



“As always, it comes down to money”: Major insurance provider no longer accepted at Arizona hospital

Blue Cross estimates 20% of its Yavapai customers will be impacted, but that’s still more than 11,000 people.

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YAVAPAI COUNTY, Ariz. — The largest hospital in Yavapai County is no longer in-network with Arizona’s largest insurance provider.

The deadline for a [new agreement between Blue Cross Blue Shield of Arizona and Yavapai Regional Medical Center](#) passed Wednesday.



“We are really, really sorry this is occurring,” Yavapai Regional Medical Center CEO Dr. Anthony Torres said. “As always, it comes down to the money.”

Specifically, what was at stake was how much BCBS would reimburse the hospital for care. Dr. Torres said the hospital is a nonprofit, and they asked for an increase that was under the rate of inflation for their costs.

“We didn’t walk away from the table. Blue Cross walked away from the table.”

Blue Cross Blue Shield declined an interview with 12News; however, emails defended their position and blamed the impasse on the hospital.

According to the insurance company, “Yavapai Regional is the fourth highest-cost hospital in the state.” Blue Cross said the average reimbursement rate for Yavapai Regional is twice as much as the average Phoenix hospital.

“Our costs may be a little bit higher, but the cost for us to recruit and retain doctors here is much higher also,” Dr. Torres said.

According to the doctor, it takes more money to recruit and retain doctors in rural areas.

Rural hospitals normally deal with more uninsured patients. The care of those patients often gets reimbursed at lower rates than patients with insurance.

Blue Cross Blue Shield said they already pay the hospital more than \$120 million for care and did offer an increase in reimbursement.



“I don’t think there is a villain here,” Dr. Dan Derksen, Associate Vice President for Health Equity, Outreach & Interprofessional Activities at UArizona, said.

He said despite the additional cost, agreements between insurance companies and hospitals normally get worked out.

“Because if they don’t, unfortunately, the cost starts accruing with the individual,” he said.

Who is impacted?

According to their website, if your member ID does NOT begin with “R,” “NNJ,” “NNG,” “HC,” or “MZH,” **this contract termination may apply to you.**

If you fall into the below categories, there is nothing you need to do differently:

- BCBSAZ Health Choice (AHCCCS and DSNP)
- Federal Employee Program (FEP) is not impacted through the end of 2023
- HMO plans using the Neighborhood Network are not impacted through the end of 2023.
- Senior Security Medicare Supplement is not impacted

According to Blue Cross Blue Shield, roughly 80% of their more than 50,000 customers in Yavapai county will not be impacted.

In addition, emergency care will still be covered at in-network rates.

According to both the hospital and insurance company, those with elective surgeries will be one of the few groups impacted.

You can find more details on coverage [here](#).