NATIONAL WOMEN'S LAW CENTER
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Centers for Medicare & Medicaid Services
Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244-1850

*Submitted electronically*

**RE: Arizona Health Care Cost Containment System (AHCCCS) Amendment**

The National Women's Law Center (NWLC) writes to comment on Arizona's § 1115 demonstration application. Since 1972, NWLC has fought for gender justice in the courts, in public policy, and in our society. We have worked to advance the progress of women and their families in core aspects of their lives, including health and reproductive rights, income security, employment, and education, with an emphasis on the needs of people who face multiple and compounding forms of discrimination. Through our work to strengthen and preserve Medicaid programs, we have seen their impact on the health and wellbeing of women and LGBTQI+ people, and we firmly believe in the value of robust Medicaid enrollment and access to services.

We urge the Centers for Medicare and Medicaid Services (CMS) to reject the Arizona demonstration application as proposed. The project contains numerous provisions, including work requirements and lifetime coverage limits, that are contrary to the requirements of § 1115 of the Social Security Act. The proposed project would reduce Medicaid access for eligible individuals, with particular harms for women, women of color, and disabled women.

## I. Medicaid coverage is critical for enrollees' health and economic security.

For millions of people, Medicaid is a lifeline, offering access to coverage that they otherwise may not be able to afford. In 2024, nearly 2 million people living in Arizona relied on Medicaid coverage for their health care.[1] People of color, women, and disabled people in Arizona are all more likely to participate in Medicaid, making the program especially crucial for ensuring that these communities can access care and reducing the health disparities they face. In 2021, nearly 70% of Medicaid enrollees in Arizona under the age of 65 were people of color, with particularly high representations among Latine and Indigenous communities.[2] Women make up the majority

[1] Medicaid.gov, *November 2024 Medicaid & CHIP Enrollment Data Highlights* (accessed Apr. 29, 2025), https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights.
[2] Kaiser Family Foundation, *Distribution of People Ages 0-64 with Medicaid by Race/Ethnicity* (accessed Apr. 29, 2025), https://www.kff.org/medicaid/state-indicator/medicaid-distribution-people-0-64-by-raceethnicity.

of Medicaid enrollees in Arizona,[3] with approximately one in five, or nearly 400,000, nonelderly women enrolled in 2023.[4] Among Arizonan women with incomes below 200% of the federal poverty line, 43% were enrolled in Medicaid.[5] Women of color make up nearly two thirds (64%) of women in the Arizona Medicaid program.[6]

Medicaid coverage is vital for improving access to care, health outcomes, and economic stability.[7] Without Medicaid coverage, individuals would have to either incur medical expenses beyond their means or forgo critical care. Medicaid expansion in particular—which Arizona's application seeks to undermine—has undisputedly benefited those who qualify through this pathway. The overwhelming weight of research shows that the expansion program has increased access to and utilization of preventive and primary care; decreased reliance on emergency rooms as a source of low-acuity care; and reduced cases of catastrophic out-of-pocket medical costs.[8] This in turn has improved health outcomes across the spectrum.[9] For example, Medicaid expansion is associated with earlier detection, diagnosis, and treatment of conditions such as breast cancer.[10] And by improving coverage before and after pregnancy, Medicaid expansion has helped combat the maternal mortality crisis that disproportionately impacts Black and Indigenous women[11]: Medicaid expansion is associated with lower mortality rates for pregnant women, particularly among Black women.[12]

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[3] Kaiser Family Foundation, *Distribution of Adults Ages 19-64 with Medicaid by Sex* (accessed Apr. 29, 2025), https://www.kff.org/medicaid/state-indicator/medicaid-distribution-adults-19-64-by-sex.
[4] Kaiser Family Foundation, *Women's Health Insurance Coverage* (Dec. 12, 2024), https://www.kff.org/womens-health-policy/fact-sheet/womens-health-insurance-coverage.
[5] *Id*.
[6] NWLC calculations based on U.S. Census Bureau, 2023 American Community Survey (ACS), 1-year estimate, using *IPUMS USA, University of Minnesota, www.ipums.org*. ACS survey respondents self-identify their sex, race, and whether they are of Hispanic, Latino, or Spanish origin. Women of color are all those who did not self-identify as white, non-Hispanic.
[7] Gideon Lukens & Elizabeth Zhang, *Medicaid Work Requirements Could Put 36 Million People at Risk of Losing Health Coverage* (Feb. 5, 2025), https://www.cbpp.org/sites/default/files/1-16-25health.pdf.
[8] Madeline Guth & Meghana Ammula, *Building on the Evidence Base: Studies on the Effects of Medicaid Expansion, February 2020 to March 2021* (May 6, 2021), https://www.kff.org/medicaid/report/building-on-the-evidence-base-studies-on-the-effects-of-medicaid-expansion-february-2020-to-march-2021; Madeline Guth et al., *The Effects of Medicaid Expansion under the ACA: Studies from January 2014 to January 2020* (Mar. 17, 2020), https://www.kff.org/medicaid/report/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review.
[9] *Id.*; Kevin N. Griffith & Jacob H. Bor, *Changes in Health Care Access, Behaviors, and Self-Reported Health Among Low-income US Adults Through the Fourth Year of the Affordable Care Act*, 38 MEDICAL CARE 574 (Jun. 2020), https://doi.org/10.1097/MLR.0000000000001321.
[10] Justin M. Le Blanc et al., *Association of Medicaid Expansion Under the Affordable Care Act with Breast Cancer Stage at Diagnosis*, 155 JAMA SURGERY 752 (Jul. 1, 2020), http://doi.org/10.1001/jamasurg.2020.1495.
[11] Latoya Hill et al., *Racial Disparities in Maternal and Infant Health: Current Status and Efforts to Address Them* (Oct. 25, 2024), https://www.kff.org/racial-equity-and-health-policy/issue-brief/racial-disparities-in-maternal-and-infant-health-current-status-and-efforts-to-address-them.
[12] Erica L. Eliason, *Adoption of Medicaid Expansion is Associated with Lower Maternal Mortality*, 20 WOMEN'S HEALTH ISSUES 1049 (Feb. 25, 2020), https://doi.org/10.1016/j.whi.2020.01.005; Adam Searing & Donna Cohen Ross, *Medicaid Expansion Fills Gaps in Maternal Health Coverage Leading to Healthier Mothers and Babies* 7 (May 2019), https://ccf.georgetown.edu/wp-content/uploads/2019/05/Maternal-Health-3a.pdf.

Stripping enrollees of their access to Medicaid through measures such as work requirements will deny them these lifesaving benefits, threatening their health and financial security. Most people who lose Medicaid coverage do not transition to private insurance: Rather, many will end up uninsured or experience gaps in coverage.[13] The consequences of losing insurance are multifold. Numerous studies have demonstrated that uninsured individuals are less likely to receive preventive care or access services for major health conditions and chronic diseases.[14] Uninsured women—disproportionately Black, Latina, and Indigenous women—are less likely to have a regular doctor and to receive services like mammograms, Pap tests, and blood pressure checks.[15] They also get less adequate and lower quality care.[16] As a result, uninsured women are more likely to have unmet medical needs and worse health outcomes, from higher rates of maternal mortality, especially among Black women,[17] to later-stage cancer diagnoses.[18]

Uninsured adults broadly are more likely to forgo needed care than those who are insured: In 2023, nearly half (47%) of uninsured people aged 18 to 64 reported that they had not seen a health care professional in the previous year, approximately three times the rate among insured people.[19] Uninsured people are consequently more likely to be hospitalized for avoidable health problems.[20] And when they are hospitalized, they receive fewer medical tests and services and suffer from higher mortality rates than those with insurance.[21] The health impacts are further compounded by financial ones: 62% of uninsured adults report health care debt,[22] which itself leads to wide-ranging impacts on health and wellbeing.[23]

## II. Arizona's application contravenes the Medicaid statute.

Arizona's application must be rejected as contrary to the Medicaid statute. The purpose of Medicaid is to enable states to furnish medical assistance to individuals who are unable to meet the costs of necessary medical care and to help these individuals attain or retain the capacity for independence and self-care.[24] Although § 1115 of the Social Security Act allows states to apply for waivers of Medicaid's statutory requirements, such waivers must:

- propose an "experiment[], pilot or demonstration;"

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[13] Bradley Corallo et al., *What Happens After People Lose Medicaid Coverage?* (Jan. 25, 2023), https://www.kff.org/medicaid/issue-brief/what-happens-after-people-lose-medicaid-coverage.
[14] Jennifer Tolbert et al., *Key Facts About the Uninsured Population* (Dec. 18, 2024), https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population.
[15] Kaiser Family Foundation, *supra* note 4.
[16] *Id*.
[17] Judith Solomon, *Closing the Coverage Gap Would Improve Black Maternal Health* (Jul. 26, 2021), https://www.cbpp.org/research/health/closing-the-coverage-gap-would-improve-black-maternal-health.
[18] Gerard A. Silvestri et al., *Cancer Outcomes Among Medicare Beneficiaries and Their Younger Uninsured Counterparts*, 40 HEALTH AFFAIRS 754 (May 2021), https://doi.org/10.1377/hlthaff.2020.01839.
[19] Tolbert et al., *supra* note 14.
[20] *Id*.
[21] *Id*.
[22] *Id*.
[23] Lunna Lopes et al., *Health Care Debt in the U.S.: The Broad Consequences of Medical and Dental Bills* (Jun. 16, 2022), https://www.kff.org/report-section/kff-health-care-debt-survey-main-findings.
[24] 42 U.S.C. § 1396a-1.

- waive compliance only with requirements in 42 U.S.C. § 1396a;
- be likely to promote the objectives of the Medicaid Act; and
- be approved only "to the extent and for the period necessary" to carry out the experiment.[25]

Arizona's § 1115 waiver application is inconsistent with the objectives of the Medicaid statute and offers no legitimate experimental purpose. Rather than providing medical assistance to those who need it, the application serves to undermine access to coverage, making it more difficult for individuals to achieve independence and self-care. For example, as discussed in greater detail below, the proposed work requirements will lead to widespread disenrollment without increasing employment. Additionally, the statute does not condition receipt of Medicaid benefits on any qualifications beyond those that serve to show that an individual is in need of assistance obtaining health care coverage and services. Arizona's application, by contrast, imposes unwarranted eligibility restrictions, such as through work requirements and a five-year lifetime cap on Medicaid coverage for certain enrollees. Because the application is contrary to the statute and does not further its objectives, CMS does not have the authority to approve it.

## III. The proposed work requirements threaten access to Medicaid.

Arizona seeks to impose sweeping work and reporting requirements on Medicaid enrollees. Specifically, Arizona's application would require adults enrolled through Medicaid expansion to "become employed, actively seek employment, attend school, or partake in Employment Support and Development (ESD) activities" unless they fall into certain exceptions. Those subject to this requirement would need to verify their compliance on a monthly basis. This policy would lead to widespread loss of coverage—including for those who are working or who fall under one of the exemptions—with particular harms for women of color, disabled women, and women overall.

### *a. Evidence from other states demonstrates the high risk of disenrollment.*

Work requirements like those proposed by Arizona lead to widespread termination of coverage for eligible individuals, a fact demonstrated by data from other states' attempts to implement similar requirements. For example, Arkansas imposed work requirements in 2018. In the seven months the work requirement was in operation before a federal court stopped the program,[26] over 18,000 people lost coverage—amounting to one in four of those subject to the work requirement.[27] This included many people who were working, qualified for an exemption, or were otherwise eligible.[28] Indeed, most people who lost coverage did not lose it because they failed to work or qualify for an exemption, but rather because of extensive administrative hurdles, red tape, and confusion.[29] The impacts on coverage were lasting. The vast majority—89%—of those who lost Medicaid coverage in 2018 did not regain it the following year, leaving many uninsured.[30] Arkansans who lost

[25] 42 U.S.C. § 1315(a).
[26] *See Gresham v. Azar*, 363 F. Supp. 3d 165 (D.D.C. 2019).
[27] Laura Harker, *Pain But No Gain: Arkansas' Failed Medicaid Work-Reporting Requirements Should Not Be a Model* (Aug. 8, 2023), https://www.cbpp.org/research/health/pain-but-no-gain-arkansas-failed-medicaid-work-reporting-requirements-should-not-be.
[28] *Id*.
[29] Jennifer Wagner & Jessica Schubel, *States' Experiences Confirm Harmful Effects of Medicaid Work Requirements* (Nov. 18, 2020), https://www.cbpp.org/sites/default/files/atoms/files/12-18-18health.pdf.
[30] Harker, *supra* note 27.

coverage in this time period faced significant repercussions: 50% reported serious problems paying off medical debt, 56% delayed care because of cost, and 64% delayed taking medication because of cost.[31]

A work requirement in Georgia has had similar impacts after it was launched in 2023. Although 240,000 uninsured people were estimated to be potentially eligible for Georgia's Pathways to Coverage program,[32] a mere 7,000—less than 3%—have been enrolled as of March 31, 2025.[33] Georgians have been subject to burdensome reporting requirements, where many have struggled to navigate the technical and bureaucratic language and faced difficulties obtaining and uploading documents to verify their employment or education.[34]

Another case in point is New Hampshire. Despite promising more flexibility in reporting requirements and pursuing more robust outreach efforts than other states, New Hampshire's 2019 work requirements threatened to disenroll large numbers of beneficiaries. Amid widespread confusion about how to comply with the new policy, about two thirds of enrollees subject to the requirements were anticipated to lose coverage after just two months.[35] New Hampshire suspended the work requirement as a result, and a federal court ultimately halted the program.[36]

*b. Work requirements will lead to loss of coverage for individuals regardless of their employment status.*

Arizona's work requirements are unlikely to increase employment rates among Medicaid enrollees: Most enrollees who can work already do.[37] Rather the most probable result is the same widespread disenrollment that occurred in other states, including for individuals who are employed or otherwise engaged in qualifying activities.

Many enrollees, including those who are employed, will be unaware of the new requirements or unsure whether they are subject to them. In other states that have implemented work requirements, many people only learned of those requirements when they were seeking care and found out that they had already been disenrolled.[38] Inadequate outreach, barriers enrollees face to receiving notice of their reporting obligations, and the inherent complexity of these policies all contribute to widespread uncertainty. Even states that prioritized robust outreach failed to prevent confusion.[39]

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[31] Benjamin D. Sommers et al., *Medicaid Work Requirements in Arkansas: Two-Year Impacts on Coverage, Employment, and Affordability of Care*, 39 HEALTH AFFAIRS 1522 (Sep. 2020), https://www.healthaffairs.org/doi/epdf/10.1377/hlthaff.2020.00538.
[32] Lukens & Zhang, *supra* note 7.
[33] Georgia Pathways, Current Enrollment (last accessed Apr. 29, 2025), https://www.georgiapathways.org/data-tracker.
[34] Laura Harker, *Georgia's Medicaid Experiment Is the Latest to Show Work Requirements Restrict Health Care Access* (Dec. 19, 2024), https://www.cbpp.org/blog/georgias-medicaid-experiment-is-the-latest-to-show-work-requirements-restrict-health-care.
[35] Lukens & Zhang, *supra* note 7.
[36] *Id*.
[37] *Id*.
[38] Harker, *supra* note 27.
[39] Lukens & Zhang, *supra* note 7.

Many enrollees who do become aware of these requirements would struggle to navigate the administrative burdens that the proposed policy would create or face barriers to obtaining and submitting the necessary documentation. These barriers may be especially pronounced for those who face language or literacy barriers, have limited internet access, or who have certain disabilities. Navigating the documentation requirement would likely be pose particular challenges for women, people of color, and people with low incomes—all of whom are more likely to work multiple jobs or have precarious employment[40] and thus have more complex documentation requirements and less predictable income.

*c. Work requirements will lead to disenrollment for many who are purportedly exempt.*

Arizona proposes an inadequate and confusing system of exemptions that will likely result in many individuals losing coverage regardless of qualifying for an exemption. The application initially applies work requirements to "able-bodied" adults who are "physically and mentally capable of working and not medically frail."[41] This criterion is undefined, making it difficult for enrollees to know whether they are subject to the work requirement or what they would need to demonstrate to avail themselves of an exemption. While Arizona's proposal does indicate some specific applications of this exemption—such as for individuals "determined to have a serious mental illness," those "in active treatment with respect to a substance use disorder," and "individuals currently receiving…disability benefits"[42]—these applications are overly narrow: They exclude people with a wide range of disabilities and health conditions that affect their access to employment, and they disregard the barriers that many people face to receiving active treatment, diagnoses, or disability benefits. Like other states that have tried and failed to apply carve-outs for disabled people, Arizona's work requirements would harm numerous disabled people in the expansion population.[43]

The application proposes a second layer of exemptions: After a six-month grace period, people who fail to meet the work requirements would be subject to a two-month suspension "unless the member reports and verifies that there was a good cause for noncompliance or initiates an appeal of the suspension."[44] This scheme will likely only add to the confusion, particularly for individuals who are subject to the work requirement but excused for "good cause." And while the good cause pathway offers a broader range of bases for exemption from the work requirements, it remains insufficient. First, it relies on enrollees' awareness that this option is available. In other states that

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[40] U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey: Multiple Jobholders by Selected Characteristics (Jan. 29, 2025), https://www.bls.gov/cps/cpsaat36.htm; Vanessa M. Oddo et al., *Changes in Precarious Employment in the United States: A Longitudinal Analysis*, 47 SCANDINAVIAN JOURNAL OF WORK, ENVIRONMENT & HEALTH 171 (Dec. 7, 2020), www.doi.org/10.5271/sjweh.3939; Urban Institute, *Unstable Work Is All Too Common, Especially for Black Women* (Sep. 12, 2024), https://www.urban.org/data-tools/black-women-precarious-gig-work.

[41] Arizona Health Care Cost Containment System, *Arizona Section 1115 Waiver Amendment Request: AHCCCS Works* 4 (Feb. 2025) https://www.azahcccs.gov/Resources/Downloads/1115Waiver/AHCCCSWorksCommunityEngage1115WaiverAmendReq2025.pdf.

[42] *Id*. at 5.

[43] David Machledt, *How Medicaid Work Requirements Hurt People with Disabilities* (Dec. 16, 2024), https://healthlaw.org/resource/unfit-to-work-how-medicaid-work-requirements-hurt-people-with-disabilities-2.

[44] Arizona Health Care Cost Containment System, *supra* note 41 at 6.

have attempted to offer similar good cause requests, very few people made use of them, suggesting that the option was not widely known or understood.[45] Second, even enrollees who are aware they could make a good cause request may face barriers to applying for an exemption and collecting the documentation they need to prove they meet the exemption criteria.[46] Finally, the bases for a good cause exemption are still overly narrow. For example, an individual can make a request for an exemption based on caregiving responsibilities only if they can demonstrate that an immediate family member has a disability or illness that requires the beneficiary's care, leaving out many individuals whose unpaid caregiving responsibilities do not fit within these parameters.

The inadequate exemption process will disproportionately impact women, who are more likely to require an exemption due to employment barriers. Women, in particular women of color and disabled women, face greater barriers to employment, such as high rates of discrimination, harassment, lack of accommodations for pregnancy or disability, and lack of caregiving support.[47] Inadequate access to childcare and other caregiving services represents a particularly significant barrier to employment for women in Medicaid programs. Among Medicaid enrollees, 19% of women did not work due to caregiving responsibilities, compared to 4% of men.[48] Nearly three in ten (28%) women enrollees with children under the age of 18 were not working due to caregiving responsibilities, seven times the rate among men with children under the age of 18 (4%).[49] And among those working part time, 27% of women (compared to 12% of men) reported that it was due to problems securing childcare or other family obligations.[50] Given these barriers to employment, it therefore unsurprising that women enrolled in Medicaid were less likely to be working than men.[51] In Arizona, where the gender gap in employment among Medicaid enrollees is even more pronounced than it is nationally, 52% of women enrolled in Medicaid were working in 2023, compared to 64% of men.[52] Women are also more likely to be harmed by the narrowness of the exemption in Arizona's proposal: For example, they may be more likely to have caregiving responsibilities that do not fit within the good cause exemption or may face barriers to producing documentation that verifies those responsibilities.

*d. Work requirements do not increase employment.*

While Arizona suggests that its work requirements will incentivize employment for Medicaid enrollees, the evidence demonstrates otherwise. Work requirements are based on the false premise that Medicaid enrollees choose not to work and are taking advantage of the program's benefits—a narrative that is driven by stereotypes based on race, gender, disability, and class. In fact, about two thirds of Medicaid enrollees ages 19-64 already work; the remaining do not work primarily

[45] Harker, *supra* note 27.
[46] Lukens & Zhang, *supra* note 7.
[47] *See, e.g.,* Isabela Salas-Betsch, *Ending Discrimination and Harassment at Work* (Mar. 14, 2024), https://www.americanprogress.org/article/playbook-for-the-advancement-of-women-in-the-economy/ending-discrimination-and-harassment-at-work.
[48] Ivette Gomez et al., *Medicaid Work Requirements: Implications for Low Income Women's Coverage* (Apr. 30, 2025), https://www.kff.org/womens-health-policy/issue-brief/medicaid-work-requirements-implications-for-low-income-womens-coverage.
[49] *Id*.
[50] *Id*.
[51] *Id*.
[52] *Id*. Data is among nonelderly Medicaid enrollees who do not receive benefits from Supplemental Security Income or Social Security Disability Insurance programs and are not also covered by Medicare.

due to caregiving responsibilities, illness or disability, or school attendance.[53] Threatening enrollees' Medicaid coverage actually makes it *more* difficult for them to sustain employment: Access to Medicaid makes it possible for enrollees to get the care and supports they need to be able to work, particularly for those with health conditions and disabilities.[54] Those who are insured are more likely to become and remain employed.[55]

Other states' experiences with Medicaid work requirements demonstrate the policy's failure to incentivize or increase employment. In Arkansas, for example, the work requirement did not result in significant changes to employment while it was in effect.[56] Similarly, work requirements in public benefit programs like Temporary Assistance for Needy Families (TANF)—often used as a model for such requirements in Medicaid—have failed to improve employment rates or move people out of poverty. Research has found that TANF work reporting requirements made little difference in long-term employment rates. Regardless of whether individuals were subject to the requirements, at least 75% of TANF recipients worked by the fifth year of leaving the program.[57] These ineffective requirements came at a cost: The share of families living in deep poverty increased in states with these requirements.[58] The large majority of individuals subject to work reporting requirements remained poor and worked in low-quality, low-wage jobs with high volatility.[59] Requirements in the Supplemental Nutrition Assistance Program (SNAP), which impose time limits on program eligibility conditioned on documentation of work or training, similarly failed to increase employment, while significantly decreasing participation in SNAP.[60] This evidence clearly indicates that work requirements are not only harmful, but also wholly unjustified.

## IV. Additional provisions of Arizona's proposal must be rejected.

In addition to work requirements, Arizona proposes a range of other policies that will harm Medicaid enrollees. First, Arizona seeks authority to ban eligible individuals from enrollment for one year if they "knowingly failed to report a change in family income or made a false statement regarding compliance" with the work requirements.[61] This provision would particularly threaten low-income people with unpredictable, precarious, or fluctuating work—disproportionately women and people of color[62]—who may have frequent, unexpected changes in their income or

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[53] Lukens & Zhang, *supra* note 7.
[54] Machledt, *supra* note 43.
[55] Larisa Antonisse & Rachel Garfield, *The Relationship Between Work and Health: Findings from a Literature Review* (Aug. 7, 2018), https://www.kff.org/medicaid/issue-brief/the-relationship-between-work-and-health-findings-from-a-literature-review.
[56] Harker, *supra* note 27.
[57] LaDonna Pavetti & Ali Zane, *TANF Cash Assistance Helps Families, But Program Is Not the Success Some Claim* (Aug. 2, 2021), https://www.cbpp.org/research/income-security/tanf-cash-assistance-helps-families-but-program-is-not-the-success-some.
[58] *Id*.
[59] *Id*.
[60] Lauren Bauer & Chloe N. East, *A Primer on SNAP Work Requirements* (Oct. 2023), https://www.hamiltonproject.org/wp-content/uploads/2023/10/20231004_THP_SNAPWorkRequirements.pdf.
[61] Arizona Health Care Cost Containment System, *supra* note 41 at 7.
[62] *See supra* note 40.

employment status and would thus be more likely to be subject to the penalty. These fluctuations may be minor—sometimes even too minor to affect their eligibility for Medicaid at all—but the proposed policy offers no threshold for when a failure to report a change in income is grounds for suspension of coverage. Many enrollees may be unaware of the need to update their income or employment information, while others may face barriers to navigating the documentation and verification processes. This proposal is all the more harmful due to its vagueness, with substantial discretion left to the state to determine if an individual who did not report a change in income or work status did so "knowingly," as well as the lack of notice and due process for individuals at risk of losing Medicaid coverage.

Second, Arizona proposes to impose a five-year lifetime limit on coverage for those in the Medicaid expansion population, unless they are subject to an exemption from the work requirements. We have grave concerns with this provision. If approved, it would upend Arizona's Medicaid expansion program in its entirety. Cutting people off from Medicaid access regardless of their eligibility or need would undermine the purpose of Medicaid expansion. It could leave numerous enrollees who are unable to afford private insurance with no options for coverage at all, forcing them to become uninsured. And while the application suggests that this lifetime limit will not be applied to those who qualify for an exemption from the work requirement, these exemptions are, as noted, overly narrow and difficult to navigate—exposing a much larger number of enrollees to this threat of loss of coverage than Arizona's application would suggest.

Finally, Arizona seeks to implement cost-sharing for non-emergency use of the Emergency Department and ambulance transport for certain individuals. This proposal ignores the legitimate reasons why people with low incomes may need to rely on emergency services, including not having a primary care provider, not having sufficient access to public transportation, and living in a rural area where a range of services may be unavailable. Imposing cost-sharing on emergency services punishes people for using health services they may otherwise be unable to access and discourages people from seeking care when they need it.

## V. Conclusion

Arizona's application fails to meet the statutory requirements for § 1115 waivers and would create unwarranted hardships for Medicaid enrollees, harming communities that already face disparities in access to care. We urge CMS to reject it.

We request that the supporting documentation we have made available through direct links in our citations be considered as part of the formal administrative record for purposes of the Administrative Procedure Act. If CMS does not intend to consider these materials part of the record as requested, we ask that you notify us and provide us with an opportunity to submit copies of the studies and articles into the record.

For further information, please contact us at the email address below.

Sincerely,

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