

**Tribal Leaders Work with State, Federal Government  
To Obtain Unique Waiver Supporting American Indian Healthcare**

On April 6, 2012, the Centers for Medicare and Medicaid Services (CMS) approved a waiver request that would allow the Arizona Health Care Cost Containment System (AHCCCS) to make supplemental payments to Indian Health Services (IHS) and tribally operated 638 facilities. These payments will help address uncompensated care at these facilities resulting from reductions to the AHCCCS program.

After consultation with tribal leaders and stakeholders, AHCCCS submitted the waiver to avoid the negative impact many of the benefits and eligibility restrictions would have on IHS and 638 facilities. Federal laws required that reductions made to the AHCCCS program had to be applied across the State without any exceptions. Because Medicaid services provided at IHS and 638 facilities are funded using 100% federal dollars, AHCCCS leadership and Governor Brewer recognized there would be no benefit to the State. They believed that IHS and 638 facilities should be exempt from the impact these reductions would have and that federal regulations should be waived.

CMS agreed and approved the request in order to protect IHS and 638 facilities and preserve the financial viability of these systems. AHCCCS will now make monthly payments to IHS and 638 facilities to ensure their ability to continue to provide services and benefits to all American Indians within the State of Arizona. Since the waiver was approved, AHCCCS has made almost \$2 million in payments to IHS and 638 facilities.

This waiver is unique. Although almost every state has had to make reductions to address the great recession, no other state has been able to achieve a method by which to protect IHS and 638 facilities from cuts to state Medicaid programs. This waiver approval was accomplished through the partnership and commitment of tribal leaders, Governor Brewer, Secretary Sebelius, IHS and 638 facilities, AHCCCS and CMS. It is a testament to what can be achieved through collaboration and respect for the government-to-government relationship.