



Health System Alliance of Arizona

2016 Policy Priorities

Protecting the Safety Net/Medicaid Restoration & Expansion

As healthcare providers and advocates, the Alliance supports efforts to ensure there is a strong health care safety net to keep Arizonans healthy and maintain their access to care. To that end, we continue to support Medicaid Restoration, the continuation of the hospital assessment and restoring access to KidsCare coverage for low income, working families.

Additionally, we recognize the need to ensure a strong network of providers in the Arizona community to serve our vulnerable populations. For this reason, we believe it is critical that we maintain competitive AHCCCS provider reimbursement rates that account for inflationary increases, so that we can continue to maintain a strong network of providers to care for our Medicaid population.

Supporting the AHCCCS CARE Plan/ Section 1115 Waiver Renewal

The Alliance supports provisions in Governor Ducey's AHCCCS CARE Plan that increase accountability and incentivize Medicaid patients to take an active role in managing their healthcare. We see Medicaid as a path forward for individuals who are able to find gainful employment and seek healthcare coverage in the private market. To that end, we stand ready to partner with the both the Governor and AHCCCS leadership to implement the AHCCCS Care Plan, along with provisions in the Section 1115 Waiver that will move the Arizona healthcare industry forward by improving outcomes and bending the cost-curve.

Supporting the Healthcare Economy

Healthcare represents more than 20% of the economy in the State of Arizona and the organizations comprising the Alliance are some of the State's largest employers. The Alliance looks forward to working with decision makers to identify policies that ensure the sustainability of this critical industry, while also providing the economic environment that will allow it to continue to grow and innovate, creating jobs and revenue without the need for unnecessary mandates and regulation.

The Alliance also is grateful for and supports Governor Ducey's decision to eliminate the aggregate 5% provider rate reduction that was included in the FY 2015-2016 budget. As such, we support language that will allow AHCCCS to utilize dollars in the Prescription Drug Rebate Fund to offset these reductions.

The Alliance also supports discussions on how to protect and increase support for Disproportionate Share, which provides a critical funding stream for hospitals that provide care for indigent populations. Hospitals that receive Disproportionate Share funding face financial pressures that are unique to their payor mix because such a large proportion of their patients are either covered by Medicaid, Medicare or are uninsured. These patients rely on these hospitals for their care. It is important that we engage in discussion on how we can protect the Disproportionate Share funding stream and identify ways to increase it in the future.

Ensuring a Strong, Sustainable Healthcare Workforce

The Alliance is committed to working with policymakers and stakeholders to identify ways to grow a strong, sustainable healthcare workforce for the benefit of Arizona's healthcare economy. We need to plant the seeds for growing medical professionals in the early years of a student's education. To accomplish this, we look forward to opportunities to engage on ways we can work to improve our K-12 education system so that we can "grow" the future of Arizona's healthcare industry.

As the healthcare industry in Arizona continues to grow, so too does the need to attract and retain qualified healthcare providers. Thanks to Governor Ducey and our local partners, many hospitals in Arizona are now able to fill and draw down additional matching dollars for existing residency spots in their Graduate Medical Education programs. However, in order to grow and sustain a qualified workforce, it is essential that we identify mechanisms to establish new residency positions.

We must also assure that we have a regulatory environment that supports these providers in the community. Accordingly, the Alliance supports efforts to establish timely licensure requirements and streamline the process for these providers to become established in the Arizona healthcare delivery system.

Improving Care for Arizona: Behavioral Health

The Alliance supports the continuing discussions on how to improve care for individuals who are diagnosed with a serious mental illness (SMI), or who are suffering from general mental health disorders or substance abuse. We believe these individuals and their loved ones should receive quality and timely care in a setting that is most appropriate to meet their individual healthcare needs. We look forward to engaging in discussions on how to ensure that providers are trained on privacy laws and understand how to appropriately apply and communicate privacy regulations when communicating with patients and their families about their rights.

There also needs to be better partnerships and corridors for care across the continuum between medical and behavioral health. We look forward to dialoguing with care professionals in the community to identify ways to increase capacity in the behavioral health system and reduce the number of patients who are held unnecessarily in acute hospital placement settings.