



Herman G. Honanie
Chairman

Alfred Lomahquahu, Jr.
Vice Chairman

July 15, 2014

Wakina Scott, Ph.D.
Division of State Demonstrations and Waivers
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-01-16
Baltimore, MD 21244

SUBJECT: Renewal of Uncompensated Care Payments for Services Provided by Indian Health Services (IHS) and P.L.- 638 Tribal Health Care Facilities under the 1115 Demonstration Waiver Amendment

Dear Dr. Scott,

On behalf of the Hopi Tribe, I strongly support the renewal of the uncompensated care payments provided to Indian Health Services (IHS) and P.L.-638 Tribal Health Care Facilities under the 1115 Demonstration Waiver amendment for services that were limited or eliminated by the State of Arizona. The Waiver amendment will expire on December 31, 2014.

On November 1, 2013, the Arizona State Medicaid system, Arizona Health Care Cost Containment System (AHCCCS) requested an amendment to the State's 1115 Demonstration Waiver. As requested, the amendment would continue its current authority to provide uncompensated care payments through September 30, 2016 to Indian Health Service (IHS) and 638 Tribal facilities for services provided to Medicaid-eligible adults that were eliminated or limited on October 1, 2010. On December 26, 2013, AHCCCS was notified that the amendment was approved by CMS to continue uncompensated care payments but for only one year.

As indicated in the Medicaid section of the 1115 Demonstration Waiver Special Terms and Conditions (STCs), the State of Arizona was required to conduct a performance measures evaluation of the financial impacts the uncompensated care payments had on IHS and 638 Tribal facilities. The evaluation was conducted and the results of the evaluation revealed that payments made by AHCCCS under this authority have been critical in maintaining an appropriate level of health care delivery for current and future Medicaid beneficiaries through IHS and 638 Tribal health care facilities. The responses to the evaluation survey show these payments warded off staffing reductions and elimination of services, which would have severely impacted an already fragile delivery system that provides critical care for a population struggling to overcome healthcare disparities.

Hopi tribal members are considered highly disadvantaged under the State and National unemployment rates and experience an even higher percentage of uninsured tribal members. These tribal members have only the limited IHS benefits to rely upon without additional healthcare coverage. On the Hopi

Reservation, the high percentage of poverty and unemployment clearly indicates that without the renewal of the uncompensated care payments, the likely impact upon our tribal members will be disproportionately greater than upon the general public. Without reimbursement, the burden on the IHS system will increase substantially and disproportionately across the board.

For the reasons stated, the Hopi Tribe urges the prompt renewal of the 1115 Demonstration Waiver and uncompensated care payments for an indefinite period of time.

Sincerely,

A handwritten signature in black ink, appearing to read "Herman Honanie", written in a cursive style.

Herman Honanie, Chairman/CEO
Hopi Tribe

Copy: DCHS
Executive Director
Indian Health Service