

GOVERNOR KATIE HOBBS

STATE OF ARIZONA

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EXECUTIVE ORDER

**Executive Order 2025-10**  
**Lowering the Cost of Prescription Drugs for Arizonans**

**WHEREAS**, prescription drug costs in the United States are the highest of any nation, with prices rising faster than inflation year after year; and

**WHEREAS**, the Centers for Disease Control and Prevention (CDC) estimates nearly one in twelve Americans stop, skip, or ration medications because they cannot afford the medicine they need to survive. Many are forced to choose between paying for healthcare, including prescribed medications, and forgoing or delaying care to pay for other basic necessities; and

**WHEREAS**, according to the Kaiser Family Foundation, a non-partisan health policy organization, in 2022, about four in ten adults reported having debt due to healthcare costs, with disproportionate shares of Black and Hispanic adults, women, parents, those with low incomes, and uninsured adults reporting having healthcare debt; and

**WHEREAS**, as a result of federal legislation, including President Trump's H.R. 1, commonly referred to as the One Big Beautiful Bill Act (P.L. 119-21), and Congress's failure to extend the Affordable Care Act subsidies, hundreds of thousands of Arizonans will lose access to Medicaid, Medicare, marketplace insurance, and private healthcare coverage; and

**WHEREAS**, uninsured Arizonans are often unable to afford prescription medications, which results in worse health outcomes and rising costs, putting additional pressure on the state's healthcare system, including hospitals and community health centers; and

**WHEREAS**, this issue disproportionately affects seniors, individuals with chronic conditions, the uninsured, and residents of rural communities already struggling with limited access to care; and

**WHEREAS**, the State of Arizona has a compelling interest in protecting residents from unfair and excessive prescription drug costs; and

**WHEREAS**, my administration has advocated to expand regulatory authority to prevent price gouging that puts life-saving medications out of reach for too many Arizonans; and

**WHEREAS**, programs exist that help provide discounts for medications not covered by insurance, Medicaid, or Medicare; and

**WHEREAS**, the states of Oregon, Washington, Connecticut, Nevada, and Ohio comprise ArrayRx, a multi-state, non-profit prescription drug purchasing consortium, which leverages collective buying power to increase transparency in drug pricing and lower prescription drug costs by up to 80% for participating state residents, and operates without a net cost to participating states; and

**WHEREAS**, Arizona Department of Health Services (ADHS) can develop programs to reduce costs in the field of health services, including prescription drug medications; and

**WHEREAS**, Arizona Department of Administration (ADOA) has broad authority to enter into cooperative purchasing agreements pursuant to A.R.S. Title 41, Chapter 23, Article 10, and to delegate that authority to ADHS, pursuant to Arizona Administrative Code (A.A.C.) R2-7-1001.

**NOW, THEREFORE, I, Katie Hobbs, Governor of the State of Arizona, by virtue of the authority vested in me by the Constitution of the State of Arizona, do hereby order and direct as follows:**

1. In accordance with state laws, ADHS shall seek authority from ADOA and take steps to enter into a cooperative purchasing agreement with ArrayRx to lower the cost of prescription drugs for residents in the State.
2. ADOA shall assist ADHS with the cooperative purchasing process for ArrayRx and continue to provide support to ADHS throughout the contract lifecycle.
3. The Director of ADHS shall designate an agency staff member to serve as the State representative and voting member on the ArrayRx Steering Committee.
4. To the extent practicable and permissible under state and federal law, state agencies focused on public health or serving vulnerable populations should actively support and promote this benefit through their respective communication and outreach channels, as appropriate.
5. On or before December 31st of each year, ADHS shall submit a report to the Governor's Office on the status of program implementation and adoption, including outreach activities, participating agencies, and available data on enrollment and utilization.
6. This Executive Order shall not confer any legal rights or remedies upon any person and shall not be used as a basis for legal challenges to any action or inaction of a State Agency, officer, employee, or agent thereof.
7. If any provision of this Executive Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision or application of this Executive Order, which can be given effect without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared to be severable.

This Executive Order shall take effect immediately upon signature, and shall remain in effect until repealed, replaced, or rescinded by future Executive Order.

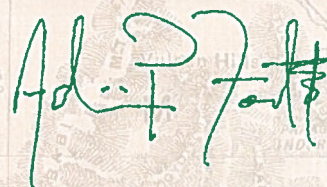
**IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Arizona.**



**GOVERNOR**

**DONE** at the Capitol in Phoenix on this Sixth Day of August in the Year Two Thousand and Twenty-Five and of the Independence of the United States of America the Year Two Hundred and Fiftieth.

**ATTEST:**



**Secretary of State**

