

# WELCOME !

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# 2/17/26

## Arizona Rural & Public Health Policy Forum

Tuesday, February 17, 2026 | 9:30 am - 5:00 pm  
Virginia G. Piper Auditorium  
600 E. Van Buren Street  
Phoenix, AZ



THE UNIVERSITY OF ARIZONA  
MEL & ENID ZUCKERMAN COLLEGE OF PUBLIC HEALTH  
**Center for Rural Health**



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



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Signed into law 7/4/2025; 870 pages

## Congressional Budget Office (CBO) Estimated H.R. 1 Cuts:

\$3.7 Trillion **tax cuts** from 2025-34; \$1T to top 1% income

\$1 Trillion cuts to Medicaid, ACA Marketplace, SNAP

- \$911 B cuts Medicaid in U.S. over 10 yrs
- \$34 B cuts to AHCCCS in Arizona over 10 yrs

CBO 6/18/25: <https://www.cbo.gov/system/files/2025-06/hr0001-dynamic-estimate.pdf>

KFF 7/23/25: <https://www.kff.org/medicaid/allocating-cbos-estimates-of-federal-medicaid-spending-reductions-across-the-states-enacted-reconciliation-package/>

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# ACA Marketplace Tax Credits Not Extended

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

Marketplace tax credits expired 12/31/25

70,000 fewer AZ ACA enrollees 1/2026 compared to 1/2025

## Why are Arizonans dropping ACA in 2026?

Premiums, out of pocket cost of co-pays, deductibles skyrocketing  
AZ experiencing >150% increase\*

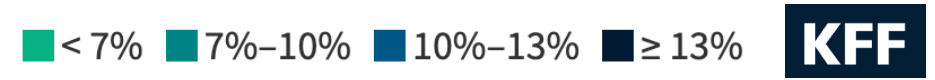
ACA = Affordable Care Act

OBBBA = One Big Beautiful Bill Act

\*KFF Nov 2025: <https://www.kff.org/affordable-care-act/mapping-the-uneven-burden-of-rising-aca-marketplace-premium-payments-due-to-enhanced-tax-credit-expiration/>

# Federal Medicaid Cuts in the Enacted Reconciliation Package, By State

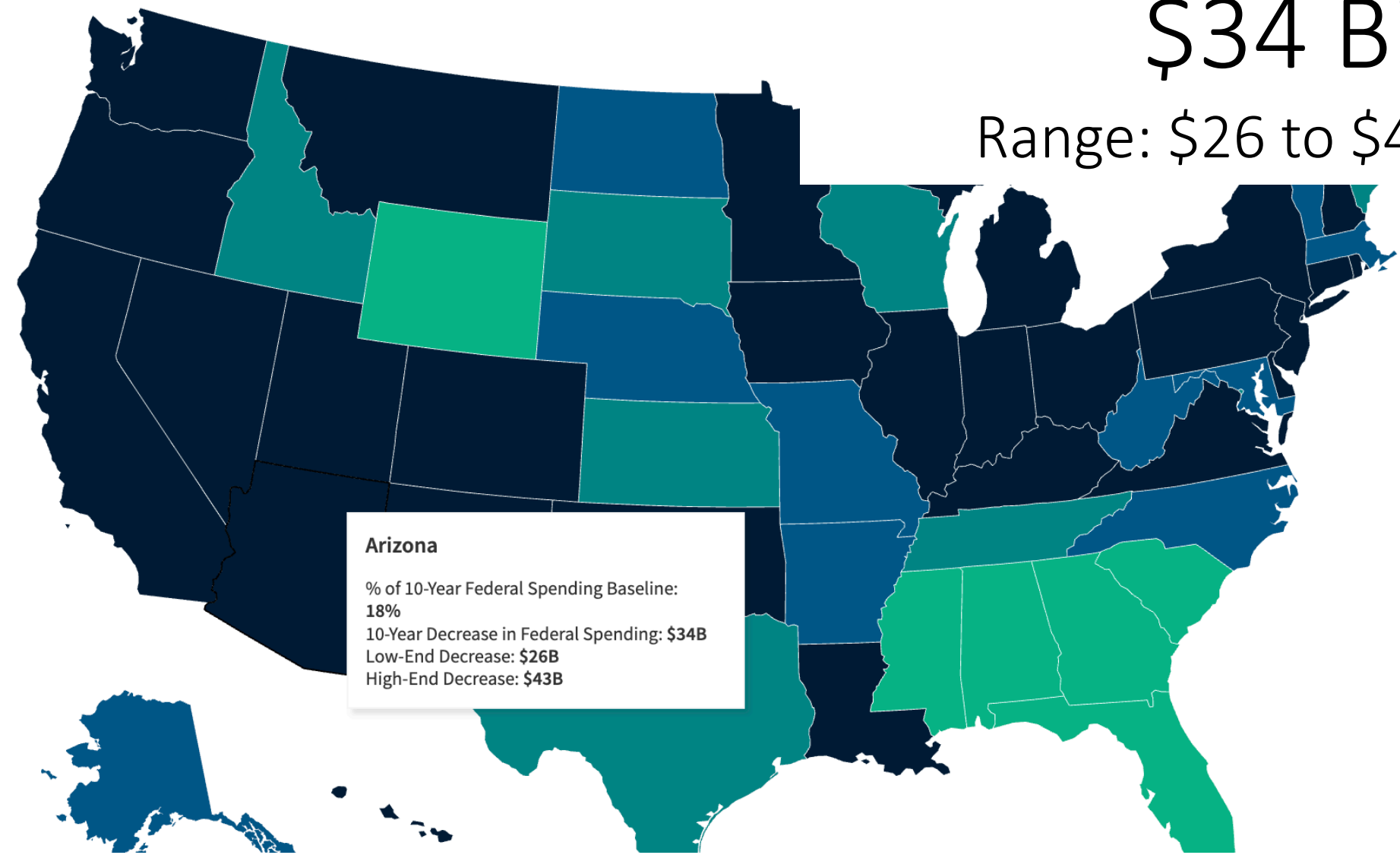
As a % of 10-year baseline federal spending (2025-2034)



## Est. 10-Yr Decrease in AZ Federal Support

# \$34 Billion

### Range: \$26 to \$43 Billion (KFF)



**Arizona**  
% of 10-Year Federal Spending Baseline:  
**18%**  
10-Year Decrease in Federal Spending: **\$34B**  
Low-End Decrease: **\$26B**  
High-End Decrease: **\$43B**



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# An Additional 10M People Nationwide Could be Uninsured in 2034 Due To The Budget Reconciliation Package

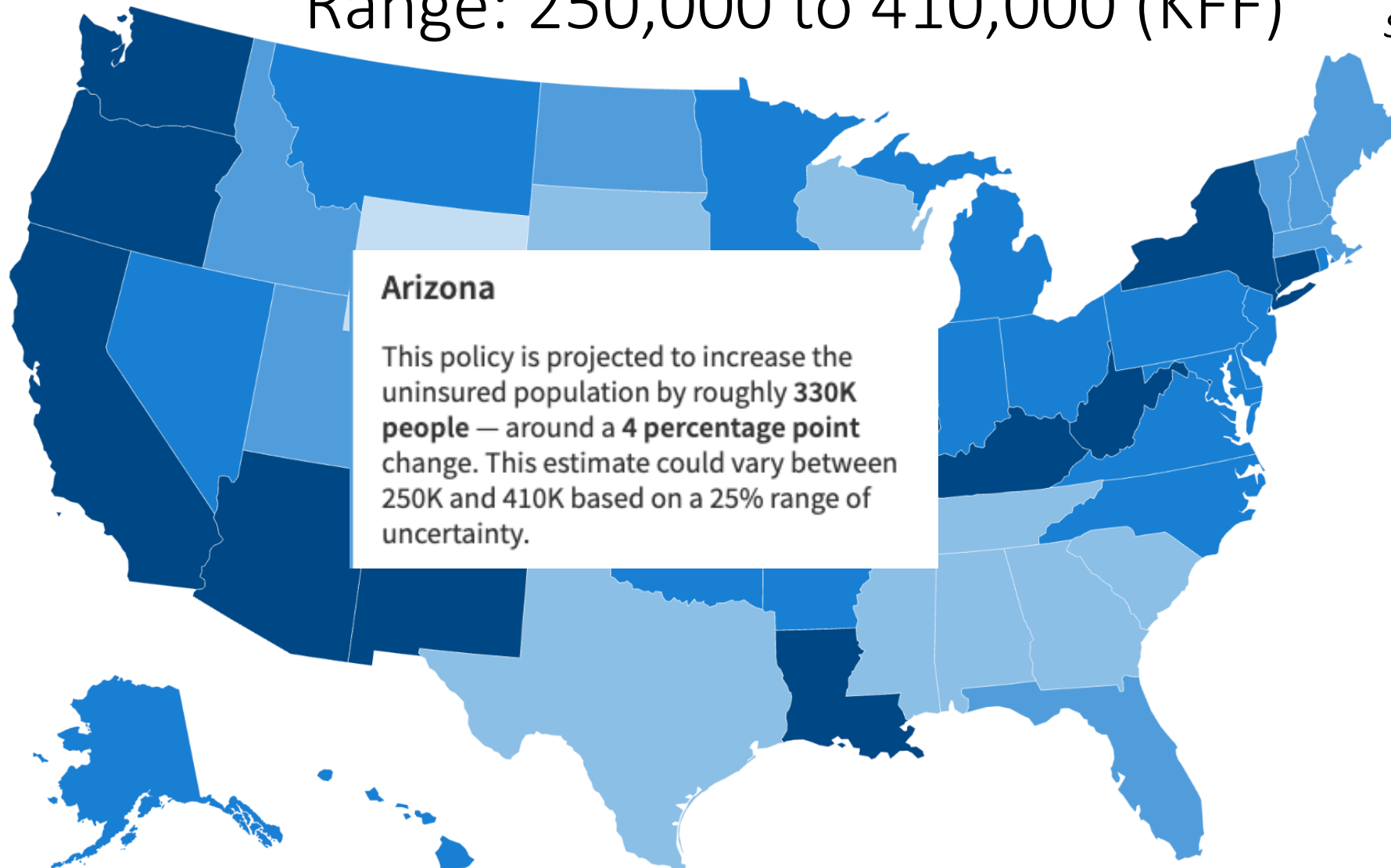
Percentage Point Increase in the Uninsured Population due to the Budget Reconciliation package (formerly known as the "One Big Beautiful Bill Act") Based on National CBO Estimates, by State

Percentage Point Increase

1 2 3 4

## Est. 10-Yr Increase in Arizona Uninsured Range: 250,000 to 410,000 (KFF)

KFF



**Arizona**  
This policy is projected to increase the uninsured population by roughly **330K people** — around a **4 percentage point** change. This estimate could vary between 250K and 410K based on a 25% range of uncertainty.

*My take: You don't save money throwing people off Medicaid via onerous redetermination processes – you just shift costs to states, families and health providers - and you worsen health outcomes*

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



Who Loses in H.R. 1 Medicaid Cuts in 2027? 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 ACORH 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 ACORH. 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 services requirements. This list is not exhaustive of health facilities in Arizona. More information about this map can be found on our website.



# Rural Health Transformation Program (RHTP)

- H.R. 1 Title VII, Sec. 71401 RHTP, 17 pages
- **\$10B/yr X 5 yrs:** half (**\$100M/yr**) evenly distributed to all states
- Mandatory fed budget appropriation to CMS (like Medicare)

# Arizona Rural Health Transformation Program (AZ RHTP)

- Governor's Office, leads Arizona's RHTP
- 11/05/2025 AZ RHTP Plan submitted to CMS (\$200 M/yr X 5 = \$1B)
- 12/29/2025 CMS Approved: AZ \$167M
- Ranked 22<sup>nd</sup> in amt. per rural resident; but 6<sup>th</sup> lowest of states total
- Arizona: 10.8% pop. lives in rural areas; U.S.: 20%

# Arizona Rural Health Transformation Program (AZ RHTP)

- AZ submitted revised RHTP budget & narrative to CMS 1/30/2026
- CMS has 30 days to approve AZ RHTP revised plan and budget
- Once approved, NOFOs / RFPs Est. Mar-Apr via OEO, AHCCCS, ADHS
- 30- to 90-day turnaround from RFP release to submission deadline

# Arizona RHTP Revised 1/30/2026\*

% total budget, \$ amount, priority area, state agency:

- I. Total: 28% (\$47 M) Rural Health Ed, Training (OEO)
  - a. 19% (\$32 M) Rural Education & Training Expansion
  - b. 5% (\$8 M) Rural Practice Incentives
  - c. 3% (\$5 M) Upskilling, Residency Support, Training Capacity Grants
  - d. 1% (\$2 M) AZ Health Workforce Project, Innovation Learning Network
- II. Total: 16% (\$27 M) Priority Rural Health Grants
  - a. 6% (\$10 M) Behavioral Health, SUD (AHCCCS)
  - b. 3% (\$5 M) Maternal Health: (ADHS)
  - c. 7% (\$12 M) Chronic Disease: (ADHS)

OEO Office of Economic Opportunity; AHCCCS Arizona Health Care Cost Containment System; ADHS Arizona Department of Health Services

\*Revised AZ RHTP Plan & Budget submitted to CMS 1/30/2026; pending CMS review & approval within 30 days

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# Arizona RHTP Revised 1/30/2026\* THE UNIVERSITY OF ARIZONA MEL & ENID ZUCKERMAN COLLEGE OF PUBLIC HEALTH Center for Rural Health

% total budget, \$ amount, priority area, state agency:

III. Total: 23% (\$38 M) Making Rural Health Accessible: (AHCCCS)

- a. 10% (\$17 M) Telehealth, Digital Transformation, Care Coordination
- b. 13% (\$21 M) Rural Health Innovative Care Pilot Program

IV. Total: 23% (\$38 M) Making Rural Health Resilient (AHCCCS)

- a. 18% (\$30 M) Med Dx Equip, Tech, EHR Upgrades, Data Sharing
- b. 3% (\$5 M) Shared Service Consortia
- c. 2% (\$3 M) Technical Assistance for Operational & Fiscal Performance

IDC Cap: 10% (\$17 M) Cap: 3% state agency + 7% sub-awardee

AHCCCS Arizona Health Care Cost Containment System

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**Daniel Derksen, MD**, is the University of Arizona Health Sciences Associate Vice President for Rural Health Workforce Development Initiatives. He is a Professor of Public Health in the Mel and Enid Zuckerman College of Public Health with joint appointments in the Colleges of Medicine and Nursing. His current service, education and research activities include informing legislative, regulatory and program policy to improve access to health care and health insurance coverage; narrowing health disparities; 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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