

May 13, 2024

The Honorable Kay Ivey  
Governor of Alabama  
State Capitol  
600 Dexter Avenue  
Montgomery, AL 36130

Dear Governor Ivey,

The Cover Alabama Coalition is a nonpartisan alliance of community partners, consumer groups, health care providers and faith groups advocating for the state of Alabama to provide quality, affordable health coverage to its residents and implement a sustainable health care system. We are writing today to ask you to close Alabama's health coverage gap immediately.

As you know, Alabama faces a significant challenge in ensuring access to affordable health care for all its residents. Our state continues to maintain a substantial gap in coverage, leaving nearly 300,000 Alabamians without access to the care they need to stay healthy and thrive.

Closing the health care coverage gap is a strategic economic decision for Alabama. By increasing health care access, we can bolster workforce participation, stimulate economic growth and enhance productivity. Moreover, improving access to health care services will help alleviate the strain on hospitals and health care providers, ultimately benefiting all Alabamians.

Over the last few years, various options have been proposed to close the health coverage gap in Alabama. Recently, the members of the Senate and House health committees heard from North Carolina legislators and Arkansas experts about their successful efforts to close the coverage gap. Additionally, legislators such as Speaker Ledbetter have highlighted Alabama-specific alternatives to traditional Medicaid expansion as a potential solution to close the coverage gap.

Given these options, we encourage your office to consider the following recommendations when choosing an Alabama solution for closing the coverage gap. An Alabama solution to closing the health coverage gap must:

- Cover adults with incomes between 0% and 138% of the federal poverty level.
- Support labor force participation by keeping workers healthy.
- Protect rural access to health care.
- Ensure access to all medically appropriate drugs.
- Minimize administrative barriers and red tape to obtaining health coverage.
- Increase insurance coverage across ethnic, racial, age and income groups.
- Maximize federal dollars to reduce state costs and ensure the long-term financial health of Medicaid.
- Address wraparound services, including non-emergency medical transportation.

Additionally, addressing any concerns about the long-term costs to the state, the American Rescue Plan Act (ARPA) includes a permanent provision that would allow Alabama to access an estimated \$619.4 million in additional federal funds, making closing the health coverage gap more affordable and sustainable than it has been in years prior. These additional funds, on top of the generous 90/10 match of federal and state funds, could result in the federal government paying \$397 million in annual expenses currently paid by the state. Furthermore, if the state were to close the coverage gap through a Section 1115 waiver pilot program, our state would have five years to assess the impact, costs and sustainability of the program.

We implore you to recognize the urgency and importance surrounding prioritizing the health and well-being of our state's residents by taking immediate action to close the health care coverage gap. We stand ready to support and collaborate with you in developing and implementing effective solutions that will ensure access to affordable health insurance for all Alabamians.

Thank you for your attention to this urgent matter. We eagerly await your leadership and swift action on behalf of the people of Alabama.

Sincerely,

Debbie Smith  
Cover Alabama campaign director  
+85 organizations