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# Childless Adults DRAFT Waiver Amendment

October 1, 2012



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Arizona Health Care Cost Containment System

“Reaching across Arizona to provide comprehensive quality  
health care for those in need”



# Topics to Cover

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- Overview
- FMAP
- Process and Timeline





# Overview

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- AHCCCS currently covers adults without deprived children (“Childless Adults”) through its 1115 Waiver because Childless Adults are not otherwise eligible for Medicaid.
- Arizona is one of only six states in the country to provide Medicaid coverage to Childless Adults.
- The authority to cover Childless Adults under the Waiver expires December 31, 2013.
- The purpose is to continue the State’s existing authority to cover childless adults in AHCCCS beyond 2013.
- Waiver request attempts to eliminate the possibility of having to drop childless adults from coverage January 1, 2014.



# Overview Con't

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- As the State evaluates coverage options for the future, Governor Brewer has underscored the need to identify enhanced federal match rate opportunities for the restoration of coverage for Childless Adults.
- *This amendment request does not reflect any decision on the part of Governor Brewer about the future of Arizona's Medicaid program.*



# FMAP

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- ❑ As part of the request, AHCCCS will seek clarification on the applicable FMAP.
- ❑ FMAP is the federal share of expenditures for the Medicaid program. At this time, it is unknown which FMAP will apply to Arizona.
- ❑ States that have never covered childless adults can obtain 100% federal funding for this population in 2014.
- ❑ Because Arizona already covers childless adults, Arizona is not eligible for the 100% FMAP for childless adults.
- ❑ Restoring coverage for childless adults at enhanced versus regular FMAP is an additional cost of \$1.5 billion to State.



# FMAP Con't

<i>Summary of AZ's Estimated Costs</i>			
<b>FMAP %</b>	<b>Cost to Arizona</b>	<b>Description</b>	<b>Status</b>
<b>Enhanced FMAP @ 83-90%</b>	<b>\$928 million</b>	<b>FMAP % and cost if CMS approves enhanced FMAP for childless adults.</b>	<b>DRAFT request to CMS open for public comment.</b>
<b>Regular FMAP @ 66%</b>	<b>\$2.5 billion</b>	<b>FMAP % and cost if CMS does not approve enhanced FMAP.</b>	<b>If CMS does not approve enhanced FMAP, the Legislature will need to determine if there are available funds to cover childless adults.</b>
<b>Full FMAP @ 100%</b>	<b>\$57 million</b>	<b>FMAP % and cost if Arizona had not previously covered childless adults.</b>	<b>Arizona is not eligible for 100% FMAP to cover childless adults.</b>



# Process and Timeline

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- ❑ October 19, 2012: Deadline for public comments on DRAFT Waiver Request.
- ❑ Submit Waiver Request to CMS
- ❑ Negotiate details with CMS
- ❑ Obtain CMS approval
- ❑ Goal: Approval in time for policymakers to act (legislative session begins January 2013)

