansion in 2013.
- After it was passed, Republican legislators filed a state lawsuit challenging the expansion.
- When that was unsuccessful, Republican lawmakers voted for federal waivers to restrict Medicaid eligibility. Governor Ducey submitted a waiver proposal to impose a work requirement, a 5-year lifetime limit on benefits, and co-pays for able-bodied adults. The Trump administration approved the work requirement.
- Republicans froze enrollment in KidsCare in 2010 and then dismantled it in 2014. AZ was the only state without a Children's Health Insurance Program for two years. After it was revived, Republicans adopted language to freeze enrollment again if federal funding dropped below 100%. As of 2019, the director of Arizona's Medicaid program (AHCCCS) has discretion to freeze KidsCare enrollment.

Opposition to ACA Insurance Exchange and Subsidies

- AZ Republican legislators voted to prohibit a state-run ACA exchange.
- AZ joined two federal lawsuits to overturn the ACA. SCOTUS will hear oral arguments on November 10, 2020. If successful, 23 million Americans will lose their health insurance. Medicaid expansion, the ACA-insurance-exchange premium subsidies, and protections for people with pre-existing conditions will be eliminated.
- The GOP-sponsored state law prohibiting insurers from denying coverage to people with preexisting conditions is a sham. It does nothing to limit what insurers can charge them.
- AZ Republicans are promoting short-term, low-premium, high-deductible "junk" plans that cannot be sold on the ACA exchange because they do not provide adequate coverage or consumer protections. Cheap plans lure healthy people away from the ACA exchange, which drives up premiums on the exchange. Although junk-plan premiums are lower, consumers face exorbitant out-of-pocket expenses. Along with high deductibles, patients are charged for any unpaid portion of the bill after junk plans pay the amount they deem "reasonable and customary." Junk plans do not cover preexisting conditions, prescription drugs, maternity care, preventative care, and other essential benefits.

COVID-19 Concerns: Junk plans won't cover vaccines (preventative), drugs to treat symptoms, and large portions of an expensive hospitalization. If infected before the effective date of the plan, COVID-19 might be treated as a preexisting condition.

Conclusion

Despite promises, Republicans have not produced a comprehensive plan to address the urgent need for affordable healthcare. Instead they just attack the solutions provided by the Democrats.

See complete report: [Unaffordable Healthcare in Arizona](#)

Also see: Pages 5-6 of the complete report for additional details about the three state-based Medicaid buy-in models mentioned above.