FISCAL RELIEF TO STATES AND FAMILIES

- **Loosen the restrictions on state budget relief funds in the CARES Act** to allow more flexibility for states to address budget shortfalls caused by a decline in state tax revenue. While providing flexibility, ensure funds are used as intended through the maintenance of effort (MOE) requirements for public education and health funding.

- **Provide additional fiscal relief to states** so that they do not have to make deep cuts to public education, healthcare, and critical social services that will hurt children and families already pushed to the edge. The Arizona Joint Legislative Budget Committee (JLBC) has released preliminary estimates that Arizona will have a $1.1 billion shortfall by next fiscal year. If revenue shortfalls continue to grow, more fiscal relief will be needed.

- **Expand stimulus payments to individuals** who filed 2018 and 2019 taxes under an ITIN and their children. “Recovery Rebates” are a special tax credit for working Americans. Immigrant taxpayers play a pivotal role in our economy and deserve the same considerations as those who were born in this country.

CHILD CARE

- **Increase fiscal support dedicated to childcare** to a total of $50 billion to offer immediate relief to providers, educators, and families during this crisis. This funding must include enough flexibility to address the needs of communities and families for the duration of this crisis while still maintaining strong health and safety requirements that are especially important in the context of the COVID-19 pandemic.

- Monies should be used to eliminate copayments and tuition for families during the crisis, to fund essential duty pay for childcare workers who work during the crisis, and to provide continued payments to providers.

- **Provide support and technical assistance to childcare providers** to navigate the small business loan application processes.
HEALTH

• Increase the federal match rate for Medicaid by a full 12% (an additional 5.8%) and extend the increase beyond the public health emergency to absorb growing demand for services during the subsequent economy recovery period. Increasing the FMAP by a full 12% would bring much needed additional funding to bolster Arizona’s health care system and support increased caseloads in Arizona’s Medicaid Program (AHCCCS).

• Continue the Medicaid maintenance of effort (MOE) provisions outlined in the Families First Coronavirus Response Act and extend these provisions to state CHIP programs, so that Arizonans participating in AHCCCS and KidsCare can maintain access to lifesaving health care.

• Delay implementation of Medicaid Fiscal Accountability Reform (MFAR). If the current proposed MFAR rule is implemented, Arizona’s Medicaid agency (AHCCCS) could face a budget deficit of $2 billion. Congress should override the proposed rule in the next stimulus package, preventing further financial damage to our struggling health care system.

• Require health insurers to cover COVID-19 treatment in addition to testing. No family should have to choose between their life and their life’s savings. Federal legislation must be adjusted to ensure that insurance companies cover the cost of COVID-19 treatment, not just testing.

• Provide additional federal funding for health care outreach and enrollment and to support Medicaid-contracted medical providers. As our unemployment rate continues to rise, and families find themselves without health coverage, the role of health care navigators will become even more critical. Federal funding should be allocated to support their work as well as that of pediatricians and other practitioners who are experiencing a decrease in utilization and patient revenue.

CHILDREN AND FAMILIES IN THE CHILD WELFARE SYSTEM

• Increase the federal match rate for the Foster Care, Prevention, and Permanency Program (Title IV-E) by a full 10% (an additional $3.85 billion) and extend the increase beyond the public health emergency to absorb growth in demand for services during the subsequent economic recovery period.

• Ensure older relative caregivers at acute risk of COVID-19 can access the information and resources they need to keep themselves and the children they care for safe and healthy during the pandemic and recovery by increasing funding for kinship navigator programs.

• Protect older youth in extended foster care from losing eligibility by temporarily suspending participation requirements during this national emergency. Extensive school closures and job losses put these young people at risk of losing the vital support of extended foster care.

• Address the needs of older youth in, or transitioning out of, the foster care system by increasing Title IV-E Chafee funds. These flexible funds will help states provide critical services and supports to transitioning youth, including financial and employment assistance, in the face of this pandemic.

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