

# Fiscal Note

**BILL #** HB 2138

**TITLE:** AHCCCS; naturopathic physicians

**SPONSOR:** Bliss

**STATUS:** As Introduced

**PREPARED BY:** Maggie Rocker

## Description

This bill would modify the definition of physician 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 a prior year actuarial analysis provided by AHCCCS.

AHCCCS has not provided an updated estimate.

## Analysis

AHCCCS's 2024 analysis assumed that the naturopathic doctor (ND) per office cost would be comparable to that of a doctor of medicine (MD) or doctor of osteopathic medicine (DO). However, AHCCCS believed a cost would be generated based on the number of duplicative follow-up visits to an MD/DO for a prescription as a naturopath cannot write such an order.

AHCCCS's estimate assumed 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 projected 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 (\$67.60), this would result in an annual cost of \$100,000 General Fund/\$500,000 Total Funds.

The change would not become effective unless AHCCCS obtains approval from the Centers for Medicare and Medicaid Services by October 1, 2028.

## Local Government Impact

None

2/12/25

