



June 19, 2019

Chief Statistician Nancy Potok
Office of Management and Budget
725 17th St. NW,
Washington, DC 20006

Re: Directive No. 14, "Consumer Inflation Measures Produced by Federal Statistical Agencies"

Dear Ms. Potok,

On behalf of Vitalyst Health Foundation, thank you for the opportunity to respond to the Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies. At Vitalyst Health Foundation, we strive to improve the health of individuals and communities in Arizona. As an independent, non-partisan public foundation, we have been investing in, connecting and serving Arizona's communities for over twenty years. Our success is rooted in five goals: 1) improving access to care and coverage; 2) working with municipal leaders to promote healthy community design; 3) building capacity within community-based organizations; 4) promoting community innovation and collaboration; and 5) increasing civic participation.

We are writing today to express our concerns and opposition to any future changes that may influence the Official Poverty Measure (OPM) in a way that weakens access to services for low-income and vulnerable populations. Such changes would only jeopardize our vision of a future where all individuals and communities in Arizona are healthy and resilient.

While many indicators suggest that Arizona's overall economy has rebounded from the recession, it is important to recognize the significant extent to which Arizonans continue to benefit from public services that are tied to the OPM. Currently, 35% of our state's population earn less than 200% of the Federal Poverty Level – many of whom are utilizing programs such as Medicaid, the Children's Health Insurance Program (CHIP) and the Supplemental Nutrition Assistance Program (SNAP) to assist in meeting their basic needs. The importance of these programs to Arizona's low-income families must not be overlooked. Our Medicaid program (the Arizona Health Care Cost Containment System (AHCCCS)) expanded access to coverage for Arizona's working poor and now covers roughly 1 in 4 Arizonans – the majority of whom are young, elderly and/or disabled. KidsCare, Arizona's version of CHIP, covers 35,000 children and adolescents, and SNAP provides food benefits to roughly 800,000 Arizonans each month.

We see the need for these services across our state on a daily basis. Over the past seven years, Vitalyst has convened the Cover Arizona Coalition to help Arizonans understand their coverage options and enroll in public benefits for themselves and their families. We frequently encounter families of low and moderate means who sit on the edge of eligibility for public programs, earning incomes just within the range to qualify for AHCCCS coverage, Marketplace subsidies and/or food assistance. Should the Office of Management and Budget move forward in a way that reduces the inflation indexes for the OPM, adverse impacts will disproportionately accrue to these families, thereby reducing assistance and risking increases in our number of uninsured and food insecure Arizonans.

The negative impacts of such changes would stretch into Arizona's business industry as well. Given that the OPM is tied to Community Health Centers' funding, access to health care in our most vulnerable

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communities would be threatened. Moreover, recent history reaffirms that drops in insurance coverage are tightly correlated with spikes in uncompensated care provided by the healthcare delivery system. This means that higher rates of uncompensated care could risk the stability of major anchor institutions in our communities. Such outcomes would only hinder progress toward our goal of improving access to care and coverage throughout Arizona.

In summary, we urge the Administration to oppose any efforts that alter the OPM's inflation indexes in ways that threaten access to public benefits. We are greatly concerned that such changes would result in the following outcomes:

1. Arizonans most in-need of Medicaid and CHIP would lose coverage.
2. Arizonans most in-need of food assistance would lose SNAP benefits.
3. Arizonans covered by the Marketplace would lose subsidies and become uninsured.
4. The financial health of Arizona's healthcare delivery system would be harmed.

Vitalyst Health Foundation remains committed to transforming policies, systems and environments to ensure that all Arizonans have the opportunity to be healthy and well. We encourage you take our thoughts and comments into consideration, and we thank you for your time.

Regards,

A handwritten signature in black ink, appearing to read "Suzanne Pfister". The signature is fluid and cursive, written in a professional style.

Suzanne Pfister
President and CEO
Vitalyst Health Foundation