



## **Phoenix Children's Hospital and BlueCross BlueShield of Arizona's Contract Negotiations**

Dear Employees and Retirees:

Some of you have received a letter from Phoenix Children's Hospital (PCH) recently with information about their contract negotiations with BlueCross BlueShield of Arizona (BCBS). The letter you received was sent out without our knowledge. We reached out to PCH to discuss, however, to date, they have not responded to our inquiries.

Negotiating rates for cost of services is a part of the contracting process between providers (ex. Phoenix Children's Hospital) and networks (ex. BlueCross BlueShield of Arizona/United Healthcare (UHC)). This typically happens every few years and negotiations can go right down to the expiration of the contract.

As a self-funded benefits plan, the State of Arizona is always looking for the best care at the best price for employees. The price of healthcare has increased exponentially over the years and state employees have had to pay more, so we are very aware and concerned about both cost increases to the plan and the ability for our employees to have as many in-network providers as possible.

Open enrollment started Nov. 1 and closes at 5:00 pm AZ time on Nov. 19. It is during open enrollment that you can make changes to your benefits for the following plan year. As always, the ADOA Benefits team is ready to assist employees with finding providers in the event of any future provider changes.

Reviewing each network to determine if your current providers are covered in Tier 1 is always important. Currently, both BCBS and UHC Tier 1 Networks will include PCH. BCBS is currently hoping to negotiate a new contract with PCH, UHC has a contract commitment with PCH through June 2023.

The care of our employees, retirees and dependents is of critical importance to us. We are encouraging both parties to continue the negotiations in good faith and are hopeful that an agreement will be reached.

Sincerely,

**Andy Tobin**

Director

Arizona Department of Administration

---

### Questions?

Please contact a Benefit Options representative by phone 602-542-5008, toll-free 1-800-304-3687, by email [benefits@azdoa.gov](mailto:benefits@azdoa.gov) or visit [benefitoptions.az.gov](http://benefitoptions.az.gov). Our office is closed for walk-ins at this time, but we can help you virtually Monday-Friday, 8 am - 5 pm Arizona Time, except holidays.

---



Arizona Department of Administration  
Human Resources Division  
100 N. 15th Ave., Suite 260  
Phoenix, Arizona 85007

[Unsubscribe](#)