The Honorable Secretary Sebelius Secretary, U.S. Department of Health and Human Services 200 Independence Avenue, S.W., Room 120-F Washington, D.C. 20201

Dear Secretary Sebelius,

The undersigned organizations write to express our concerns about a Section 1115 demonstration proposal that was submitted by the state of Arizona on January 25, 2011. The proposal requests permission to waive the maintenance of effort requirement set forth in section 1902(gg) of the Social Security Act and the Transitional Medical Assistance provisions in sections 1902(a)(52) and (e)(1).

We do not believe that waiving these provisions in order to allow the state to eliminate health coverage for 280,000 people is an appropriate exercise of 1115 waiver authority. Section 1115 authorizes "experimental, pilot or demonstration projects" that are "likely to assist in promoting the objectives" of Medicaid. We believe that Section 1115 demonstration projects should test and evaluate new and innovative approaches to providing health care to Medicaid beneficiaries and other low-income persons. We do not believe that eliminating coverage for 280,000 persons is consistent with 1115 authority as it would not promote the objectives of Title XIX nor would it provide an opportunity to test any reasonable hypothesis about providing or improving coverage.

Thank you very much for considering our views on this matter.

AFSCME American Academy of Pediatrics American Association on Health and Disability American Music Therapy Association ANCOR Bazelon Center for Mental Health Law Caring Ambassadors Program Center on Budget and Policy Priorities Children's Defense Fund Community Access National Network (CANN) Community Catalyst Easter Seals Families USA First Focus Georgetown University Center for Children and Families Harlem United Community AIDS Center HIV Medicine Association NACBHDD NAMI (National Alliance on Mental Illness) National Association of Community Health Centers

National Council for Community Behavioral Healthcare National Council on Aging National Disability Rights Network National Down Syndrome Congress National Women's Law Center Natl. Assoc for Children's Behavioral Health Planned Parenthood Federation of America Project Inform Service Employees International Union The Arc of the United States Treatment Access Expansion Project United Cerebral Palsy