

From: [Erin Klug](#)
To: [CMS Shop](#)
Cc: [Leslie R. Hess](#); [Sheri W. Shudde](#)
Subject: Vertical choice; Arizona
Date: Thursday, March 24, 2016 8:01:36 PM

CMS,

Interim Insurance Director, Leslie Hess, asked me to communicate Arizona's recommendation that the FF-SHOP not make vertical choice available in the State of Arizona for Plan Year 2017 due to concerns that it could generate adverse selection and could negatively impact the premium rates for Small Group carriers. We will evaluate again for Plan Year 2018.

Regards,

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