



November 30, 2020

Arizona Health Care Cost Containment System
c/o Division of Community Advocacy and Intergovernmental Relations
801 E. Jefferson Street, MD 4200
Phoenix, AZ 85034

Submitted via email: waiverpublicinput@azahcccs.gov

To Whom it May Concern:

On behalf of Vitalyst Health Foundation, thank you for the opportunity to provide comments on AHCCCS' draft 1115 waiver proposal for 2021-2026. Given Medicaid's reach and impact across Arizona, we are committed to working with the AHCCCS team and community stakeholders to ensure that all Arizonans have access to quality, affordable coverage and care.

Vitalyst Health Foundation commends the AHCCCS team for the work they have undertaken to improve care coordination, reduce costs and ensure the managed care system operates in an efficient manner. The program's recent efforts to address the non-clinical and social risk factors that undergird health provide further evidence of AHCCCS' innovation and status as a national leader among state Medicaid programs. We're confident this 1115 waiver has the potential to continue building on AHCCCS' historical successes while providing new opportunities to advance the program.

Among the many policy proposals in the draft waiver, Vitalyst Health Foundation is most supportive of the following provisions:

Extending the Targeted Investment Program to Addressing Non-Clinical/Social Risk Factors

The proposed "extension" of the Targeted Investment (TI) program in TI 2.0 is a creative and welcomed innovation. Leveraging the success of TI by adding incentives for providers to work with community-based organizations will help advance Arizona's health care system in its journey toward becoming a truly comprehensive health system. In the absence of resources to fully finance the Whole Person Care Initiative (WPCI), this is a promising next step in AHCCCS' efforts to integrate the social determinants of health. As noted in our comments below, Vitalyst still believes it's important to include WPCI in this waiver proposal, but we look forward to learning more about TI 2.0 and we are happy to offer our support.

Discontinuing the AHCCCS CARE Program

Vitalyst has previously stated our concerns with this program, as it threatens to increase administrative burdens for members and would cause eligible members to lose coverage. Discontinuing the CARE program will allow AHCCCS to redirect its energy and resources toward more effective and efficient operations.

Expanding Tribal Dental Benefits

The current \$1,000 cap on emergency dental benefits for American Indian members is helpful but fails to promote comprehensive oral health and prevention. By covering eligible dental services at

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100% of the Federal Medical Assistance Percentage (FMAP), AHCCCS will help to mitigate the oral health disparities we see among Tribal nations in Arizona.

Covering Traditional Healing Services

Traditional healing services have been provided to American Indians by American Indians long before Medicaid existed. By providing reimbursement for such services, AHCCCS acknowledges the sovereignty and knowledge of Tribal nations, and provides a bridge for integration of cultural health practices.

Excluding the 5-Year Lifetime Limit

We support the exclusion of the 5-year lifetime limit that was originally associated with AHCCCS Works. Vitalyst has long expressed our opposition to this statutory obligation. The limit is arbitrary and capricious, and would place undue risk on Arizona's most vulnerable populations at a time when the degree of need for government support has never been greater.

While the provisions above show promise, there are aspects of the draft waiver that are of concern and/or should be enhanced. Prior to submitting the final waiver proposal to the Centers for Medicare and Medicaid Services (CMS), we urge AHCCCS to consider the following changes:

Suspend the Prior Quarter Coverage Waiver and Expedite its Evaluation

Prior to implementation of the PQC waiver, Vitalyst expressed concern that waiving PQC presented health and financial risks to AHCCCS-eligible members. To date, Health Services Advisory Group's (HSAG) evaluation of the PQC waiver is incomplete and cannot answer whether its implementation has had any adverse impacts on members. To avoid furthering any harm that may be occurring, we suggest suspending the PQC waiver until all hypotheses articulated in HSAG's evaluation have been evaluated.

Expand Verbal Consent Permissions to Additional AHCCCS Populations

The 1135 waiver's provision to authorize verbal consent for members in the Arizona Long Term Care System (ALTCS) is a critical advancement. As health care continues to grow its use of telecommunications (i.e., telehealth/telemedicine), the imperative for patients to offer verbal consent, rather than written, becomes clear. We are encouraged to see that AHCCCS intends to make this feature permanently available to ALTCS members, and we ask that AHCCCS consider broadening this permission to other populations as appropriate.

Eliminate AHCCCS Works

Vitalyst has long expressed concern with AHCCCS Works, as it has the potential to create administrative barriers that cause eligible members to lose coverage. While we appreciate the due diligence undertaken by AHCCCS leadership and staff to operationalize the concept of this program, its implementation has proven cost-prohibitive and its legal standing is highly questionable. Given the adverse programmatic outcomes and legal rulings in other states, we urge AHCCCS and the Arizona legislature to repeal this statutory obligation.

Include the Whole Person Care Initiative

The Whole Person Care Initiative, as originally announced, presents a monumental step toward healthier and more prosperous communities in Arizona. When this waiver begins, the wake of the COVID-19 pandemic will further emphasize the importance of programs like WPCI in connecting health care and social services. We believe WPCI has the potential to mark a new era in AHCCCS – one that keeps Arizona at the forefront of Medicaid innovation – and we urge AHCCCS to include WPCI in its 1115 waiver request. Vitalyst is sensitive to the fact that WPCI requires significant

public investment at a time when public funding is unpredictable; however, recent projections from the Joint Legislative Budget Committee suggest the pandemic's fiscal impact to the State will not be as dire as originally predicted. Should budget concerns present constraints, incremental steps (such as piloting WPCI with specific populations (e.g., American Indians)) could be negotiated with CMS.

Leverage Housing Investments to Attract Federal Funds

AHCCCS is a national leader in its pursuit of housing supports for Medicaid members, and this waiver may provide an opportunity to enhance the program's commitment to housing. Therefore, we encourage AHCCCS to explore additional ways it can leverage current housing investments (e.g., funds that house members with Severe Mental Illness) to attract additional federal investment for housing. We also encourage further collaboration with other state agencies and local jurisdictions to maximize the cross-sector services that are being implemented by other organizations.

AHCCCS has a long history of providing care to millions of individuals and families across Arizona, and it has built a reputation within Arizona and the nation as a mature managed care program that delivers high value care at a relatively low cost. We thank you for the opportunity to offer comment on the draft 1115 waiver, and we are proud to offer our support in moving Arizona's health system forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne Pfister". The signature is fluid and cursive, with the first name "Suzanne" being larger and more prominent than the last name "Pfister".

Suzanne Pfister
President and CEO
Vitalyst Health Foundation