Spotlight on State: Arizona

This is part of a <u>series of summaries</u> that highlight notable legislation and initiatives in health policy and reform of all 50 states. Check back on The Source as we roll out additional states each week.

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Arizona is active in promoting price transparency in health care. The state has some protections in place that address surprise billing for emergency services and services from out-of-network providers. This includes creating a solution for settling payment disputes between out-of-network providers and insurers by limiting patients' liability and allowing for arbitration to settle disputes. The legislature also proposed a shared savings program for all health care plans in the individual and small group market, which would establish an interactive platform for comparing prices and change the way consumers select healthcare services.

In a push for greater drug pricing transparency and lower drug costs, the state legislature unanimously passed the Prescription Drug Pricing Patient Protection Act in 2018. This act includes prohibitions on "gag clauses" that restrict pharmacies from informing customers about available alternative pricing for medications, as well as on co-pay "clawbacks," where insured patients' copayments exceed the total cost of the drug to their insurer or pharmacy benefit manager.

In addition to promoting price transparency, Arizona monitors consolidation in the health care market by requiring nonprofit health care entities to provide notice to the Attorney General of all impending health care transactions with other nonprofit or for-profit entities.

Meanwhile, Arizona's continuing telemedicine efforts have put Arizona on the forefront of a nation-wide push to increase access to healthcare. While the state already had partial coverage and cost-sharing parity in place, new legislation passed in 2021 greatly expands existing telehealth laws by requiring health insurance companies to provide parity in payments – reimbursement by the health plan for telehealth services at the same or equivalent rate as paid for in-person services – for

telehealth services using audio and visual features.