

BILL # SB 1277

TITLE: nonphysician surgical assistant; direct payment

SPONSOR: Leff

STATUS: As Amended by Senate HEALTH

PREPARED BY: Carson Howell

FISCAL ANALYSIS

Description

The bill as amended would require health insurance companies and AHCCCS to provide payment to surgeons or the hospital for nonphysician surgical assistants.

Estimated Impact

This bill is estimated to have a General Fund cost as it will require payment for some nonphysician surgical assistants who had previously not received payment from AHCCCS or ADOA. The cost cannot be determined with the information available.

Analysis

AHCCCS currently pays for surgeries according to a tiered or bundled rate. The inpatient rate is based on 1996 rates and may or may not include surgical assistant payments depending on whether the hospital or surgeon included those services in their 1996 rates. The outpatient rate is based on 2002 rates and again may or may not include surgical assistant payments depending on whether the hospital or surgeon included those services in their 2002 rates.

There are no defined standards for nonphysician surgical assistants at the state or federal level. Assistants may be registered nurses or physician assistants who have met state certification and licensure requirements. Other nonphysician surgical assistants may be credentialed by the hospital or other third party, but have not received state certification or licensure.

Surgical assistants may bill AHCCCS separately for their services if they are licensed by the state. A surgical assistant who is not licensed by the state does not receive payment from health plans and must receive payment directly from the participating surgeon or hospital. This bill would require payments for surgical assistants who are not licensed by the state to be made by the health plans. This payment would be in addition to the AHCCCS bundled or tiered rate if surgical assistants were not included in the specific surgeon's or hospital's base rates.

Federal law states that medical care recognized under state law, furnished by licensed practitioners within the scope of their practice as defined by state law, is eligible for federal match monies. AHCCCS' interpretation of this federal law does not allow services using non-state regulated surgical assistants to receive federal matching monies. If AHCCCS could not collect federal matching monies for payment, AHCCCS would need to pay these assistants with 100% state funds.

This bill is estimated to have a General Fund cost as it requires health insurance companies and AHCCCS to provide payment to a category of nonphysician surgical assistants who were not previously required to be included in rates charged by surgeons and hospitals. AHCCCS has indicated that there would be an additional cost, but is unable to estimate the impact. The Arizona Department of Administration has indicated that this bill would result in a cost to state employee health insurance, but also is unable to calculate an estimate.

Local Government Impact

The bill is estimated to have an undetermined cost to local governments' health insurance costs.