

REFERENCE TITLE: insurance coverage; prosthetics; orthotics

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

SB 1285

Introduced by

Senators Dalessandro: Alston, Bowie, Bradley, Contreras, Gonzales, Mendez, Navarrete, Otondo, Peshlakai, Quezada, Rios, Steele; Representative Salman

AN ACT

AMENDING TITLE 20, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-826.05; AMENDING TITLE 20, CHAPTER 4, ARTICLE 9, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1057.18; AMENDING TITLE 20, CHAPTER 6, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1342.07; AMENDING TITLE 20, CHAPTER 6, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-1406.10; RELATING TO HEALTH INSURANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 20, chapter 4, article 3, Arizona Revised
3 Statutes, is amended by adding section 20-826.05, to read:

4 20-826.05. Prosthetic and orthotic coverage; reimbursement
5 rates; definitions

6 A. A SUBSCRIPTION CONTRACT THAT IS ISSUED TO A SUBSCRIBER SHALL
7 PROVIDE COVERAGE FOR PROSTHETIC DEVICES AND ORTHOTIC DEVICES THAT IS AT
8 LEAST EQUIVALENT TO THE COVERAGE CURRENTLY PROVIDED UNDER TITLE XVIII OF
9 THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE, AND THE
10 COVERAGE MAY NOT BE PROVIDED UNDER LESS FAVORABLE TERMS OR CONDITIONS THAN
11 ANY OTHER MEDICAL OR SURGICAL BENEFITS UNDER THE CONTRACT.

12 B. THE CONTRACT SHALL PROVIDE COVERAGE FOR:

13 1. THE MOST APPROPRIATE DEVICE THAT THE TREATING PHYSICIAN
14 DETERMINES IS MEDICALLY NECESSARY TO RESTORE FUNCTIONALITY AT OPTIMAL
15 LEVELS.

16 2. ALL SERVICES AND SUPPLIES THAT ARE NECESSARY FOR THE EFFECTIVE
17 USE OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE, INCLUDING FORMULATING THE
18 DEVICE'S DESIGN, FABRICATION, MATERIAL AND COMPONENT SELECTION,
19 MEASUREMENTS, FITTINGS, STATIC AND DYNAMIC ALIGNMENTS AND INSTRUCTING THE
20 SUBSCRIBER IN THE USE OF THE DEVICE, INCLUDING ALL MATERIALS AND
21 COMPONENTS THAT ARE NECESSARY TO USE THE DEVICE.

22 3. REPAIR OR REPLACEMENT OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE
23 THAT THE TREATING PHYSICIAN DETERMINES IS MEDICALLY NECESSARY TO RESTORE
24 AND MAINTAIN THE SUBSCRIBER'S ABILITY TO COMPLETE ACTIVITIES OF DAILY
25 LIVING OR ESSENTIAL JOB-RELATED ACTIVITIES AND THAT IS NOT SOLELY FOR
26 COMFORT OR CONVENIENCE.

27 C. THE CONTRACT SHALL PROVIDE REIMBURSEMENT RATES THAT ARE AT LEAST
28 EQUIVALENT TO THOSE CURRENTLY PROVIDED UNDER TITLE XVIII OF THE SOCIAL
29 SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE AND THAT ARE
30 COMPARABLE TO REIMBURSEMENT UNDER THE CONTRACT FOR RESTORATIVE INTERNAL
31 DEVICES.

32 D. A CORPORATION MAY NOT IMPOSE DEDUCTIBLES, COPAYMENTS,
33 COINSURANCE, BENEFIT MAXIMUMS, WAITING PERIODS OR OTHER LIMITATIONS ON
34 COVERAGE, INCLUDING IN-NETWORK AND OUT-OF-NETWORK COVERAGE, ANNUAL
35 COVERAGE MAXIMUMS OR LIFETIME COVERAGE MAXIMUMS, FOR PROSTHETIC DEVICES OR
36 ORTHOTIC DEVICES THAT ARE DIFFERENT FROM THOSE IMPOSED ON BENEFITS OR
37 SERVICES NOT RELATED TO PROSTHETIC DEVICES OR ORTHOTIC DEVICES.

38 E. THIS SECTION DOES NOT APPLY TO LIMITED BENEFIT COVERAGE AS
39 DEFINED IN SECTION 20-1137.

40 F. FOR THE PURPOSES OF THIS SECTION:

41 1. "ORTHOTIC DEVICE" MEANS A RIGID OR SEMIRIGID DEVICE THAT
42 SUPPORTS A WEAK OR DEFORMED LEG, FOOT, ARM, HAND, BACK OR NECK OR THAT
43 RESTRICTS OR ELIMINATES MOTION IN A DISEASED OR INJURED LEG, FOOT, ARM,
44 HAND, BACK OR NECK.

1 2. "PROSTHETIC DEVICE" MEANS AN ARTIFICIAL LIMB DEVICE OR APPLIANCE
2 THAT IS DESIGNED TO REPLACE IN WHOLE OR IN PART AN ARM OR A LEG.

3 Sec. 2. Title 20, chapter 4, article 9, Arizona Revised Statutes,
4 is amended by adding section 20-1057.18, to read:

5 20-1057.18. Prosthetic and orthotic coverage; reimbursement
6 rates; definitions

7 A. AN EVIDENCE OF COVERAGE THAT IS ISSUED TO AN ENROLLEE SHALL
8 PROVIDE COVERAGE FOR PROSTHETIC DEVICES AND ORTHOTIC DEVICES THAT IS AT
9 LEAST EQUIVALENT TO THE COVERAGE CURRENTLY PROVIDED UNDER TITLE XVIII OF
10 THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE, AND THE
11 COVERAGE MAY NOT BE PROVIDED UNDER LESS FAVORABLE TERMS OR CONDITIONS THAN
12 ANY OTHER MEDICAL OR SURGICAL BENEFITS UNDER THE EVIDENCE OF COVERAGE.

13 B. THE EVIDENCE OF COVERAGE SHALL PROVIDE COVERAGE FOR:

14 1. THE MOST APPROPRIATE DEVICE THAT THE TREATING PHYSICIAN
15 DETERMINES IS MEDICALLY NECESSARY TO RESTORE FUNCTIONALITY AT OPTIMAL
16 LEVELS.

17 2. ALL SERVICES AND SUPPLIES THAT ARE NECESSARY FOR THE EFFECTIVE
18 USE OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE, INCLUDING FORMULATING THE
19 DEVICE'S DESIGN, FABRICATION, MATERIAL AND COMPONENT SELECTION,
20 MEASUREMENTS, FITTINGS, STATIC AND DYNAMIC ALIGNMENTS AND INSTRUCTING THE
21 ENROLLEE IN THE USE OF THE DEVICE, INCLUDING ALL MATERIALS AND COMPONENTS
22 NECESSARY TO USE THE DEVICE.

23 3. REPAIR OR REPLACEMENT OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE
24 THAT THE TREATING PHYSICIAN DETERMINES IS MEDICALLY NECESSARY TO RESTORE
25 AND MAINTAIN THE ENROLLEE'S ABILITY TO COMPLETE ACTIVITIES OF DAILY LIVING
26 OR ESSENTIAL JOB-RELATED ACTIVITIES AND THAT IS NOT SOLELY FOR COMFORT OR
27 CONVENIENCE.

28 C. THE EVIDENCE OF COVERAGE SHALL PROVIDE REIMBURSEMENT RATES THAT
29 ARE AT LEAST EQUIVALENT TO THOSE CURRENTLY PROVIDED UNDER TITLE XVIII OF
30 THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE AND THAT
31 ARE COMPARABLE TO REIMBURSEMENT UNDER THE EVIDENCE OF COVERAGE FOR
32 RESTORATIVE INTERNAL DEVICES.

33 D. A HEALTH CARE SERVICES ORGANIZATION MAY NOT IMPOSE DEDUCTIBLES,
34 COPAYMENTS, COINSURANCE, BENEFIT MAXIMUMS, WAITING PERIODS OR OTHER
35 LIMITATIONS ON COVERAGE, INCLUDING IN-NETWORK AND OUT-OF-NETWORK COVERAGE,
36 ANNUAL COVERAGE MAXIMUMS OR LIFETIME COVERAGE MAXIMUMS, FOR PROSTHETIC
37 DEVICES OR ORTHOTIC DEVICES THAT ARE DIFFERENT FROM THOSE IMPOSED ON
38 BENEFITS OR SERVICES NOT RELATED TO PROSTHETIC DEVICES OR ORTHOTIC
39 DEVICES.

40 E. THIS SECTION DOES NOT APPLY TO LIMITED BENEFIT COVERAGE AS
41 DEFINED IN SECTION 20-1137.

42 F. FOR THE PURPOSES OF THIS SECTION:

43 1. "ORTHOTIC DEVICE" MEANS A RIGID OR SEMIRIGID DEVICE THAT
44 SUPPORTS A WEAK OR DEFORMED LEG, FOOT, ARM, HAND, BACK OR NECK OR THAT

1 RESTRICTS OR ELIMINATES MOTION IN A DISEASED OR INJURED LEG, FOOT, ARM,
2 HAND, BACK OR NECK.

3 2. "PROSTHETIC DEVICE" MEANS AN ARTIFICIAL LIMB DEVICE OR APPLIANCE
4 THAT IS DESIGNED TO REPLACE IN WHOLE OR IN PART AN ARM OR A LEG.

5 Sec. 3. Title 20, chapter 6, article 4, Arizona Revised Statutes,
6 is amended by adding section 20-1342.07, to read:

7 20-1342.07. Prosthetic and orthotic coverage; reimbursement
8 rates; definitions

9 A. A DISABILITY INSURANCE POLICY THAT IS ISSUED TO AN INSURED SHALL
10 PROVIDE COVERAGE FOR PROSTHETIC DEVICES AND ORTHOTIC DEVICES THAT IS AT
11 LEAST EQUIVALENT TO THE COVERAGE CURRENTLY PROVIDED UNDER TITLE XVIII OF
12 THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE, AND THE
13 COVERAGE MAY NOT BE PROVIDED UNDER LESS FAVORABLE TERMS OR CONDITIONS THAN
14 ANY OTHER MEDICAL OR SURGICAL BENEFITS UNDER THE POLICY.

15 B. THE POLICY SHALL PROVIDE COVERAGE FOR:

16 1. THE MOST APPROPRIATE DEVICE THAT THE TREATING PHYSICIAN
17 DETERMINES IS MEDICALLY NECESSARY TO RESTORE FUNCTIONALITY AT OPTIMAL
18 LEVELS.

19 2. ALL SERVICES AND SUPPLIES THAT ARE NECESSARY FOR THE EFFECTIVE
20 USE OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE, INCLUDING FORMULATING THE
21 DEVICE'S DESIGN, FABRICATION, MATERIAL AND COMPONENT SELECTION,
22 MEASUREMENTS, FITTINGS, STATIC AND DYNAMIC ALIGNMENTS AND INSTRUCTING THE
23 INSURED IN THE USE OF THE DEVICE, INCLUDING ALL MATERIALS AND COMPONENTS
24 NECESSARY TO USE THE DEVICE.

25 3. REPAIR OR REPLACEMENT OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE
26 THAT THE TREATING PHYSICIAN DETERMINES IS MEDICALLY NECESSARY TO RESTORE
27 AND MAINTAIN THE INSURED'S ABILITY TO COMPLETE ACTIVITIES OF DAILY LIVING
28 OR ESSENTIAL JOB-RELATED ACTIVITIES AND THAT IS NOT SOLELY FOR COMFORT OR
29 CONVENIENCE.

30 C. THE DISABILITY INSURANCE POLICY SHALL PROVIDE REIMBURSEMENT
31 RATES THAT ARE AT LEAST EQUIVALENT TO THOSE CURRENTLY PROVIDED UNDER TITLE
32 XVIII OF THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO THAT TITLE
33 AND THAT ARE COMPARABLE TO REIMBURSEMENT UNDER THE POLICY FOR RESTORATIVE
34 INTERNAL DEVICES.

35 D. A DISABILITY INSURER MAY NOT IMPOSE DEDUCTIBLES, COPAYMENTS,
36 COINSURANCE, BENEFIT MAXIMUMS, WAITING PERIODS OR OTHER LIMITATIONS ON
37 COVERAGE, INCLUDING IN-NETWORK AND OUT-OF-NETWORK COVERAGE, ANNUAL
38 COVERAGE MAXIMUMS OR LIFETIME COVERAGE MAXIMUMS, FOR PROSTHETIC DEVICES OR
39 ORTHOTIC DEVICES THAT ARE DIFFERENT FROM THOSE IMPOSED ON BENEFITS OR
40 SERVICES NOT RELATED TO PROSTHETIC DEVICES OR ORTHOTIC DEVICES.

41 E. THIS SECTION DOES NOT APPLY TO LIMITED BENEFIT COVERAGE AS
42 DEFINED IN SECTION 20-1137.

1 F. FOR THE PURPOSES OF THIS SECTION:

2 1. "ORTHOTIC DEVICE" MEANS A RIGID OR SEMIRIGID DEVICE THAT
3 SUPPORTS A WEAK OR DEFORMED LEG, FOOT, ARM, HAND, BACK OR NECK OR THAT
4 RESTRICTS OR ELIMINATES MOTION IN A DISEASED OR INJURED LEG, FOOT, ARM,
5 HAND, BACK OR NECK.

6 2. "PROSTHETIC DEVICE" MEANS AN ARTIFICIAL LIMB DEVICE OR APPLIANCE
7 THAT IS DESIGNED TO REPLACE IN WHOLE OR IN PART AN ARM OR A LEG.

8 Sec. 4. Title 20, chapter 6, article 5, Arizona Revised Statutes,
9 is amended by adding section 20-1406.10, to read:

10 20-1406.10. Prosthetic and orthotic coverage; reimbursement
11 rates; definitions

12 A. A GROUP OR BLANKET DISABILITY INSURANCE POLICY THAT IS ISSUED TO
13 AN INSURED SHALL PROVIDE COVERAGE FOR PROSTHETIC DEVICES AND ORTHOTIC
14 DEVICES THAT IS AT LEAST EQUIVALENT TO THE COVERAGE CURRENTLY PROVIDED
15 UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT AND RULES ADOPTED PURSUANT TO
16 THAT TITLE, AND THE COVERAGE MAY NOT BE PROVIDED UNDER LESS FAVORABLE
17 TERMS OR CONDITIONS THAN ANY OTHER MEDICAL OR SURGICAL BENEFITS UNDER THE
18 POLICY.

19 B. THE POLICY SHALL PROVIDE COVERAGE FOR:

20 1. THE MOST APPROPRIATE DEVICE THAT THE TREATING PHYSICIAN
21 DETERMINES IS MEDICALLY NECESSARY TO RESTORE FUNCTIONALITY AT OPTIMAL
22 LEVELS.

23 2. ALL SERVICES AND SUPPLIES THAT ARE NECESSARY FOR THE EFFECTIVE
24 USE OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE, INCLUDING FORMULATING THE
25 DEVICE'S DESIGN, FABRICATION, MATERIAL AND COMPONENT SELECTION,
26 MEASUREMENTS, FITTINGS, STATIC AND DYNAMIC ALIGNMENTS AND INSTRUCTING THE
27 INSURED IN THE USE OF THE DEVICE, INCLUDING ALL MATERIALS AND COMPONENTS
28 NECESSARY TO USE THE DEVICE.

29 3. REPAIR OR REPLACEMENT OF A PROSTHETIC DEVICE OR ORTHOTIC DEVICE
30 THAT THE TREATING PHYSICIAN DETERMINES IS MEDICALLY NECESSARY TO RESTORE
31 AND MAINTAIN THE INSURED'S ABILITY TO COMPLETE ACTIVITIES OF DAILY LIVING
32 OR ESSENTIAL JOB-RELATED ACTIVITIES AND THAT IS NOT SOLELY FOR COMFORT OR
33 CONVENIENCE.

34 C. THE GROUP OR BLANKET DISABILITY INSURANCE POLICY SHALL PROVIDE
35 REIMBURSEMENT RATES THAT ARE AT LEAST EQUIVALENT TO THOSE CURRENTLY
36 PROVIDED UNDER TITLE XVIII OF THE SOCIAL SECURITY ACT AND RULES ADOPTED
37 PURSUANT TO THAT TITLE AND THAT ARE COMPARABLE TO REIMBURSEMENT UNDER THE
38 POLICY FOR RESTORATIVE INTERNAL DEVICES.

39 D. A GROUP OR BLANKET DISABILITY INSURER MAY NOT IMPOSE
40 DEDUCTIBLES, COPAYMENTS, COINSURANCE, BENEFIT MAXIMUMS, WAITING PERIODS OR
41 OTHER LIMITATIONS ON COVERAGE, INCLUDING IN-NETWORK AND OUT-OF-NETWORK
42 COVERAGE, ANNUAL COVERAGE MAXIMUMS OR LIFETIME COVERAGE MAXIMUMS, FOR
43 PROSTHETIC DEVICES OR ORTHOTIC DEVICES THAT ARE DIFFERENT FROM THOSE
44 IMPOSED ON BENEFITS OR SERVICES NOT RELATED TO PROSTHETIC DEVICES OR
45 ORTHOTIC DEVICES.

1 E. THIS SECTION DOES NOT APPLY TO LIMITED BENEFIT COVERAGE AS
2 DEFINED IN SECTION 20-1137.

3 F. FOR THE PURPOSES OF THIS SECTION:

4 1. "ORTHOTIC DEVICE" MEANS A RIGID OR SEMIRIGID DEVICE THAT
5 SUPPORTS A WEAK OR DEFORMED LEG, FOOT, ARM, HAND, BACK OR NECK OR THAT
6 RESTRICTS OR ELIMINATES MOTION IN A DISEASED OR INJURED LEG, FOOT, ARM,
7 HAND, BACK OR NECK.

8 2. "PROSTHETIC DEVICE" MEANS AN ARTIFICIAL LIMB DEVICE OR APPLIANCE
9 THAT IS DESIGNED TO REPLACE IN WHOLE OR IN PART AN ARM OR A LEG.