

ARIZONA

ADDRESS CONSOLIDATION AND PROMOTE COMPETITION	Consolidation Oversight	Facility Fee Limits	Anti-Competitive Contract Provisions		
MEDICAL DEBT PREVENTION	Balance Billing and Short-Term Insurance	Charity Care and Community Benefit	Reducing Financial Consequences		
IMPROVE OVERSIGHT, ACCOUNTABILITY AND TRANSPARENCY	Health Care Spending Oversight	Prescription Drug Affordability Board	All-Payer Claims Database	Price Transparency	
MEDICAID SERVICES AND IMMIGRANT COVERAGE	Medicaid Administration	Medicaid Covered Services	Medicaid Eligibility	Immigrant Coverage	
CURB EXCESS COSTS IN THE SYSTEM	Premium Rate Review	Hospital Price Regulation	Affordable Coverage	Prescription Drug Pricing	Medicaid Costs
REDUCE COST-SHARING FOR PATIENTS	Prescription Drugs	Behavioral Health	Preventive Care	Maternal and Reproductive Health Care	Cancer Screening and Testing Services

The Health Care Value Hub (“the Hub”) is proud to launch the 2025 Health Care Affordability Policy Snapshot (“Affordability Snapshot”). The Affordability Snapshot provides legislators, consumer advocates, regulators and other interested parties a tool to compare their state’s health policies across other states.

The categories examined in this resource explore a variety of policy options that impact health care affordability. Policies were examined for whether they were active, implemented to a limited degree, or not active as of June 1, 2025. Sources for this information can be found in the downloadable [Data and Source Document](#) available on the [Dashboard](#) page. Definitions and descriptions for each policy category can be found in the Glossary.

The Hub offers online and hands-on support with staff dedicated to understanding health care policy and connecting advocates and other interested parties together to help build a patient-centered, high-value healthcare system. As a research-based organization, the Hub takes a comprehensive approach to improving affordability through policy analysis, translation, visualization, and collaborative engagement. We encourage advocates, legislators, and other stakeholders to share our findings to improve consumer health care affordability across the states.

Address Consolidation and Promote Competition

Consolidation Oversight

Policy	Status as of June 2025	Summary
Transaction Notification Required	 Requires health systems or providers to notify the state of consolidation transactions	The Arizona Attorney General and Department of Health Services must be notified of all sales, transfers, and mergers involving a nonprofit health care entity at least 90 days before the transaction is anticipated to be finalized.
Authority to Modify or Reject Consolidation Transactions	 Does not have authority to approve, set conditions, or disapprove consolidation transactions	
Affordability Criteria included in Transaction Review	 Includes consumer affordability or price growth in review criteria, approval conditions, or both	The state examines how the proposed transaction would adversely impact access to, availability or cost of health care services.



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Address Consolidation and Promote Competition

Facility Fees

Policy	Status as of June 2025	Summary
Prohibits Facility Fees	 State does not prohibit providers from charging any facility fees	
Facility Fee Transparency Laws	 State does not require providers to disclose facility fees to consumers, requires off-campus outpatient departments to identify the physical location where care was provided on claims forms, or both	
Limits Cost-Sharing for Facility Fees	 The state has no laws that limit the amount a patient may be billed out-of-pocket for facility fees	



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Address Consolidation and Promote Competition

Anti-Competitive Contract Provisions

Policy	Status as of June 2025	Summary
Restricts All-or-Nothing Contract Provisions	 No law restricting All-or-Nothing contract provisions	
Restricts Anti-Tiering and Anti-Steering Contract Provisions	 No law restricting Anti-Tiering or Anti-Steering contract provisions	
Restricts Physician Noncompete Clauses	 No statutes limiting physician non-competes	
Restricts Most-Favored Nation Contract Provisions	 No law restricting Most Favored Nation contract provisions	



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Medical Debt Prevention

Balance Billing and Short-Term Insurance

Policy	Status as of June 2025	Summary
Prohibits Balance Billing for Ground Ambulance Services	 Does not prohibit balance billing for out-of-network ground ambulance services	
Prohibits Short-Term, Limited Duration Health Plans	 Short-term, limited duration health plans are not prohibited or eliminated	

Medical Debt Prevention

Charity Care and Community Benefit

Policy	Status as of June 2025	Summary
Mandated Hospital Charity Care	⊗ State law does not require hospitals to provide free or discounted care to low-income patients	
Hospital Charity Care Screening Requirements	⊗ State does not require health care providers to screen patients for Medicaid, Marketplace, or charity care eligibility before collecting payment	
Hospital Charity Care Notification Requirement	⊗ State does not require health care providers to notify patients of charity care options before collecting payment	
Hospital Community Benefit Reporting Requirement	⊗ State law does not require hospitals to annually report the amount of charity care provided	

Medical Debt Prevention

Reducing Financial Consequences

Policy	Status as of June 2025	Summary
Mandates Waiting Prior to Collections	 State law does not require a waiting period before sending medical debts to collections	
Limits on Liens or Foreclosures due to Medical Debt	 State law does not prohibit initiating a lien or foreclosure to collect medical debt	
Limits Wage Garnishment due to Medical Debt	 State law exceeds federal wage garnishment protections for residents with medical debt	State consumer protections against wage garnishment exceed federal protections.
Limits on the Amount of Interest Charged to Medical Debt	 State law limits interest rates on medical debt	Arizona law sets the maximum interest rate on medical debt at either 3% per year or the average one-year Treasury yield from the week before the bill was sent (whichever is lower). This limit also applies to any court judgments involving medical debt.

Curb Excess Costs in the System

Premium Rate Review

Policy	Status as of June 2025	Summary
Effective Rate Review per Centers for Medicare and Medicaid Services (CMS)	Has an effective rate review process	
Authority to Modify or Reject Premium Rate Increases	Does not have the authority to modify or reject premium rate increases	Arizona law does not permit the state Department of Insurance (ADOI) to approve or disapprove rate increases.
Affordability Criteria Included in Premium Rate Review	Does not incorporate affordability criteria into premium rate review	



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Curb Excess Costs in the System

Hospital Price Regulation

Policy	Status as of June 2025	Summary
Medicare Reference-Based Pricing	✗ State does not use reference-based pricing tied to Medicare rates to regulate hospital pricing*	Arizona reported using reference-based pricing in its public employee plans in a 2023 survey, but it is unclear what the reference range is or whether it's still in effect.
Hospital Global Budgets	✗ State has not implemented hospital global budgets	



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Curb Excess Costs in the System

Affordable Coverage		
Policy	Status as of June 2025	Summary
Public Option	✗ State does not offer an active public option insurance plan	
Public Option Includes Provider Participation Mandate	✗ State does not does not offer a public option, with or without a participation mandate	
Basic Health Plan	✗ State does not operate a Basic Health Plan	
State-Based Premium Subsidies	✗ State does not offer supplementary state-funded premium subsidies	

Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Biologic Substitution Laws: Prescriber Permission Requirements	State does not require express authorization for biologic substitution	
Biologic Substitution Laws: Prescriber Notification Requirements	Pharmacists are required to notify prescribers of biologic substitution	Pharmacists in Arizona are required to notify the prescribing physician of a substitution within five business days.
Drug Purchasing Consortium	State does not participate in a drug purchasing consortium*	In August 2025, Arizona joined ArrayRx (formerly the Northwest Prescription Drug Consortium).
Drug Coupon Prohibitions	State does not prohibit the use of drug manufacturer coupons*	
Medicaid Managed Care Organization (MCO) Carve Out	State Medicaid carves out any drug classes from their MCO benefits (see note)*	As of July 1, 2023, Arizona carves out the following drugs/classes from MCO benefits: Hemophilia factor, Oncology/CAR-T drugs, spinal muscular atrophy agents.
Mandatory Generics in Medicaid Fee-for-Service (FFS)	Medicaid Fee-for-Service (FFS) programs and pharmacists are required to substitute a generic version of a drug	Arizona has policies or tools to promote mandatory generics.



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Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Supplemental Rebate Programs	 Medicaid Pharmacy Supplemental Rebate Agreement (SRA) in place	
Drug Rebate Transparency and Reporting Requirements	 Pharmacy benefit managers are not required to report rebate data to the state*	
Spread Pricing Restrictions	 State does not prohibit pharmacy benefit managers from engaging in spread pricing	
Pharmacy Benefit Manager Reimbursement and Clawbacks	 State does not prohibit PBMs from retroactively reducing reimbursement to pharmacies (“clawbacks”)	
Cost-Disclosure and Gag Clause Restrictions	 State law prohibits gag clauses in pharmacy contracts	
Prohibits Copay Accumulator Programs	 State prohibits copay accumulator programs	

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Curb Excess Costs in the System

Medicaid Costs

Policy	Status as of June 2025	Summary
Medical Loss Ratio (MLR) Remittances for Medicaid Managed Care Population	 State does not require MLR remittances for its Medicaid managed care population	Arizona does not have MLR remittance requirements in place.
Medicaid Site Neutral Payments	 State has not enacted Medicaid site neutral payment legislation*	



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Medicaid Services and Immigrant Coverage

Medicaid Administration

Policy	Status as of June 2025	Summary
Medicaid Managed Care (MCO)	State partners with MCOs to operate their Medicaid program	All Medicaid recipients are enrolled with an MCO. The only exception is American Indian/Alaskan Native populations who can choose between an MCO or fee-for-service plan.
Medicaid Vendor — Eligibility and Enrollment	State contracts with a vendor for Medicaid enrollment or eligibility*	
Integrated Medicaid-Medicare	State integrates Medicare-Medicaid to coordinate care for the dually eligible population	Arizona has either or a combination of highly integrated or fully integrated dual eligible special needs programs (HIDE/FIDE).



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Medicaid Services and Immigrant Coverage

Medicaid Covered Services

Policy	Status as of June 2025	Summary
Medicaid Coverage for Fertility Services	 State Medicaid program does not cover infertility treatments or fertility preservation services	
Medicaid Coverage for Doula Services	 State Medicaid program actively reimburses for doula services	
Medicaid Coverage for Abortion Care	 State Medicaid program does not cover abortion care in their benefits package	
Medicaid Coverage for Transition-Related Care	 State Medicaid program explicitly excludes coverage of transition-related care for adults	
Medicaid Coverage for Hearing Aids	 State Medicaid program does not cover hearing aids for adults	
Medicaid Coverage for Eye Exams and Glasses	 State Medicaid program offers no coverage for either eye exams or eyeglasses for adults	
Medicaid Coverage for Dental Services	 State Medicaid program covers some dental services for adults (see notes)	Arizona Medicaid does not offer coverage for dentures, certain preventative services, and non-emergency root canals.



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Medicaid Services and Immigrant Coverage

Medicaid Eligibility

Policy	Status as of June 2025	Summary
Medicaid Expansion	 State has expanded Medicaid eligibility to 138% of the federal poverty level (FPL)	Arizona has a trigger law in place that requires termination of the expansion if the enhanced federal matching rate drops.
Retroactive Medicaid	 State retroactively extends Medicaid benefits less than 90 days prior to application date or only for select enrollees (see note)	Three months of retroactive Medicaid coverage is only available to children, pregnant women, and postpartum women. All other residents are provided retroactive Medicaid coverage up to the first day of the month in which the Medicaid application is received.
Adult Medicaid Continuous Eligibility	 State has not authorized 12-month continuous eligibility for non-pregnant adult Medicaid enrollees*	
12-Month Postpartum Coverage	 State has authorized 12-month postpartum Medicaid coverage	
Medicaid Available to People who are Incarcerated	 State has not authorized Medicaid coverage for justice-involved individuals while they are in a correctional setting*	Arizona has an approved waiver to provide Medicaid pre-release coverage for individuals who are incarcerated, and the state is in the process of implementation, but the program is not yet in effect as of June 2025.
Medicaid Aged, Blind and Disabled (ABD) Asset Limits	 State has expanded the asset limit for Medicaid for the Elderly and Disabled eligibility beyond \$2,000 for an individual applicant and \$3,000 for joint applicants	Arizona Medicaid has no asset limit for applicants.
Medicaid Aged, Blind and Disabled (ABD) Life Insurance Exemption	 Life insurance exemption limits exceed \$1,500	Arizona eliminated its asset limit, therefore life insurance has no impact on Medicaid eligibility.
Medicaid Aged, Blind and Disabled (ABD) Retirement Account Exemptions	 State exempts both applicants' and spouses' retirement savings from Medicaid eligibility determinations	Arizona eliminated its asset limit, therefore applicant / non-applicant spouse's IRA has no impact on Medicaid eligibility.



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Medicaid Services and Immigrant Coverage

Immigrant Coverage

Policy	Status as of June 2025	Summary
From Conception to End of Pregnancy (FCEP)	 Does not cover pregnancy-related services through the CHIP From-Conception-to-End-of-Pregnancy (FCEP) Option or post-partum coverage	
Immigrant Children without a Five-Year Bar	 State does not offer coverage for lawfully residing immigrant children without a five-year bar	
Pregnant Immigrants without a Five-Year Bar	 Does not offer coverage for lawfully residing pregnant immigrants without a five-year bar	
State-Funded Coverage for Children Regardless of Citizenship Status	 Does not offer coverage for children regardless of immigration status	
State-Funded Coverage for Adults Regardless of Citizenship Status	 Does not offer coverage for adults regardless of immigration status	



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Improve Oversight, Accountability, and Transparency

All-Payer Claims Database

Policy	Status as of June 2025	Summary
Established an All-Payer Claims Database (APCD)	❌ State does not have a(n) all-payer or multi-payer claims database	
All-Payer Claims Database (APCD) Operated by the State	❌ The state does not have an APCD operated by the state or another entity	

Prescription Drug Affordability Board

Policy	Status as of June 2025	Summary
Established Prescription Drug Affordability Board (PDAB)	❌ The state has not established or passed legislation to establish a prescription drug affordability board	
Prescription Drug Upper Payment Limits	❌ The state has not established Upper Payment Limits for prescription drugs	

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Improve Oversight, Accountability, and Transparency

Price Transparency

Policy	Status as of June 2025	Summary
Service Cost Price Transparency Tool	 State operates a public-facing price transparency tool that reports chargemaster rates, but not negotiated rates	
Prescription Drug Price Reporting Requirement	 Organizations are not required to report prescription drug price information to a state entity	

Health Care Spending Oversight

Policy	Status as of June 2025	Summary
Health Care Spending Benchmark	 State has not established a health care spending benchmark for providers, insurance carriers, or both	
Authority to Enforce Health Care Spending Benchmark	 State has not established a health care spending benchmark, with or without enforcement mechanisms	
Hospital or Primary Care Spending Oversight Entity	 State does not monitor and report hospital spending, primary care spending, or both	



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Reduce Cost-Sharing for Patients

Reduce Cost-Sharing: Prescription Drugs

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Diabetes Medications	 State has not enacted legislation limiting cost-sharing for insulin, diabetes related equipment, or both	
Waives or Reduces Cost-Sharing for Asthma Inhalers	 State has not enacted legislation limiting cost-sharing for asthma inhalers	
Waives or Reduces Cost-Sharing for Epinephrine Auto-Injectors	 State has not enacted legislation to limit cost-sharing for prescription epinephrine autoinjector(s)	
Waives or Reduces Cost-Sharing for Specialty Drugs	 State has not enacted legislation to limit cost-sharing for specialty drugs	

Reduced Cost-Sharing: Behavioral Health

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for an Annual Behavioral Health Office Visit	 State does not require private insurers to cover at least one annual mental health wellness exam without cost-sharing	



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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Preventive Care

Policy	Status as of June 2025	Summary
Waives Cost-Sharing for Preventive Services Recommended by the U.S. Preventive Services Task Force (USPSTF)	⊗ State does not mandate private insurers cover USPSTF recommended preventive services without cost-sharing	Arizona lawmakers introduced SB 1668 in 2025, which would have required all health insurers to cover preventive services recommended by the U.S. Preventive Services Task Force without any cost-sharing. However, the bill did not advance.

Reduced Cost-Sharing: Maternal and Reproductive Health Care

Policy	Status as of June 2025	Summary
Individual and Small Group Health Plans Required to Cover Fertility Treatment	⊗ The state does not require individual and small group health plans to offer coverage for in-vitro fertilization or fertility preservation services	
Individual and Small Group Health Plans Required to Cover Doula Services	⊗ State does not require private health insurers to cover doula services for enrollees	
Individual and Small Group Health Plans Required to Cover Abortion Services	⊗ The state does not require individual and small group health plans to cover abortion services	

Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Colorectal Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for colorectal cancer screening exams*	
Waives or Reduces Cost-Sharing for Follow-Up Colorectal Cancer Screening Exams	⊗ State law does not require coverage or waive cost-sharing for follow-up colorectal cancer screening exams*	
Waives or Reduces Cost-Sharing for Lung Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for lung cancer screening exams*	

Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Cervical Cancer Screenings	 State law does not require coverage or waive cost-sharing for cervical cancer screening exams*	
Waives or Reduces Cost-Sharing for Breast Cancer Screenings	 State law requires insurers to cover breast cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Supplementary Breast Cancer Screenings	 State law requires insurers to cover supplementary breast cancer screening but allows cost-sharing	



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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Prostate Cancer Screenings	 State law does not require coverage or waive cost-sharing for prostate cancer screening exams*	
Waives or Reduces Cost-Sharing for Ovarian Cancer Screening	 State law does not require coverage or waive cost-sharing for ovarian cancer screening exams	
Waives or Reduces Cost-Sharing for Biomarker Testing for Cancer	 State requires coverage of biomarker testing for cancer screening but allows cost-sharing	Arizona requires insurers to cover biomarker testing for diagnosis, treatment, management, and monitoring when supported by medical evidence, but cost-sharing may still apply.



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