

Arizona Center for Rural Health

State Office of Rural Health

Webinar Series



THE UNIVERSITY OF ARIZONA
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Webinar notes:

Audience is muted during the presentation.

Please enter your questions into the chat box.

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Webinar is being recorded.

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AzCRH www.crh.arizona.edu



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Land Acknowledgement

We respectfully acknowledge the University of Arizona is on the land and territories of Indigenous peoples. Today, Arizona is home to 22 federally recognized tribes, with Tucson being home to the O'odham and the Yaqui. The University strives to build sustainable relationships with sovereign Native Nations and Indigenous communities through education offerings, partnerships, and community service.



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Impacts and Opportunities for Arizona: Understanding House Resolution 1 (“Big Beautiful Bill”) and Rural Health



In support of improving patient care, this activity has been planned and implemented by the Arizona Center for Rural Health and the WRPHTC. The WRPHTC is jointly accredited by the Accreditation Council for Continuing Medical Education (ACCME), the Accreditation Council for Pharmacy Education (ACPE), and the American Nurses Credentialing Center (ANCC), to provide continuing education for the healthcare team through November 2025. This activity was planned by and for the healthcare team, and learners will receive **1.0 Interprofessional Continuing Education (IPCE)** credits for learning and change.

The planners and speakers for this event have no conflicts of interest to disclose



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Introduction to HR1

Leila Barraza, JD, MPH
Professor, Mel and Enid Zuckerman College of Public Health,
University of Arizona



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H.R. 1- One Big Beautiful Bill Act (OBBBA)

139 STAT. 72

PUBLIC LAW 119-21—JULY 4, 2025

Public Law 119-21
119th Congress

An Act

July 4, 2025
[H.R. 1]

To provide for reconciliation pursuant to title II of H. Con. Res. 14.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Table of contents.

TITLE I—COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Subtitle A—Nutrition

- Sec. 10101. Re-evaluation of thrifty food plan.
- Sec. 10102. Modifications to SNAP work requirements for able-bodied adults.
- Sec. 10103. Availability of standard utility allowances based on receipt of energy assistance.
- Sec. 10104. Restrictions on internet expenses.
- Sec. 10105. Matching funds requirements.
- Sec. 10106. Administrative cost sharing.
- Sec. 10107. National education and obesity prevention grant program.
- Sec. 10108. Alien SNAP eligibility.

Subtitle B—Forestry

- Sec. 10201. Rescission of amounts for forestry.

Subtitle C—Commodities

- Sec. 10301. Effective reference price; reference price.
- Sec. 10302. Base acres.
- Sec. 10303. Producer election.
- Sec. 10304. Price loss coverage.
- Sec. 10305. Agriculture risk coverage.



Source: <https://rollcall.com/2025/07/04/trump-signs-budget-bill-july-fourth/>



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Legislative History

5/22/25: House passed a version of H.R. 1-
vote of **215 Yays -214 Nos (1 present)**

7/1: Amended version passed the U.S. Senate-
51-50

7/1: House passed motion that the House
agree to the Senate amendment- **218 - 214**

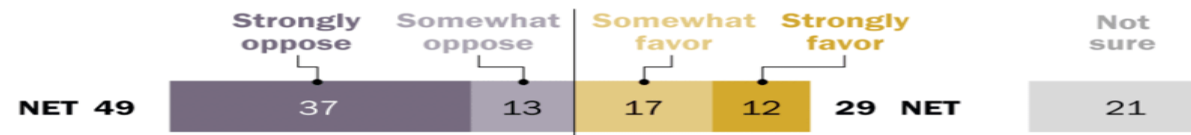
7/4: President Trump signed OBBBA into law



Public Opinion

More Americans oppose than favor the GOP's sweeping tax and budget bill

% who ____ the budget and tax bill proposed by Donald Trump and Republicans in Congress



% who say the budget and tax bill would have ...



% who say the budget and tax bill would ...



Note: No response answers are not shown.

Source: Survey of U.S. adults conducted June 2-8, 2025.

PEW RESEARCH CENTER



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CBO Estimates

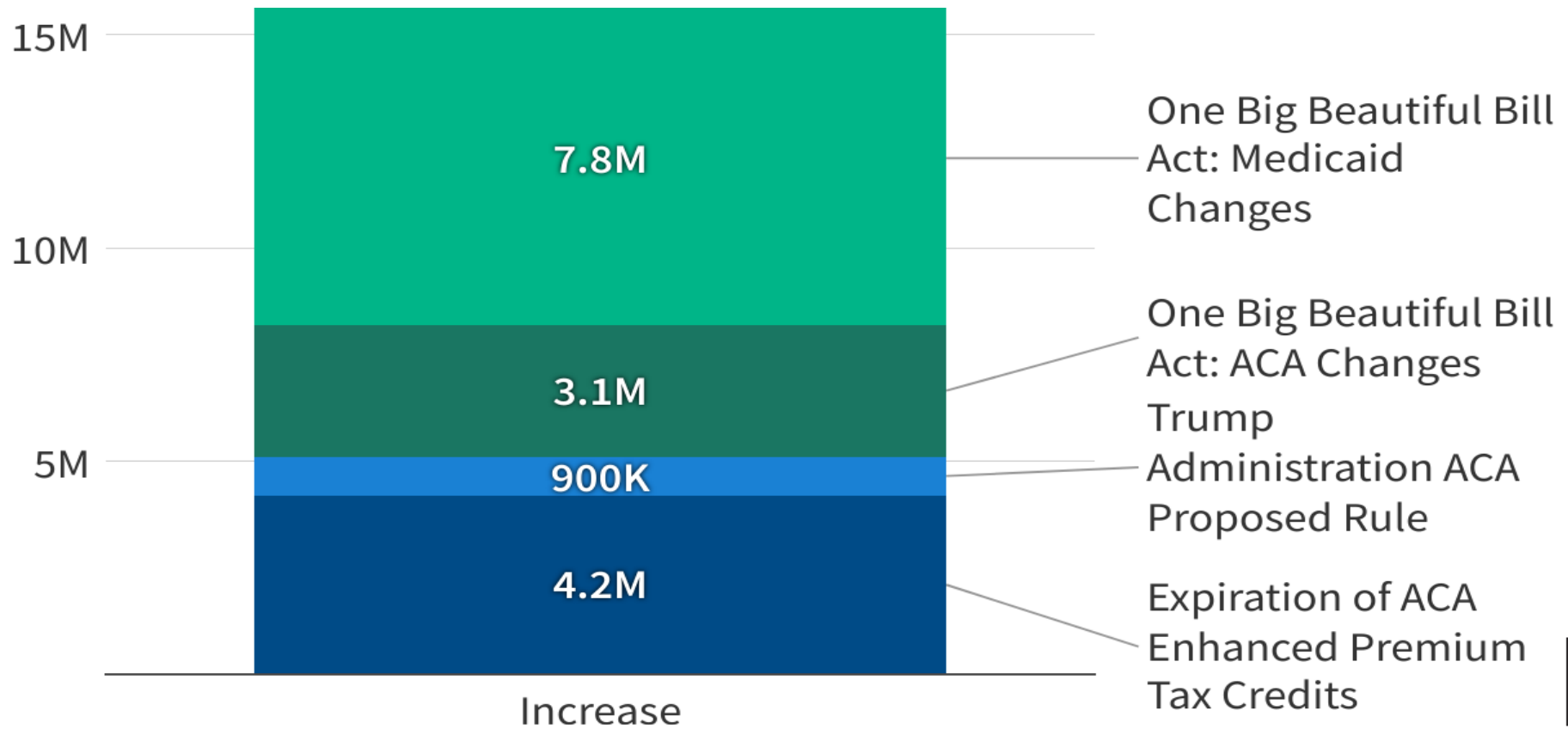
*“CBO estimates that Public Law 119-21 will result in a **net increase in the unified budget deficit totaling \$3.4 trillion over the 2025-2034 period**, relative to CBO’s January 2025 baseline updated to reflect enacted legislation. That increase in the deficit is estimated to result from a decrease in direct spending of \$1.1 trillion and a decrease in revenues of \$4.5 trillion.” (Emphasis added.)
July 21, 2025*



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Impact of the OBBBA: Increase in the Number of Uninsured People, by Cause, 2034



Note: ACA Changes in One Big Beautiful Bill accounts for decreases due to the interaction effects. The Trump administration ACA proposed rule refers to the Marketplace Integrity and Affordability rules proposed by CMS in March 2025. Half of the impact of the proposed rule is considered in the baseline while the other half is included in the ACA Changes portion.

Source: [Congressional Budget Office \(CBO\) Estimates](#)



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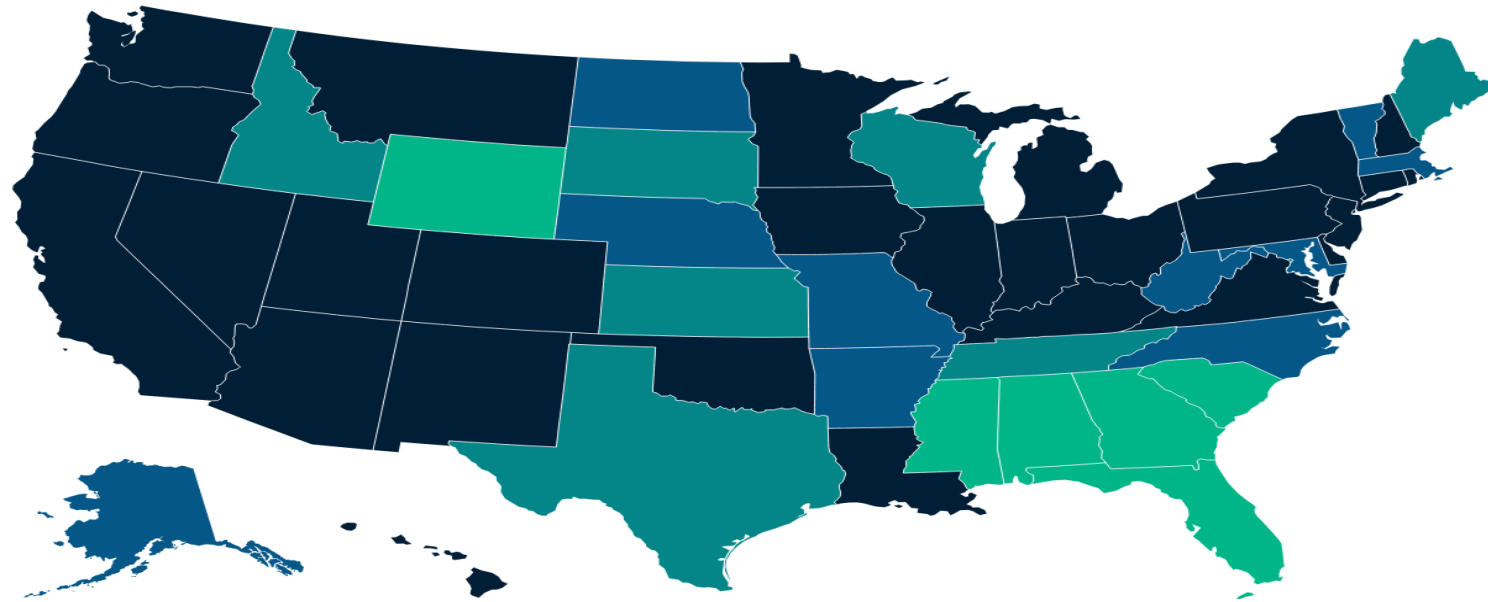
KFF

Figure 3

Federal Medicaid Cuts in the Enacted Reconciliation Package, By State

As a % of 10-year baseline federal spending (2025-2034)

■ < 7% ■ 7%–10% ■ 10%–13% ■ ≥ 13%



Note: \$911 billion in federal Medicaid spending cuts over the 10-year period is allocated across states, including \$79B in estimated Medicaid spending interactions. See Methods in "Allocating CBO's Estimates of Federal Medicaid Spending Reductions Across the States: Enacted Reconciliation Package" for more details.

Source: KFF analysis of CBO estimates of the enacted reconciliation package

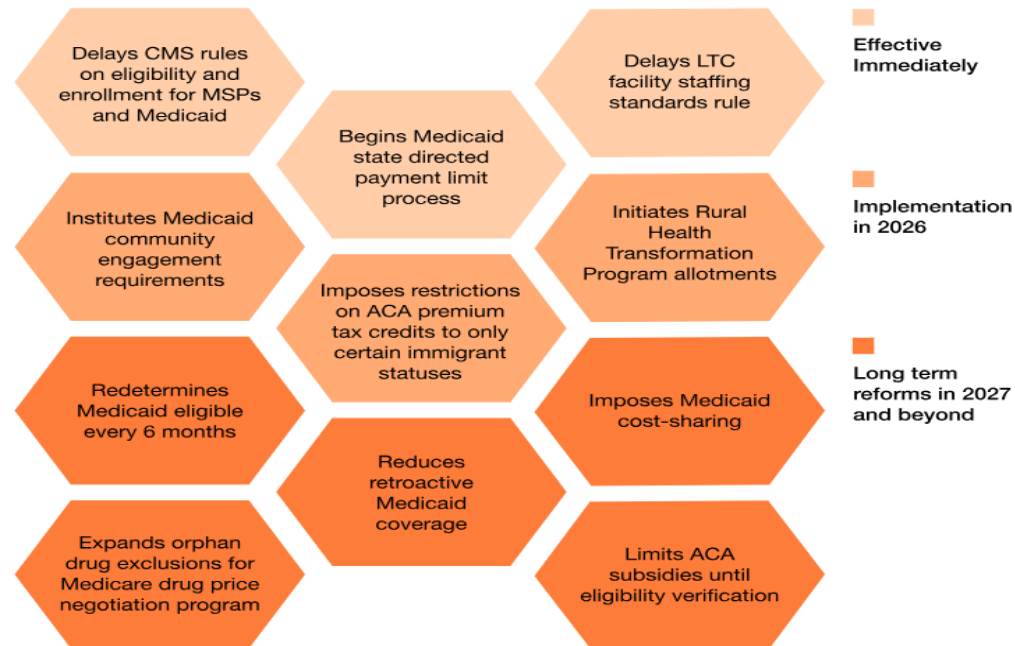
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Timeline

Key Medicaid and ACA policy changes under proposed legislation*



*Highest-cost provisions in the CBO score



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Medicaid Work Requirements

Figure 2

Proposed Qualifying Activities and Exemptions

Qualifying Activities	Mandatory Exemptions	Optional Hardship Exceptions
<ul style="list-style-type: none">• 80 hours per month of work, community service, and/or "work program" participation• Enrolled in education at least half time• Any combination of the above totaling 80 hours per month• Monthly income of minimum wage multiplied by 80 hours• Seasonal workers with an average monthly income over 6 months of minimum wage multiplied by 80 hours	<ul style="list-style-type: none">• Parent/guardian/caretakers of dependent children under age 13 or disabled individuals• Pregnant or receiving postpartum coverage• Foster youth/former foster youth under age 26• Medically frail• Participating in SUD program• Meeting SNAP/TANF work requirements• American Indians and Alaska Natives• Disabled veterans• Incarcerated or released from incarceration within 90 days• Entitled to Medicare Part A/enrolled in Medicare Part B	<p>State option to allow short-term hardship exceptions, for an individual who...</p> <ul style="list-style-type: none">• was in an inpatient hospital, nursing facility, intermediate care facility, or inpatient psychiatric hospital• resided in a county with a federally-declared emergency or disaster• resided in a county with a high unemployment rate (above 8% or 1.5x the national unemployment rate), subject to a request from the state to the Secretary• traveled outside of the individual's community for an extended period for medical care for themselves or for their dependent

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SNAP

SEC. 10102. MODIFICATIONS TO SNAP WORK REQUIREMENTS FOR ABLE-BODIED ADULTS.

(a) Exceptions.--Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o)) is amended by striking paragraph (3) and inserting the following:

“(3) Exceptions.--Paragraph (2) shall not apply to an individual if the individual is--

“(A) under 18, or over 65, years of age;

“(B) medically certified as physically or mentally unfit for employment;

“(C) a parent or other member of a household with responsibility for a dependent child under 14 years of age;

“(D) otherwise exempt under subsection (d)(2);

“(E) a pregnant woman;

“(F) an Indian or an Urban Indian (as such terms are defined in paragraphs (13) and (28) of section 4 of the Indian Health Care Improvement Act); or

[[Page 139 STAT. 82]]

“(G) a California Indian described in section 809(a) of the Indian Health Care Improvement Act.”.



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Opportunities

- Permanent extension of safe harbor for high-deductible health plans to offer first dollar coverage for telemedicine
- One year increase for the Medicare physician fee schedule conversion factor (2.5%)
- Rural Health Transformation Program Funding





How H.R. 1 Affects Rural Health in Arizona

OBBBA = One Big Beautiful Bill Act, also known as H.R. 1



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09/18/2025 Dan Derksen, MD

Rural Health Transformation Program (RHTP)

- H.R. 1 (aka OB3) Title VII, Sec. 71401 RHTP
- **\$10B/yr X 5 yrs** half evenly distributed to each state **\$100M/yr**
- CMS NOFO released 9/15/2025
- Governor's Office will lead Arizona's RHTP Plan Development
- State RHTP Plan due to CMS by 11/5/2025
- CMS must approve or deny a state plan by 12/31/2025

AHCCCS Arizona Health Care Cost Containment System
CMS Centers for Medicare & Medicaid Services
NOFO Notice of Funding Opportunity
RFI Request for Information

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Arizona Rural Health Transformation Program Toolkit

The One Big Beautiful Bill Act (OBBBA) was signed into law 7/4/25. Title VII, Sec. 71401 Rural Health Transformation Program. **RHTP** allocates *\$10 billion per year for five fiscal years 2026-30*. Half will be distributed to states equally, \$100 million (CMS) of each state's RHTP Plan.

<https://crh.arizona.edu>

The Governor's Office leads Arizona's response to the RHTP opportunity. CMS posted the notice of funding opportunity to states on 9/15/25 2025. States must submit their RHTP Plan by 11/5/2025. CMS must approve or deny state proposals by 12/31/25. States must submit an annual expenditure report (Fed FY: Oct 1 to Sept 30). States cannot use RHTP funding to finance the non-federal Medicaid match requirement. Administrative costs must be <10% of a state's RHTP allotment.

Rural Health Transformation Program Notice of Opportunity

Notice of Funding Opportunity from Centers for Medicare and Medicaid Services

Application due November 5, 2025

LEARN MORE ABOUT THE NOFO

Arizona Request for Information

STATE OF ARIZONA RFI

Rural Health Transformation Program Policy Brief

READ THE BRIEF



What is Rural?

Defining Rural: Arizona's Rural Health Transformation Program Opportunity

Arizona Critical Access Hospitals (CAHs)

Critical Access Hospitals and Rural Health Transformation Program Opportunities



Arizona Profile - Overview



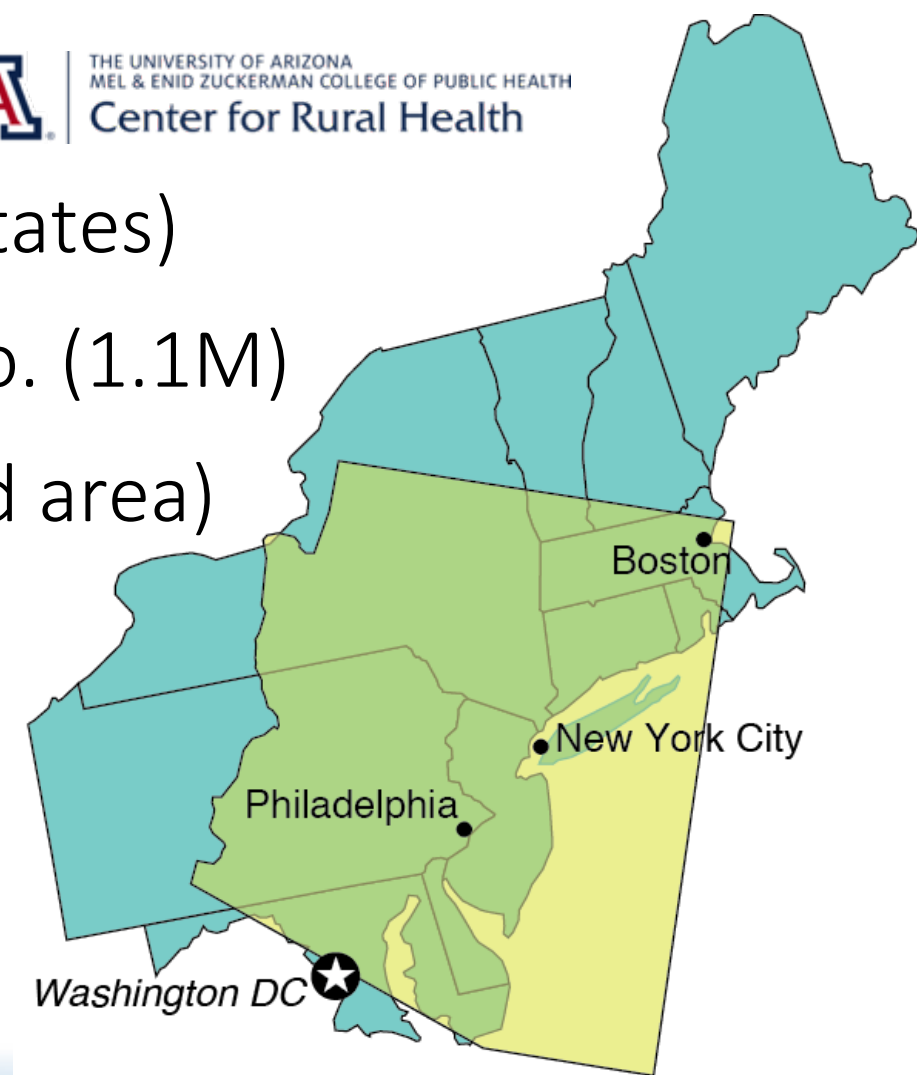
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2024 AZ Pop. 7.6 Million (#14 in pop. of the states)

60% live in Maricopa Co. (4.6M), 15% Pima Co. (1.1M)

15 AZ Counties span 114,000 sq mi (#6 in land area)

27% AZ Land is Tribal



Pop Data 2024: <https://www.census.gov/quickfacts/AZ>

Land Area: <https://www.census.gov/geographies/reference-files/2010/geo/state-area.html>

Arizona's Land Area is > 6 New England
States Combined: CT, ME, NH, MA, RI, VT

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RURAL & SAFETY NET HEALTH FACILITIES IN ARIZONA

Design: Ann Garn (Updated 8/22/25)

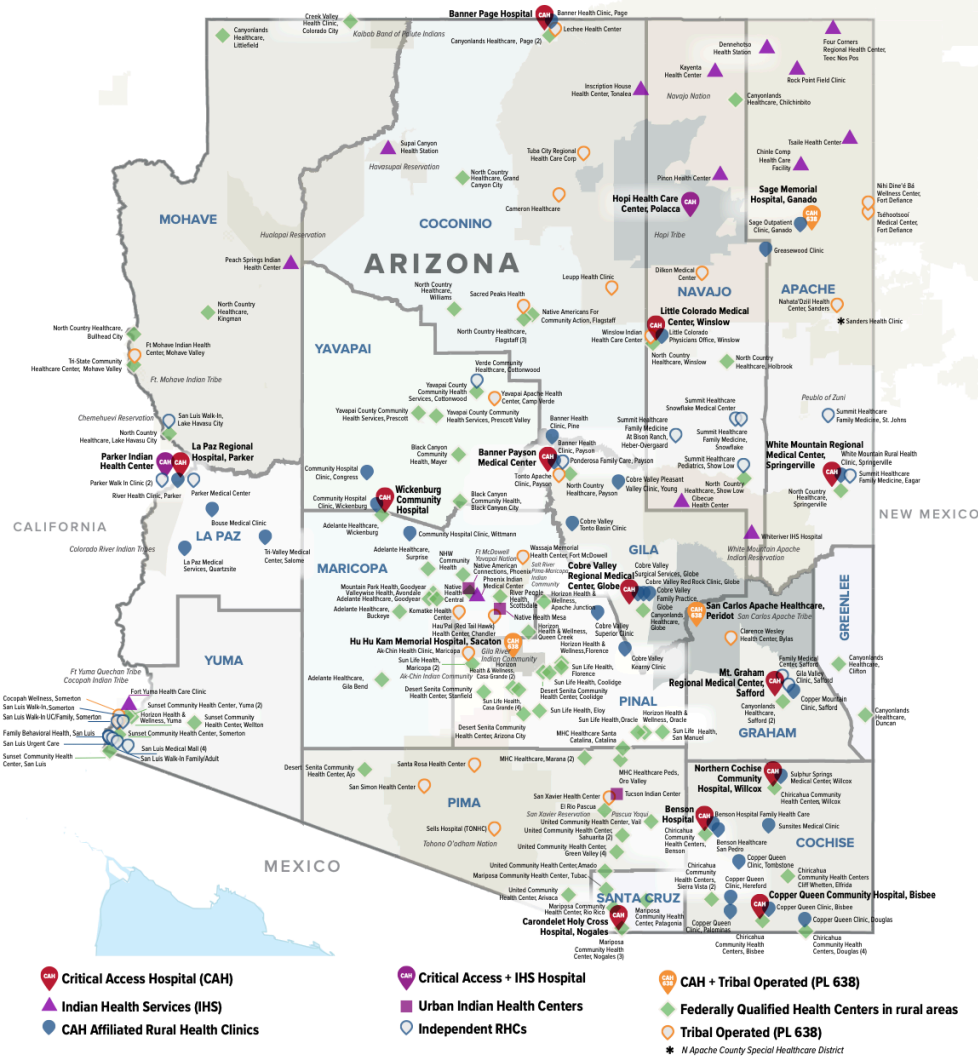


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Frayed Strands of Arizona's Rural Health Safety Net:

- 17 Critical Access Hospitals
- 54 Rural Health Clinics (RHCs), 31 CAH-affiliated
- 26 Health Centers operating 175 FQHC Sites
- 16 Indian Health Service IHS hospitals, clinics
- 28 Tribal-operated (P.L. 638) hospitals, clinics

Map: <https://crh.arizona.edu/sites/default/files/2025-08/250822SN2025Map.pdf>



About This Map

This map intends to inform the efforts of the ACRH and rural healthcare partners statewide. Only selected rural and safety net facilities are included. Many of these facilities are served by federal and state funded projects at the ACRH. These facilities have definitions and criteria established by federal health policy to meet the needs of rural and underserved populations. They also may have geographic, population service, and clinical service requirements. This list is not exhaustive of health facilities in Arizona. More information about this map can be found on our website.



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Center for Rural Health

Dan Derksen MD, Director
Jill Bullock, Associate Director

Phoenix and Tucson
Federally Qualified Health Centers

Design: Ann Garn (Updated 7/28/25)



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Health Insurance Coverage: ACA Marketplace

Arizona enrolled a record 423,025 in ACA Marketplace plans 2025.

Marketplace tax credits expire in 12/31/25

>150,000 Arizonans lose coverage in CY 2026

Why? Premiums will double to triple, shortened open enrollment, 90% reduction in eligibility & enrollment navigator assistance funding.

ACA = Affordable Care Act

CY = Calendar Year

OBBBA = One Big Beautiful Bill Act

*KFF Feb 2025: Marketplace estimated premium cost increases by state and legislative district, accessed 7/10/25 at:

<https://www.kff.org/affordable-care-act/issue-brief/congressional-district-interactive-map-how-much-will-aca-premium-payments-rise-if-enhanced-subsidies-expire/>

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Health Insurance Coverage: OBBBA Cuts

Federal cuts to Arizona's **Medicaid** programs (\$34B over 10 yrs) could trigger:

250,000 to >450,000 losing AHCCCS coverage by 2027-28

Medicaid + ACA cuts will cause AZ's 750,000 uninsured today to skyrocket to:

> 1,250,000 Arizona uninsured by 2027-28

KFF Estimated Fed funding Cut: <https://www.kff.org/medicaid/issue-brief/allocating-cbos-estimates-of-federal-medicaid-spending-reductions-across-the-states-enacted-reconciliation-package/>

KFF Est: <https://www.kff.org/affordable-care-act/issue-brief/how-will-the-2025-reconciliation-bill-affect-the-uninsured-rate-in-each-state-allocating-cbos-estimates-of-coverage-loss/>

ACA = Affordable Care Act; AHCCCS = Arizona's Health Care Cost Containment System, aka Arizona's Medicaid Program; OBBBA One Big Beautiful Bill Act



Who Benefits the Most from OBBBA?

Top 1% Income Threshold = \$916,900

$\$916,900 / 2,080 = \$440.82 / \text{hr}$ about 58 times the FPL of \$15,650 (\$7.52/hr)

Tax Benefit to the Top 1% Income over 10 yrs: \$1 Trillion

Est. “Savings” of Cutting Medicaid over 10 yrs: almost \$1 Trillion

Avg Tax Benefit to Top 1%: \$66,000 which is about 3X the Medicaid expansion income threshold of \$21,597

Top 1%: Institute on Taxation & Economic Policy : <https://itep.org/gop-megabill-breaks-americas-promise-future-generations/>
CBO = Congressional Budget Office at: <https://www.kff.org/medicaid/issue-brief/allocating-cbos-estimates-of-federal-medicaid-spending-reductions-across-the-states-senate-reconciliation-bill/>
FTE = Full Time Equivalent at: <https://www.indeed.com/hire/c/info/full-time-equivalent>
FPL = Federal Poverty Level at: <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>
OBBBA = One Big Beautiful Bill Act



Daniel Derksen, MD, is the University of Arizona Health Sciences Associate Vice President for Rural Health Workforce Development Initiatives. He is a Professor in the Zuckerman College of Public Health with joint appointments in the Colleges of Medicine and Nursing. He directs the Arizona Center for Rural Health (AzCRH) and the state and federally designated and funded State Office of Rural Health.

His current activities include informing legislative, regulatory and program policy to improve access to health care and health insurance coverage; developing, implementing and evaluating community based experiential health professions training sites; and working to assure a well-trained and distributed health workforce to meet the health needs of all Arizonans.

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See Arizona Center for Rural Health (AzCRH) Health Workforce Data Resources: <https://crh.arizona.edu/>

08/07/2025 Dan Derksen, MD