



**ARIZONA
MEDICAL
ASSOCIATION**

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President

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Jacqueline Kurth, Manager
Industrial Commission of Arizona
800 W. Washington Street
Phoenix, AZ 85007

Submitted via E-Mail
RE: 2019-2020 Physicians' and Pharmaceutical Fee Schedule

Dear Ms. Kurth,

The Arizona Medical Association (ArMA) is a voluntary membership organization for all Arizona physicians. ArMA promotes leadership in the art and science of medicine and advocates for economically sustainable medical practices, the freedom to deliver care in the best interests of patients, and health for all Arizonans. On behalf of ArMA, please accept these comments on the Industrial Commission of Arizona's (ICA) 2019-2020 Physicians' and Pharmaceutical Fee Schedule.

Passed during the 2018 Legislative Session, the introduced version of SB 1111 contained restrictions on physician dispensing within the Worker's Compensation system. The dispensing restrictions were omitted from the final version of SB 1111 and Session Law was included in the chaptered bill, tasking the ICA with reviewing the medication reimbursement guidelines, as well as information and data; consulting with physician, employee, business, and industry stakeholders; and holding at least one public hearing in the consideration on whether to adopt additional reimbursement guidelines for medications dispensed in settings that are not accessible to the general public.

ArMA is mindful of the concerns that the ICA is attempting to address in the proposed 2019-2020 Physicians' and Pharmaceutical Fee Schedule. However, we believe the renewed effort included in the proposed Fee Schedule to limit physician dispensing is not in the best interests of the injured worker. We believe a balance should be struck between fiscal considerations and not limiting the physician community's beneficial ability to dispense needed medications. Historically, ArMA has taken a position of opposition regarding restrictions on physician dispensing. We caution that an effort to modify the behaviors of a small number of practitioners may have unintended consequences which are harmful and far-reaching for the great majority of injured workers and the physicians who care for them.

ArMA also takes note of the fact that the reimbursement restrictions in the proposed schedule were by act of the Arizona Legislature specifically rejected and removed from SB 1111, the legislation that authorizes this proposal. Accordingly, we believe the comments made by Representative Cobb in the public hearing regarding the legislative history of the bill, specifically its negotiation and passage, are instructive as to the appropriate scope of the fee schedule.

ArMA urges the ICA to slow down the adoption process of the 2019-2020 Physicians' and Pharmaceutical Fee Schedule and engage in meaningful stakeholder negotiations to come up with appropriate guidelines. In response to the numerous concerns brought up in the public hearing, it is necessary that all interested parties are included in the stakeholder process and that the ICA consider not only fiscal impacts, but legislative intent and the best interests of Arizona's injured workers, along with the input of physicians who play a critical role in their treatment.

Thank you for your continued effort on this matter, and we look forward to providing future input in this area of mutual concern.

Sincerely,

William Thompson, IV, MD
ArMA Legislative and Governmental Affairs Chairman

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