



July 11, 2017

Via email: david_bennett@mccain.senate.gov
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The Honorable John McCain
United States Senate
Russell Senate Office Building
Washington, DC 20510

Dear Senator McCain:

I write to you on behalf of Vitalyst Health Foundation to express continued opposition to the Better Care Reconciliation Act (BCRA), and to offer recommendations on moving forward in a productive manner.

Upon speaking with various stakeholders and examining a variety of analyses, we continue to have serious concerns that the BCRA will disproportionately harm Arizona and our most vulnerable citizens, carving into our state's budget and inflating Arizona's hidden health care tax.

Initial analyses of the BCRA painted an uninviting future for the nation and Arizona, and recent reports, along with public opinion, have further clarified the risks posed by this bill. As written, Arizona would be forced to accept an inadequate financing model, drop Medicaid expansion, and lose \$16 billion due to Medicaid cuts over the next ten years. Ultimately, the BCRA would reduce Medicaid funding by 35%, and more than 400,000 Arizonans would be in jeopardy of losing health coverage. This outlook is the real-world manifestation of a rug being pulled out from under Arizona's economy and its people.

Moving forward, attaining a fiscally stable health care system must begin with a comprehensive analysis of the system's inputs, followed by strategies to streamline each input. Bending the cost curve cannot be achieved solely by reducing federal investment in our citizens. We believe it's time to pause, evaluate the myriad cost-drivers, and collectively pursue a measured way forward.

We are encouraged to see that Senate leadership is interested in additional paths; however, we have yet to see an alternative strategy that protects or advances Arizona. At a minimum, any comprehensive health care reform bill must accomplish the following:

1. Protect the successes of Arizona's Medicaid program, without placing undue burden on the state and its citizens;
2. Further stabilize Arizona's individual insurance market;
3. Sustain Arizona's strong public health system; and
4. Ensure a safe glide path for Arizonans at-risk of losing coverage.

In the absence of a single bill's ability to accomplish these goals, we encourage you to support a stepwise approach toward health care reform, beginning with an emphasis on further stabilizing Arizona's individual insurance market. Recent research and local developments suggest this market is beginning to stabilize and may be a good starting point for future policy wins.

We truly appreciate your thoughtful and deliberate approach in this difficult debate, and trust that you do not want to jeopardize the health and well-being of our state. Please vote no on the current proposal and let's work together to achieve better economic health and support the well-being of our citizenry.

Sincerely,

A handwritten signature in black ink that reads "Suzanne Pfister". The signature is fluid and cursive, written over the printed name and title.

Suzanne Pfister
President and CEO

A CATALYST FOR COMMUNITY HEALTH

