

NOT APPROVED/NO ACTION
TOWN OF PINETOP-LAKESIDE TAKEN

RESOLUTION NO. 13-1266

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, IN SUPPORT OF THE GOVERNOR'S MEDICAID PLAN.

WHEREAS, the Voters of Arizona clearly and overwhelmingly expressed their will to provide health insurance coverage through AHCCCS for all Arizonans up to 100% of the Federal Poverty Level (FPL) both in 1996 and in 2000 through Proposition 204; and

WHEREAS, restoration of Proposition 204 is critical to city governments as the impact of the childless adult enrollment freeze has led to increased demand on local safety net, emergency medical and law enforcement services, leading to increased costs and public safety concerns, including recidivism rates and use of the jail system as a means of addressing those in need of behavioral health treatment, but who are unable to access care; and

WHEREAS, eliminating Proposition 204 Benefits has increased bad debt expense and charity care to Summit Healthcare Regional Medical Center with 2012 bad debt expense and charity at \$18,000,000 (eighteen million) and if the current run rate continues 2013 will be \$27,000,000 (twenty-seven million); and

WHEREAS, Summit Healthcare Regional Medical Center cannot sustain these large increases in bad debt and charity care without cutting service lines with OB being the biggest loss leader; and

WHEREAS, the Governor's plan is the best approach to honor the will of the voters, support city governments struggling to meet the needs of their citizens, and restore health coverage to hundreds of thousands of Arizonans in need; and

WHEREAS, the Governor's plan will help protect rural and safety net hospitals from uncompensated care and help shore up local economies; and

WHEREAS, the cost of restoring Proposition 204 will be covered by a hospital assessment that will free up State funds, which can then be used for other budget priorities, such as education or public safety; and

WHEREAS, the hospital assessment does not get passed on to the consumer but instead relieves hospitals of their uncompensated care burden for which we are all currently paying; and

WHEREAS, the Governor’s plan further protects the State from any federal “bait and switch” by including a “circuit breaker” that will be triggered if the federal funding commitment falls below 80%; and

WHEREAS, the federal guidance is very clear that such a circuit breaker is permissible and that Arizona is able to opt in or out of Medicaid restoration at any time; and

WHEREAS, while everyone is concerned about the federal deficit, not restoring Proposition 204 coverage to hundreds of thousands of Arizonans with cancer, trauma injuries, serious mental illness, etc., only hurts Arizonans and does nothing to reduce the federal deficit; and

WHEREAS, restoring Medicaid places Arizona as a leader in the national debate about Medicaid reform, which can have an impact on the federal deficit; and

WHEREAS, AHCCCS is the Gold Standard for Medicaid managed care and serves as the national model of how to deliver quality care at the lowest cost; and

WHEREAS, AHCCCS is also a shining example of *limited* government where care is managed by *private* health plans and provided by *private* physicians and hospitals, the very same ones we all see for our own care.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Town Council of the Town of Pinetop-Lakeside, Arizona, do affirm and declare our support for Governor Brewer’s plan to restore Medicaid.

BE IT FURTHER RESOLVED, that the Mayor and Town Council of the Town of Pinetop-Lakeside, Arizona, encourage the Legislators of the Arizona State House and Senate stand with the people of Arizona who have twice expressed their support for the Governor’s plan to provide AHCCCS coverage for Arizonans in need.

PASSED AND ADOPTED by the Mayor and Town Council of Town of Pinetop-Lakeside, this 18th day of April 2013.

TOWN OF PINETOP-LAKESIDE

RICH CROCKETT, Mayor

ATTEST:

LU ANNE FROST, Town Clerk

APPROVED AS TO FORM:

W. KENT FOREE, Town Attorney