The Healthcare Landscape
Post-Election

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Health Reform

- Access and Coverage
- Quality
- Cost
Supreme Court Decision

• Largely upheld the Affordable Care Act

• Upheld the individual mandate

• Gave states more flexibility to choose not to expand their Medicaid programs

• Ruled that Congress cannot penalize states that choose not to participate in a new program by taking away their existing Medicaid funding
Important Decisions Ahead

• Will Arizona allow more people to be covered under its Medicaid program?

• Will Arizona implement its own health insurance exchange?

• Will Arizona take advantage of opportunities to improve its healthcare system?

• Will we have an adequate and well trained workforce that is prepared to address increased demand for health care and changes in how care is delivered?
Will Arizona Expand Medicaid?

• Expansion could occur up to 133 percent of the Federal Poverty Level

• More than 300,000 Arizonans could benefit

• Those who could benefit include many who have lost coverage in recent years

• Arizona would receive a very generous match

• Many unknowns at the current time
Will Arizona operate its own health insurance exchange?

- Online marketplace for qualified health plans
- Up to 1.2 million Arizonans expected could receive coverage through exchange
- Intended to simplify and structure health insurance choices for individuals, families and small businesses
- Exclusive mechanism for people to apply their federal premium assistance tax credits toward the cost of insurance coverage
- Advocacy efforts occurring both for and against a state-run exchange
Other Exchange Issues and Concerns

• Will people know about the exchange?

• How will people receive needed assistance?

• How consumer friendly will the exchange be?

• How much churning will occur?
Key Dates Ahead

• July – November 2012 – Governor’s Office engaging stakeholders
• November 16, 2012 – State must submit its intent regarding the exchange to the HHS Secretary
• January 2013 – Arizona must be certified by HHS if Arizona is to run its own exchange
• January 2013 – Governor expected to announce key decisions r.e. Medicaid
• October 2013 – Open enrollment for the exchange begins
• January 2015 – An exchange must be financially self-sustaining
Political Context

• Voters split on support for Affordable Care Act
• Only a third of Arizonans want the ACA repealed, although this includes 60+% of GOP
• Strong bi-partisan support for Medicaid/AHCCCS
• More than 60 percent of Arizonans want to restore or expand Medicaid
• Strong bi-partisan support for exchange
Political Context

- Legislature more moderate
- Business community appears supportive of both the exchange and some type of Medicaid expansion
- Vocal legislative critics of Medicaid as well as a state-run exchange
- Legislative leadership support uncertain
- Potential split among advocates
Improving Quality, Lowering Costs

Opportunities to move forward on:

• Coordination of care, integration
• Community-based care
• Chronic disease management
• Primary care
• Prevention
• Incentivizing value-based health care
Physician Shortage

Physicians per 100,000 of Population

- Arizona: 220
- National: 259
Improvements in health and the success of reform will ultimately depend on experimentation and action at a local level.