

Senate Engrossed

health care; costs; reimbursement

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

**CHAPTER 184**  
**SENATE BILL 1402**

AN ACT

AMENDING TITLE 20, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 20-111; RELATING TO HEALTH CARE SERVICES.

(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 1, article 1, Arizona Revised  
3 Statutes, is amended by adding section 20-111, to read:

4 20-111. Health insurers; savings incentive programs;  
5 definitions

6 A. A HEALTH INSURER MAY ESTABLISH A PROGRAM THAT PROVIDES A SAVINGS  
7 INCENTIVE FOR ENROLLEES FOR MEDICALLY NECESSARY COVERED HEALTH CARE  
8 SERVICES THAT HEALTH CARE PROVIDERS AND HEALTH CARE FACILITIES PROVIDE AT  
9 A PRICE THAT IS BELOW THE HEALTH INSURER'S USUAL REIMBURSEMENT.

10 B. THE PROGRAM MAY ENABLE AN ELIGIBLE ENROLLEE WHO RECEIVES COVERED  
11 HEALTH CARE SERVICES FROM A HEALTH CARE PROVIDER OR HEALTH CARE FACILITY  
12 AT A PRICE BELOW THE HEALTH INSURER'S USUAL REIMBURSEMENT TO HAVE THE  
13 AMOUNT THE ENROLLEE PAYS APPLIED TOWARD THE ENROLLEE'S DEDUCTIBLE AND  
14 OUT-OF-POCKET MAXIMUM AND BE REIMBURSED FOR A PORTION OF THE AMOUNT OF THE  
15 DIFFERENCE BETWEEN THE PRICE THE ENROLLEE PAID AND THE HEALTH INSURER'S  
16 USUAL REIMBURSEMENT.

17 C. FOR THE PURPOSES OF THIS SECTION:

18 1. "HEALTH CARE FACILITY" MEANS A HOSPITAL, OUTPATIENT SURGICAL  
19 CENTER, HEALTH CARE LABORATORY, DIAGNOSTIC IMAGING CENTER OR URGENT CARE  
20 CENTER.

21 2. "HEALTH CARE PROVIDER" HAS THE SAME MEANING PRESCRIBED IN  
22 SECTION 32-3216.

23 3. "HEALTH INSURER" HAS THE SAME MEANING PRESCRIBED IN SECTION  
24 32-3216.

25 4. "USUAL REIMBURSEMENT" MEANS THE AMOUNT THE HEALTH INSURER WOULD  
26 ORDINARILY PAY AN IN-NETWORK HEALTH CARE PROVIDER OR AN IN-NETWORK HEALTH  
27 CARE FACILITY FOR THE SERVICE.

APPROVED BY THE GOVERNOR MAY 6, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 6, 2024.