



MEMORANDUM

Date: June 26, 2017

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Analysis of Senate Health Proposal and Impact on Counties**

On June 20, 2017, the Board of Supervisors adopted Resolution 2017-43, which memorialized Pima County's commitment to affordable and inclusive access to quality healthcare. Of great concern to the County is the potential cost that may be incurred by the County if what is estimated to be nearly 100,000 Pima County residents lose their health insurance.

Earlier today, Governor Doug Ducey's office distributed a summary (linked below) of the potential costs to Arizona of the federal healthcare reform bills. It includes estimates of the House's American Health Care Act (AHCA) and the Senate's Better Care Reconciliation Act (BCRA).

<https://www.azahcccs.gov/Shared/Downloads/News/BRCAAHCASummary.pdf>

In summary, the House's AHCA results in increased costs for Arizona of over \$3.3 billion between Fiscal Year (FY) 2018 and FY 2026. The Senate's BCRA increases costs for Arizona by \$2.9 billion over the same period. As we know, these costs are paid partly by county contributions to State acute and long-term healthcare plans. These additional costs will trickle down to counties in Arizona.

Also released today is an Action Alert from the National Association of Counties (NACo) that notes that "[t]he legislation substantially alters the federal-state-local partnership for Medicaid and would shift significant health care costs to counties." NACo formally opposes the "Better Care Reconciliation Act" because it would:

- Adversely alter the federal-state-local partnership for Medicaid;
- Shift significant costs to county taxpayers; and
- Negatively impact counties as health providers, payers, administrators and employers.

The NACo report notes that counties are "*the front door to the nation's health system.*"

Using the foundation provided in Resolution 2017-43, Pima County will work with our national and state partners to ensure the wellbeing of our residents.

CHH/mjk