

**2025-2026 ACADEMY
BOARD OF DIRECTORS**

OFFICERS

President Eugene G. Brown III, MD, RPh

President-elect Daniel C. Chelius, Jr., MD

Immediate Past President Troy D. Woodard, MD

Sec/Treasurer Ken Kazahaya, MD, MBA

EVP/CEO Rahul K. Shah, MD, MBA

AT-LARGE DIRECTORS

Yuri Agrawal, MD, MPH

Marc G. Dubin, MD

Christine Franzese, MD

R. Peter Manes, MD

David E. Melon, MD

John S. Rhee, MD, MPH, MBA

Karen A. Rizzo, MD

Andrew J. Tompkins, MD, MBA

BOARD OF GOVERNORS

Chair Stephen P. Cragle, MD

Chair-elect Eileen M. Raynor, MD

Past Chair Cristina Baldassari, MD

INTERNATIONAL ADVISORY BOARD

Chair Héctor De La Garza Hesles, MD

COORDINATORS

Cristina Baldassari, MD

Lance A. Manning, MD

EX-OFFICIO

Chair, Ethics Committee

Andrew G. Shuman, MD, HEC-C

To: Members of the Arizona House Health & Human Services Committee and Rules Committee

Date: February 20, 2026

Re: Support for HB 2407 — Insurance Claims Processing and Downcoded Claims

Dear Chair and Members of the Committee:

On behalf of the American Academy of Otolaryngology–Head and Neck Surgery (AAO-HNS), which has approximately 13,000 members nationwide, I write to express our strong support for Arizona House Bill 2407.

AAO-HNS supports policies that preserve physician-led clinical decision-making, promote transparency in claims adjudication, and ensure accurate and timely reimbursement for medically necessary services. HB 2407 advances these principles by establishing clear standards governing insurer downcoding practices and strengthening due process when a claim is adjusted.

The bill appropriately prohibits a health insurer from using an automatic process, system, or tool to make a final decision to downcode a claim. It further requires that any downcoding be based on a documented clinical review conducted by a licensed health care professional of the same specialty as the treating provider and prohibits decisions based solely on reported diagnosis codes. These safeguards ensure that reimbursement determinations reflect clinical evidence rather than automated cost-containment edits.

HB 2407 also enhances transparency and accountability by requiring written notice that explains the reason for the downcoding, the original and revised codes and payment amounts, the identity and credentials of the reviewer, and clear appeal rights and timelines.

The bill establishes a defined appeals process, allows substantially similar claims to be appealed in batches, and authorizes enforcement action against discriminatory or improper downcoding practices.

T: 1-703-836-4444

F: 1-703-683-5100

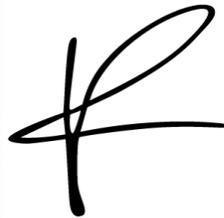
W: www.entnet.org

A: 1650 Diagonal Road, Alexandria, VA 22314

By reinforcing clinical oversight, improving transparency, and protecting providers who care for patients with complex conditions, HB 2407 promotes fairness in claims processing while preserving appropriate use of technology.

AAO-HNS respectfully urges your support for HB 2407 and appreciates your leadership on this important issue.

Sincerely,



Rahul K. Shah, MD, MBA
Executive Vice President / CEO
American Academy of Otolaryngology–Head and Neck Surgery