

# Arizona

## 2021 Healthcare Affordability Policy Checklist

### KEY

-  = implemented by state
-  = the state has implemented policies, but could improve
-  = not implemented by state

Polling data repeatedly shows that healthcare affordability is the number one issue that state residents, on both sides of the political aisle, want their policymakers to work on. This checklist identifies areas where Arizona is doing well and areas where it can improve.

### 1. CURB EXCESS HEALTHCARE PRICES:

- Implement free, public-facing healthcare price transparency that reflects negotiated rates and features treatment- and provider-specific prices.<sup>1</sup> 
- Create an all-payer or multi-payer claims database to analyze healthcare price inflation, price variation and utilization. 
- Create a permanently convened health spending oversight entity. 
- Create all-payer healthcare spending and quality benchmarks for the state. 

### 2. REDUCE LOW-VALUE CARE:

- Require validated patient-safety reporting for hospitals.<sup>2</sup> **N/A**
- Universally implement antibiotic stewardship programs using CDC's 7 Core Elements.<sup>3</sup> 
- Analyze claims and EHR data to understand how much is spent on low- and no-value services. 

### 3. EXTEND COVERAGE TO ALL RESIDENTS:

- Expand Medicaid to cover adults up to 138% of the federal poverty level.<sup>4</sup> 
- Provide high-quality, affordable coverage options for people whose incomes are too high to qualify for Medicaid, e.g., Basic Health Plan, reinsurance or augmented premium subsidies. 
- Provide options for immigrants that don't qualify for the coverage above. 
- Conduct strong rate review of fully insured, private market options.<sup>5</sup> 

### 4. MAKE OUT-OF-POCKET COSTS AFFORDABLE:

- Protect patients from inadvertent surprise out-of-network medical bills.<sup>6,7</sup> 
- Limit the availability of short-term, limited-duration health plans. 
- Waive or reduce cost-sharing for high-value services. 
- Require insurers in a state-based exchange to offer evidence-based standard plan designs. 

UPDATED OCTOBER 2021

Additional detail is available at:

[WWW.HEALTHCAREVALUEHUB.ORG/AFFORDABILITY-SCORECARD/ARIZONA](http://WWW.HEALTHCAREVALUEHUB.ORG/AFFORDABILITY-SCORECARD/ARIZONA)

## NOTES

1. The Arizona Department of Health Services' "AZ Hospital Compare" tool provides the median charges and median costs for specific procedures and specific hospitals; however, these are not the negotiated rates that insurers/patients will actually pay. <https://gis.azdhs.gov/hospitalcompare/comparehospitals.html>
2. Central line-associated bloodstream infections (CLABSI) and catheter-associated urinary tract infections (CAUTI) are two common forms of hospital-acquired infections. Data on patient safety reporting is not available for Arizona. For more information, see: [https://www.cdc.gov/hai/data/portal/progress-report.html#Data\\_tables](https://www.cdc.gov/hai/data/portal/progress-report.html#Data_tables).
3. 84% of AZ hospitals have adopted antibiotic stewardship. For more information, see: <https://www.cdc.gov/antibiotic-use/stewardship-report/current.html>.
4. AZ received federal approval to implement Medicaid work requirements in 2020, however federal approval was withdrawn in 2021.
5. AZ has effective rate review as classified by CMS, but does not incorporate affordability criteria into rate review.
6. AZ has partial protections against surprise medical billing. 'Comprehensive' surprise medical billing protections include emergency departments and hospitals, apply to all insurance types, hold consumers harmless/prevent balance billing and adopt adequate payment standard or dispute resolution process. States with only some of these policies have 'partial' protections. For more information, see: <https://www.commonwealthfund.org/publications/maps-and-interactives/2021/feb/state-balance-billing-protections>.
7. The federal No Surprises Act prohibits surprise medical billing in most plans effective January 2022. However, it does not cover ground ambulances which often result in surprise bills for consumers. An analysis by Johns Hopkins University conducted specially for Altarum revealed that 52% of ground ambulance rides in AZ charged to commercial insurance plans had the potential for surprise medical billing.



### ABOUT ALTARUM'S HEALTHCARE VALUE HUB

With support from Arnold Ventures and the Robert Wood Johnson Foundation, the Healthcare Value Hub provides free, timely information about the policies and practices that address high healthcare costs and poor quality, bringing better value to consumers. The Hub is part of Altarum, a nonprofit organization with the mission of creating a better, more sustainable future for all Americans by applying research-based and field-tested solutions that transform our systems of health and healthcare.

**Contact the Hub:** 2000 M Street, NW, Suite 400, Washington, DC 20036  
(202) 828-5100 | [www.HealthcareValueHub.org](http://www.HealthcareValueHub.org) | [@HealthValueHub](https://twitter.com/HealthValueHub)