

Fiscal Note

BILL # HB 2453

TITLE: AHCCCS; naturopathic physicians

SPONSOR: Montenegro

STATUS: As Introduced

PREPARED BY: Maggie Rocker

Description

The bill would modify the definition of primary care practitioner to include naturopathic physicians for the purposes of AHCCCS coverage.

Estimated Impact

We estimate that the bill's provisions would increase General Fund costs by \$100,000 and Total Funds costs by \$500,000 annually. This estimate is based on an actuarial analysis provided by AHCCCS.

Analysis

AHCCCS contractors are required by statute to cover inpatient and outpatient health services provided by or under the direction of a physician or a primary care practitioner. The proposed legislation would expand the definition of primary care practitioner to include naturopathic physicians. Statute defines the practice of naturopathic medicine as a medical system of diagnosing and treating diseases, injuries, ailments, infirmities and other conditions of the human mind and body including by natural means, drugless methods, drugs, non-surgical methods, devices, physical, electrical, hygienic, and sanitary measures and all forms of physical agents and modalities.

The change would not become effective unless AHCCCS obtains approval from the Centers for Medicare and Medicaid Services by October 1, 2027.

AHCCCS's analysis assumes that most naturopathic doctor (ND) office visits would represent a cost neutral shift from visits to doctors of medicine (MD) and doctors of osteopathic medicine (DO). However, AHCCCS believes a cost would be generated based on the number of duplicative follow-up visits to an MD/DO for a prescription.

AHCCCS's estimate assumes that 27 NDs would secure a managed care contract, and that 33.2% of the ND patient panel (or ~19,000 members) would be Medicaid enrollees, each visiting an ND twice per year. AHCCCS projects that of the 38,000 ND visits, 20% of visits would require a follow-up visit to an MD or DO for a prescription. Using the current fee-for-service rate for office outpatient visits (\$62.93), this would result in an annual cost of \$100,000 General Fund/\$500,000 Total Funds.

Local Government Impact

None

2/13/24

