

REFERENCE TITLE: registered nurse practitioners; authority

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SB 1100

Introduced by
Senator Allen

AN ACT

AMENDING SECTIONS 3-662, 8-105, 8-134, 8-822, 11-821, 13-3612, 14-5310, 14-5314, 14-5315, 15-346, 15-843, 15-871, 15-872, 15-873, 20-142, 20-826, 20-826.03, 20-833, 20-841.04, 20-1051, 20-1057, 20-1057.01, 20-1057.10, 20-1342.05, 20-1376, 20-1631, 20-2323, 20-2327, 20-2332, 21-202, 23-908, 23-1026, 23-1043.02, 23-1043.03, 23-1070, 23-1071, 28-447, 28-909, 28-2409, 28-3005, 28-3167, 44-133.01 AND 46-454, ARIZONA REVISED STATUTES; RELATING TO REGISTERED NURSE PRACTITIONERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 3-662, Arizona Revised Statutes, is amended to
3 read:

4 3-662. Manufacture or sale not prohibited

5 This article does not prohibit the manufacture or sale of:

6 1. Trade products complying with this chapter.

7 2. Proprietary foods containing milk or skim milk to which have been
8 added any fat or oil other than milk fat ~~when such~~ IF THESE foods are clearly
9 labeled to show their composition and the fact that they are to be sold
10 exclusively for use as directed by ~~physicians~~ A PHYSICIAN OR A REGISTERED
11 NURSE PRACTITIONER for the feeding of invalids and children.

12 3. Real products flavored with chocolate or cocoa, with the presence
13 of cocoa fat in an amount not exceeding that which is naturally present in
14 the chocolate or cocoa used.

15 4. Real products the vitamin content of which is increased with the
16 presence of a food oil as a carrier of such vitamins, ~~where~~ IF the quantity
17 of such food oil does not exceed one one-hundredth per cent of the weight of
18 the finished real products.

19 Sec. 2. Section 8-105, Arizona Revised Statutes, is amended to read:

20 8-105. Preadoption certification; investigation; central
21 adoption registry

22 A. Before any prospective adoptive parent may petition to adopt a
23 child the person shall be certified by the court as acceptable to adopt
24 children. A certificate shall be issued only after an investigation
25 conducted by an officer of the court, by an agency or by the division. A
26 written application for certification shall be made directly to the court, to
27 an agency or to the division, in the form and content required by the court,
28 agency or division.

29 B. The division is not required to accept every application for
30 certification. In determining which applications to accept the division may
31 give priority to applications filed by adult residents of this state who wish
32 to adopt a child who has any of the special needs described in section 8-141.

33 C. After receiving and accepting the written and completed application
34 of the prospective adoptive parent or parents, which shall include a
35 financial statement and a physician's ~~OR A REGISTERED NURSE PRACTITIONER'S~~
36 statement of each applicant's physical health, the division, the agency or an
37 officer of the court shall conduct or cause to be conducted an investigation
38 of the prospective adoptive parent or parents to determine if they are fit
39 and proper persons to adopt children.

40 D. The division shall not present for certification a prospective
41 adoptive parent unless that person has a valid fingerprint clearance card
42 issued pursuant to title 41, chapter 12, article 3.1 or provides to the
43 division documentation of the person's application for a fingerprint
44 clearance card. The prospective adoptive parent must certify on forms that
45 are provided by the division and that are notarized whether the prospective

1 adoptive parent is awaiting trial on or has ever been convicted of any of the
2 criminal offenses listed in section 41-1758.03, subsections B and C in this
3 state or similar offenses in another state or jurisdiction.

4 E. An officer of the court may obtain a state and federal criminal
5 records check pursuant to section 41-1750 and Public Law 92-544. The
6 department of public safety may exchange this fingerprint data with the
7 federal bureau of investigation.

8 F. This investigation and report to the court shall consider all
9 relevant and material facts dealing with the prospective adoptive parents'
10 fitness to adopt children and shall include:

- 11 1. A complete social history.
- 12 2. The financial condition of the applicant.
- 13 3. The moral fitness of the applicant.
- 14 4. The religious background of the applicant.
- 15 5. The physical and mental health condition of the applicants.
- 16 6. Any court action for or adjudication of child abuse, abandonment of
17 children, dependency or termination of parent-child relationship in which the
18 applicant had control, care or custody of the child who was the subject of
19 the action.

20 7. Whether the person or persons wish to be placed on the central
21 registry established in subsection M of this section.

22 8. All other facts bearing on the issue of the fitness of the
23 prospective adoptive parents that the court, agency or division may deem
24 relevant.

25 G. The investigator shall not reveal to the prospective adoptive
26 parents the identity of a child or the child's parent or parents and shall
27 not reveal to the child or the child's parent or parents the identity of the
28 prospective adoptive parents if these facts are not already known.

29 H. Within ninety days after the original application prescribed by
30 subsection A of this section has been accepted, the division or the agency or
31 a person or agency designated by the court to conduct an investigation shall
32 present to the juvenile court the written report required by subsection F of
33 this section, which shall include a definite recommendation for certifying
34 the applicant as being acceptable or nonacceptable to adopt children with the
35 reasons for the recommendation.

36 I. Within sixty days after receiving the investigation report required
37 by subsections F and H of this section, the court shall certify the applicant
38 as being acceptable or nonacceptable to adopt children based on the
39 investigation report and recommendations of the report. A certification
40 remains in effect for eighteen months from the date of its issuance and may
41 be extended for additional one year periods if after review the court finds
42 that there have been no material changes in circumstances ~~which~~ THAT would
43 adversely affect the acceptability of the applicant to adopt.

1 J. The court may require additional investigation if it finds that
2 additional information is necessary on which to make an appropriate decision
3 regarding certification.

4 K. Any applicant who has been certified as nonacceptable may petition
5 the court to review such certification. Notice shall be given to all
6 interested parties and the matter shall be heard by the court, which may
7 affirm or reverse the certification.

8 L. If the applicant is certified as nonacceptable, the applicant may
9 not reapply for certification to the court, to any agency or to the division
10 for one year.

11 M. The division shall maintain a central adoption registry that
12 includes the names of all prospective adoptive parents currently certified by
13 the court as acceptable to adopt children, except those who request that
14 their names not be included, the names of all children who are under the
15 jurisdiction of the division and who are currently available for adoption,
16 the names of any other children who are currently available for adoption and
17 whose names are voluntarily entered in the registry by any agency, parent or
18 other person that has the right to give consent to the child's adoption, and
19 other information as the division may elect to include in aid of adoptive
20 placements. Access to information in the registry shall be made available on
21 request to any agency under assurances as the division may require that the
22 information sought is in furtherance of adoptive placements and that
23 confidentiality of the information is preserved.

24 N. This section does not apply if:

25 1. The prospective adoptive parent is the spouse of the birth or legal
26 parent of the child to be adopted or is an uncle, aunt, adult sibling,
27 grandparent or great-grandparent of the child of the whole or half-blood or
28 by marriage or adoption.

29 2. The birth or legal parent is deceased but at the time of death the
30 parent had legal and physical custody of the child to be adopted and the
31 child had resided primarily with the spouse of the birth or legal parent
32 during the twenty-four months before the death of the parent.

33 3. The grandparent, great-grandparent, aunt, adult sibling or uncle is
34 deceased but at the time of death that person had legal and physical custody
35 of the child to be adopted and the child had resided primarily with the
36 spouse of the grandparent, great-grandparent, aunt, adult sibling or uncle
37 during the twenty-four months before the death of the grandparent,
38 great-grandparent, aunt, adult sibling or uncle.

39 0. If the applicant has adopted a child within three years preceding
40 the current application and is applying to adopt another child or is a foster
41 parent who is licensed by this state, the division or agency or a person
42 designated by the court to conduct an investigation shall only provide an
43 update report on any changes in circumstances that have occurred since the
44 previous certification or licensing report. If the applicant has adopted a
45 child more than three years before the current application and is applying to

1 adopt another child, the division or agency or a person designated by the
2 court to conduct an investigation may provide an updated report on any
3 changes in circumstances that have occurred since the previous certification
4 or licensing report. The court shall certify the applicant as acceptable to
5 adopt unless there are changes in circumstances that adversely affect the
6 applicant's parenting ability. In making this determination, the court shall
7 consider information from the prior certification or licensing report.

8 Sec. 3. Section 8-134, Arizona Revised Statutes, is amended to read:
9 8-134. Confidential intermediary

10 A. Any of the following persons may use the services of a confidential
11 intermediary who is listed with the court:

12 1. The adoptive parents of an adoptee who is at least eighteen years
13 of age or, if the adoptive parents are deceased, the adoptee's guardian.

14 2. An adoptee if the adoptee is at least eighteen years of age.

15 3. If an adoptee is deceased, the adoptee's spouse if the spouse is
16 the legal parent or guardian of any child of the adoptee.

17 4. If an adoptee is deceased, any progeny of the adoptee who is at
18 least eighteen years of age.

19 5. Either of the birth parents of an adoptee.

20 6. If the birth parent of an adoptee is deceased, the parent of the
21 birth parent.

22 7. A biological sibling of the adoptee if the sibling is at least
23 eighteen years of age.

24 B. An adoption agency licensed by this state, the division or an
25 individual who meets the requirements adopted pursuant to subsections F and G
26 of this section may serve as a confidential intermediary.

27 C. Notwithstanding sections 8-120 and 8-121, a confidential
28 intermediary may inspect documents compiled pursuant to this article.
29 Documents include the court records, division records, agency records and
30 maternity home records. The confidential intermediary shall keep
31 confidential all information obtained during the course of the investigation.
32 The intermediary shall use confidential information only to arrange a contact
33 or share information between the person who initiates the search and the
34 person who is the subject of the search. A confidential intermediary shall
35 review the court record before making any contact with an adoptee to
36 determine if an affidavit has been filed pursuant to subsection E of this
37 section. Except as provided pursuant to subsection A, paragraphs 1, 2, 4 and
38 7 and subsection G of this section, a confidential intermediary shall not
39 contact persons under twenty-one years of age.

40 D. The confidential intermediary shall obtain written consent from the
41 person who initiated the search and the person who is the subject of the
42 search before arranging for the sharing of identifying information or a
43 contact between them. If the confidential intermediary discovers the subject
44 of the search is deceased or that the identity of the birth father was
45 unknown to or not revealed by the birth mother, the confidential intermediary

1 shall share this information with the person initiating the search. If the
2 confidential intermediary, after a diligent effort, is unable to locate the
3 subject of the search to obtain written consent to share information, the
4 confidential intermediary shall share this information with the person
5 initiating the search and prepare and place with the compiled documents a
6 written report describing search efforts. If the person who initiated the
7 search petitions the court to release identifying information, the court
8 shall review the report prepared by the confidential intermediary and shall
9 decide if the information may be released and in what manner the information
10 may be released if the court determines there is good cause.

11 E. An adoptive parent who has not informed an adoptee that the adoptee
12 was adopted may file an affidavit so stating with the court where the
13 adoption took place. The affidavit may be withdrawn at any time by the
14 adoptive parent. If an affidavit is a part of the court record, the
15 confidential intermediary shall not make contact with the adoptee unless the
16 adoptive parent withdraws the affidavit and grants permission in writing or
17 the adoptee has filed an affidavit stating that the adoptee knows about the
18 adoption and wishes to make contact with the birth parent.

19 F. A birth parent who has not informed the parent's biological
20 offspring of the existence of the adoptee may file an affidavit so stating
21 with the court where the adoption took place. The affidavit may be withdrawn
22 at any time by the birth parent. If an affidavit is a part of the court
23 record, the confidential intermediary shall not make contact with the
24 biological sibling unless the birth parent withdraws the affidavit and grants
25 permission in writing or the biological sibling has filed an affidavit
26 stating that the biological sibling knows about the adoptee and wishes to
27 make contact with the adoptee.

28 G. On receipt of a written statement from a physician OR A REGISTERED
29 NURSE PRACTITIONER that explains in detail how a health condition may
30 seriously affect the health of the adoptee or a direct descendant of the
31 adoptee, the court shall order the confidential intermediary program to
32 appoint a confidential intermediary. The confidential intermediary shall
33 make a diligent effort to notify an adoptee who has attained eighteen years
34 of age, an adoptive parent or guardian of an adoptee who has not attained
35 eighteen years of age or a direct descendant of a deceased adoptee that the
36 nonidentifying information is available and shall be provided on written
37 request.

38 H. On receipt of a written statement from a physician OR A REGISTERED
39 NURSE PRACTITIONER that explains in detail why a serious health condition of
40 the adoptee or a direct descendant of the adoptee should be communicated to
41 the birth parent or biological sibling to enable the birth parent or
42 biological sibling to make an informed medical decision, the court shall
43 order the confidential intermediary program to appoint a confidential
44 intermediary. The confidential intermediary shall make a diligent effort to

1 notify those individuals that the nonidentifying information is available and
2 shall be provided on written request.

3 I. The Arizona supreme court shall administer the confidential
4 intermediary program. The court shall adopt rules and procedures necessary
5 to implement the program, including qualifications, required fees, minimum
6 standards for certification, training and standards of conduct of
7 confidential intermediaries, and shall establish the fees that may be charged
8 by a confidential intermediary.

9 J. A person shall not act as a confidential intermediary unless the
10 person possesses a confidential intermediary certificate issued by the
11 supreme court. In order to be certified as a confidential intermediary a
12 person shall meet and maintain the minimum standards prescribed by this
13 section and the rules adopted by the supreme court.

14 K. In carrying out the provisions of this section the supreme court
15 shall require applicants for a confidential intermediary certificate to
16 furnish fingerprints and the supreme court shall obtain criminal history
17 record information pursuant to section 41-1750. The applicant for
18 certification shall pay a fee to the department of public safety to reimburse
19 the department of public safety for the cost of obtaining the applicant's
20 criminal history record information required by this section. The fee shall
21 not exceed the actual cost of obtaining the applicant's criminal history
22 record information.

23 L. The actual and reasonable cost to the agency, division or court of
24 providing information pursuant to the confidential intermediary program shall
25 be paid by the person requesting the services of a confidential intermediary.
26 If the juvenile court of a county is supplying the information, the actual
27 and reasonable costs shall be paid to the clerk of the court of that county
28 who shall transmit the monies to the county treasurer of that county for
29 deposit in the juvenile probation services fund to be utilized by the
30 juvenile court of that county for reimbursing the court for costs associated
31 with providing information pursuant to the confidential intermediary program.
32 If the division is supplying the information, the actual and reasonable costs
33 shall be paid to the division. If an agency is supplying the information,
34 the actual and reasonable costs shall be paid to the agency.

35 Sec. 4. Section 8-822, Arizona Revised Statutes, is amended to read:
36 8-822. Removal of child from home; review; review teams

37 The department shall adopt rules and establish clear policies and
38 procedures, where appropriate, to:

39 1. Determine the circumstances under which it is appropriate to remove
40 a child from the custody of the child's parents, guardian or custodian.

41 2. Ensure the immediate notification of the child's parents, guardian
42 or custodian regarding the removal of the child from home, school or child
43 care and the timely interview of the child and the child's parent, guardian
44 or custodian.

1 3. Review each removal of a child that is expected to result in a
 2 dependency petition to assess options other than continued out-of-home
 3 placement including in-home services to the family. Such reviews shall be
 4 conducted before the dependency petition is filed. The review team shall
 5 consist of a protective services worker, a worker's supervisor and two
 6 members of the local foster care review board. If the child has a medical
 7 need or a chronic illness, the review team shall include the child's
 8 physician OR REGISTERED NURSE PRACTITIONER. If all reasonable efforts to
 9 reach the child's physician OR REGISTERED NURSE PRACTITIONER have been made
 10 and the physician OR REGISTERED NURSE PRACTITIONER is not available, the team
 11 shall include a physician who is licensed pursuant to title 32, chapter 13 or
 12 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32,
 13 CHAPTER 15 and who is familiar with children's health care. A child shall
 14 not be removed unless a majority of the members of the review team agree that
 15 removal is necessary. If a majority of the members of the review team do not
 16 agree that removal is necessary, the child shall not be removed or, if the
 17 child has already been removed, the child shall be returned to the home.

18 Sec. 5. Section 11-821, Arizona Revised Statutes, is amended to read:
 19 11-821. County plan; definitions

20 A. The commission shall formulate and the board of supervisors shall
 21 adopt or readopt a comprehensive long-term county plan for the development of
 22 the area of jurisdiction in the manner prescribed by this article. The
 23 planning commission shall coordinate the production of the county plan with
 24 the creation of the conceptual state land use plans under title 37, chapter
 25 2, article 5.1. The county plan, with the accompanying maps, plats, charts
 26 and descriptive matter, shall show the commission's recommendations for the
 27 development of the area of jurisdiction together with the general zoning
 28 regulations. The county plan shall be made with the general purpose of
 29 guiding and accomplishing a coordinated, adjusted and harmonious development
 30 of the area of jurisdiction. In the preparation of the county plan the
 31 commission shall make surveys and studies of the present conditions and
 32 prospective future growth of the area of the jurisdiction. The planning
 33 commission shall cooperate with the state land department regarding
 34 integrating the conceptual state land use plans into the county plan. The
 35 county plan shall include provisions that identify changes or modifications
 36 that constitute amendments and major amendments to the plan.

37 B. In addition to the other matters that are required or authorized
 38 under this section and article 1 of this chapter, the county plan:

39 1. Shall provide for zoning, shall show the zoning districts
 40 designated as appropriate for various classes of residential, business and
 41 industrial uses and shall provide for the establishment of setback lines and
 42 other plans providing for adequate light, air and parking facilities and for
 43 expediting traffic within the districts.

44 2. May establish the percentage of a lot or parcel ~~which~~ THAT may be
 45 covered by buildings, and the size of yards, courts and other open spaces.

1 3. Shall consider access to incident solar energy.

2 4. May provide for retirement community zoning districts.

3 5. May provide for the regulation and use of business licenses, adult
4 oriented business manager permits and adult service provider permits in
5 conjunction with the establishment or operation of adult oriented businesses
6 and facilities, including adult arcades, adult bookstores or video stores,
7 cabarets, adult live entertainment establishments, adult motion picture
8 theaters, adult theaters, massage establishments and nude model studios.
9 With respect to cabarets, the plan shall not conflict with specific statutory
10 or valid regulatory requirements applicable to persons licensed to dispense
11 alcoholic beverages, but the plan may include regulation of the age and
12 conduct of erotic entertainers in a manner at least as restrictive as rules
13 adopted under title 4.

14 C. In addition to the other matters that are required or authorized
15 under this section and article 1 of this chapter, for counties having a
16 population of more than one hundred twenty-five thousand persons according to
17 the most recent United States decennial census, the county plan shall
18 include, and for other counties the county plan may include:

19 1. Planning for land use that designates the proposed general
20 distribution and location and extent of uses of the land for housing,
21 business, industry, agriculture, recreation, education, public buildings and
22 grounds, open space and other categories of public and private uses of land
23 appropriate to the county. The land use plan shall include:

24 (a) A statement of the standards of population density and building
25 intensity recommended for the various land use categories covered by the
26 plan.

27 (b) Specific programs and policies that the county may use to promote
28 compact form development activity and locations where those development
29 patterns should be encouraged.

30 (c) Consideration of air quality and access to incident solar energy
31 for all general categories of land use.

32 (d) Policies that address maintaining a broad variety of land uses
33 including the range of uses existing in the county at the time the plan is
34 adopted, readopted or amended.

35 2. Planning for circulation consisting of the general location and
36 extent of existing and proposed freeways, arterial and collector streets,
37 bicycle routes and any other modes of transportation as may be appropriate,
38 all correlated with the land use plan under paragraph 1 of this subsection.

39 3. Planning for water resources that addresses:

40 (a) The known legally and physically available surface water,
41 groundwater and effluent supplies.

42 (b) The demand for water that will result from future growth projected
43 in the county plan, added to existing uses.

1 (c) An analysis of how the demand for water that will result from
2 future growth projected in the comprehensive plan will be served by the water
3 supplies identified in subdivision (a) of this paragraph or a plan to obtain
4 additional necessary water supplies.

5 D. In addition to the other matters that are required or authorized
6 under this section and article 1 of this chapter, for counties having a
7 population of more than two hundred thousand persons according to the most
8 recent United States decennial census, the county plan shall include, and for
9 other counties the county plan may include:

10 1. Planning for open space acquisition and preservation. The open
11 space plan shall include:

12 (a) A comprehensive inventory of open space areas, recreational
13 resources and designations of access points to open space areas and
14 resources.

15 (b) An analysis of forecasted needs, policies for managing and
16 protecting open space areas and resources and implementation strategies to
17 acquire additional open space areas and further establish recreational
18 resources.

19 (c) Policies and implementation strategies designed to promote a
20 regional system of integrated open space and recreational resources and a
21 consideration of any existing regional open space plan.

22 2. Planning for growth areas, specifically identifying those areas, if
23 any, that are particularly suitable for planned multimodal transportation and
24 infrastructure expansion and improvements designed to support a planned
25 concentration of a variety of uses, such as residential, office, commercial,
26 tourism and industrial uses. The mixed use planning shall include policies
27 and implementation strategies that are designed to:

28 (a) Make automobile, transit and other multimodal circulation more
29 efficient, make infrastructure expansion more economical and provide for a
30 rational pattern of land development.

31 (b) Conserve significant natural resources and open areas in the
32 growth area and coordinate their location to similar areas outside the growth
33 area's boundaries.

34 (c) Promote the public and private construction of timely and
35 financially sound infrastructure expansion through the use of infrastructure
36 funding and financing planning that is coordinated with development activity.

37 3. An environmental planning element that contains ~~analysis~~ ANALYSES,
38 policies and strategies to address anticipated effects, if any, of plan
39 elements on air quality, water quality and natural resources associated with
40 proposed development under the comprehensive plan. The policies and
41 strategies to be developed under this element shall be designed to have
42 countywide applicability and shall not require the production of an
43 additional environmental impact statement or similar analysis beyond the
44 requirements of state and federal law.

1 4. A cost of development element that identifies policies and
2 strategies that the county will use to require development to pay its fair
3 share toward the cost of additional public facility needs generated by new
4 development, with appropriate exceptions when in the public interest. This
5 element shall include:

6 (a) A component that identifies various mechanisms that are allowed by
7 law and that can be used to fund and finance additional public services
8 necessary to serve the development, including bonding, special taxing
9 districts, development fees, in lieu fees and facility construction,
10 dedications and privatization.

11 (b) A component that identifies policies to ensure that any mechanisms
12 that are adopted by the county under this element result in a beneficial use
13 to the development, bear a reasonable relationship to the burden imposed on
14 the county to provide additional necessary public facilities to the
15 development and otherwise are imposed according to law.

16 E. The water resources element of the comprehensive plan does not
17 require:

18 1. New independent hydrogeologic studies.

19 2. The county to be a water service provider.

20 F. To carry out the purposes of this article, the board may adopt
21 overlay zoning districts and regulations applicable to particular buildings,
22 structures and land within individual zones. For the purposes of this
23 subsection, "overlay zoning district" means a special zoning district that
24 includes regulations ~~which~~ THAT modify regulations in another zoning district
25 with which the overlay zoning district is combined. Overlay zoning districts
26 and regulations shall be adopted pursuant to section 11-829. The provisions
27 of overlay zoning shall apply retroactively to authorize overlay zoning
28 districts and regulations adopted before April 20, 1993.

29 G. The policies and strategies to be developed under these elements
30 shall be designed to have regional applicability.

31 H. This section does not authorize:

32 1. The imposition of dedications, exactions, fees or other
33 requirements that are not otherwise authorized by law.

34 2. The regulation or restriction of the use or occupation of land or
35 improvements for railroad, mining, metallurgical, grazing or general
36 agricultural purposes, if the tract concerned is five or more contiguous
37 commercial acres.

38 I. For the purposes of this section:

39 1. "Adult arcade" means any place to which the public is permitted or
40 invited and in which coin-operated or slug-operated or electronically,
41 electrically or mechanically controlled still or motion picture machines,
42 projectors or other image producing devices are maintained to show images
43 involving specific sexual activities or specific anatomical areas to persons
44 in booths or viewing rooms.

1 2. "Adult bookstore or video store" means a commercial establishment
2 that offers for sale or rent any of the following as one of its principal
3 business purposes:

4 (a) Books, magazines, periodicals or other printed matter,
5 photographs, films, motion pictures, videocassettes or reproductions or
6 slides or other visual representations that depict or describe specific
7 sexual activities or specific anatomical areas.

8 (b) Instruments, devices or paraphernalia that are designed for use in
9 connection with specific sexual activities.

10 3. "Adult live entertainment establishment" means an establishment
11 that features either:

12 (a) Persons who appear in a state of nudity.

13 (b) Live performances that are characterized by the exposure of
14 specific anatomical areas or specific sexual activities.

15 4. "Adult motion picture theater" means a commercial establishment in
16 which for any form of consideration films, motion pictures, videocassettes,
17 slides or other similar photographic reproductions that are characterized by
18 the depiction or description of specific sexual activities or specific
19 anatomical areas are predominantly shown.

20 5. "Adult oriented business" means adult arcades, adult bookstores or
21 video stores, cabarets, adult live entertainment establishments, adult motion
22 picture theaters, adult theaters, massage establishments that offer adult
23 service or nude model studios.

24 6. "Adult oriented business manager" means a person on the premises of
25 an adult oriented business who is authorized to exercise overall operational
26 control of the business.

27 7. "Adult service" means dancing, serving food or beverages, modeling,
28 posing, wrestling, singing, reading, talking, listening or other performances
29 or activities conducted for any consideration in an adult oriented business
30 by a person who is nude or seminude during all or part of the time that the
31 person is providing the service.

32 8. "Adult service provider" or "erotic entertainer" means any natural
33 person who provides an adult service.

34 9. "Adult theater" means a theater, concert hall, auditorium or
35 similar commercial establishment that predominantly features persons who
36 appear in a state of nudity or who engage in live performances that are
37 characterized by the exposure of specific anatomical areas or specific sexual
38 activities.

39 10. "Cabaret" means an adult oriented business licensed to provide
40 alcoholic beverages pursuant to title 4, chapter 2, article 1.

41 11. "Discernibly turgid state" means the state of being visibly
42 swollen, bloated, inflated or distended.

43 12. "Massage establishment" means an establishment in which a person,
44 firm, association or corporation engages in or permits massage activities,
45 including any method of pressure on, friction against, stroking, kneading,

1 rubbing, tapping, pounding, vibrating or stimulating of external soft parts
2 of the body with the hands or with the aid of any mechanical apparatus or
3 electrical apparatus or appliance. This paragraph does not apply to:

4 (a) Physicians WHO ARE licensed pursuant to title 32, chapter 7, 8,
5 13, 14 or 17.

6 (b) Registered nurses, licensed practical nurses or technicians who
7 are acting under the supervision of a physician licensed pursuant to title
8 32, chapter 13 or 17.

9 (c) REGISTERED NURSE PRACTITIONERS WHO ARE LICENSED PURSUANT TO TITLE
10 32, CHAPTER 15.

11 ~~(e)~~ (d) Persons who are employed or acting as trainers for a bona
12 fide amateur, semiprofessional or professional athlete or athletic team.

13 ~~(d)~~ (e) Persons who are licensed pursuant to title 32, chapter 3 or 5
14 if the activity is limited to the head, face or neck.

15 13. "Nude model studio" means a place in which a person who appears in
16 a state of nudity or who displays specific anatomical areas is observed,
17 sketched, drawn, painted, sculptured, photographed or otherwise depicted by
18 other persons who pay money or other consideration. Nude model studio does
19 not include a proprietary school that is licensed by this state, a college,
20 community college or university that is supported entirely or in part by
21 taxation, a private college or university that maintains and operates
22 educational programs in which credits are transferable to a college,
23 community college or university that is supported entirely or in part by
24 taxation or a structure to which the following apply:

25 (a) A sign is not visible from the exterior of the structure and no
26 other advertising appears indicating that a nude person is available for
27 viewing.

28 (b) A student must enroll at least three days in advance of a class in
29 order to participate.

30 (c) No more than one nude or seminude model is on the premises at any
31 time.

32 14. "Nude", "nudity" or "state of nudity" means any of the following:

33 (a) The appearance of a human anus, genitals or A female breast below
34 a point immediately above the top of the areola.

35 (b) A state of dress that fails to opaquely cover a human anus,
36 genitals or A female breast below a point immediately above the top of the
37 areola.

38 15. "Principal business purposes" means that a commercial establishment
39 derives fifty per cent or more of its gross income from the sale or rental of
40 items listed in paragraph 2 of this subsection.

41 16. "Seminude" means a state of dress in which clothing covers no more
42 than the genitals, pubic region and female breast below a point immediately
43 above the top of the areola, as well as portions of the body that are covered
44 by supporting straps or devices.

- 1 17. "Specific anatomical areas" means any of the following:
2 (a) A human anus, genitals, ~~THE~~ pubic region or a female breast below
3 a point immediately above the top of the areola that is less than completely
4 and opaquely covered.
5 (b) Male genitals in a discernibly turgid state even if completely and
6 opaquely covered.
- 7 18. "Specific sexual activities" means any of the following:
8 (a) Human genitals in a state of sexual stimulation or arousal.
9 (b) Sex acts, normal or perverted, actual or simulated, including acts
10 of human masturbation, sexual intercourse, oral copulation or sodomy.
11 (c) Fondling or other erotic touching of the human genitals, pubic
12 region, buttocks, anus or female breast.
13 (d) Excretory functions as part of or in connection with any of the
14 activities under subdivision (a), (b) or (c) of this paragraph.
- 15 Sec. 6. Section 13-3612, Arizona Revised Statutes, is amended to read:
16 ~~13-3612.~~ Definitions; contributing to dependency or delinquency
17 For the purposes of sections 13-3613 through 13-3618, unless the
18 context otherwise requires:
- 19 1. "Delinquency" means any act ~~which~~ ~~THAT~~ tends to debase or injure
20 the morals, health or welfare of a child.
21 2. "Delinquent person" includes any person under the age of eighteen
22 years who violates a law of this state, or an ordinance of a county, city or
23 town defining crime.
24 3. "Dependent person" means a person under the age of eighteen years:
25 (a) Who is found begging, receiving or gathering alms, whether
26 actually begging or under the pretext of selling or offering anything for
27 sale.
28 (b) Who is found in a street, road or public place with the intent of
29 begging, gathering or receiving alms.
30 (c) Who is a vagrant.
31 (d) Who is found wandering and ~~WHO DOES~~ not ~~having~~ ~~HAVE~~ a home, or a
32 settled place of abode, or a guardian or any visible means of subsistence.
33 (e) Who has no parent or guardian willing to exercise, or capable of
34 exercising, proper parental control over ~~him~~ ~~THE~~ ~~DEPENDENT~~ ~~PERSON~~.
35 (f) Who is destitute.
36 (g) Whose home, by reason of neglect, cruelty or depravity of ~~his~~ ~~THE~~
37 ~~DEPENDENT PERSON'S~~ parents, or either of them, or on the part of ~~his~~ ~~THE~~
38 ~~DEPENDENT PERSON'S~~ guardian, or on the part of the person in whose custody or
39 care ~~he~~ ~~THE~~ ~~DEPENDENT~~ ~~PERSON~~ may be, is an unfit place for such person.
40 (h) Who frequents the company of reputed criminals, vagrants or
41 prostitutes.
42 (i) Who is found living or being in a house of prostitution or
43 assignation.

1 (j) Who habitually visits, without A parent or guardian, a saloon, ~~or~~
2 place where spirituous, vinous or malt liquors are sold, bartered or given
3 away.

4 (k) Who persistently refuses to obey the reasonable orders or
5 directions of ~~his~~ THE DEPENDENT PERSON'S parent or guardian.

6 (l) Who is incorrigible, ~~that~~ AND WHO is, ~~beyond~~ the control and
7 power of ~~his~~ THE DEPENDENT PERSON'S parents, guardian or custodian by reason
8 of the vicious conduct or nature of the person.

9 (m) Whose father or mother is dead, or has abandoned the family, or is
10 an habitual drunkard, or whose father or mother does not provide for ~~such~~ THE
11 person, and it appears that ~~such~~ THE person is destitute of a suitable home
12 or adequate means of obtaining an honest living, or who is in danger of being
13 brought up to lead an idle, dissolute and immoral life, or when both parents
14 are dead, or the mother or father, if living, is unable to provide proper
15 support and care of ~~such~~ THE person.

16 (n) Who, ~~or~~ habitually uses intoxicating liquor as a beverage, ~~or~~
17 habitually smokes cigarettes, ~~or~~ uses opium, cocaine, morphine or other
18 similar drugs without direction of a competent physician OR A QUALIFIED
19 REGISTERED NURSE PRACTITIONER.

20 (o) Who from any cause is in danger of growing up to lead an idle,
21 dissolute or immoral life.

22 Sec. 7. Section 14-5310, Arizona Revised Statutes, is amended to read:
23 14-5310. Temporary guardians; appointment; notice; court
24 appointed attorney hearings; duties

25 A. If an alleged incapacitated person has no guardian and an emergency
26 exists or if an appointed guardian is not effectively performing the duties
27 of a guardian and the welfare of the ward is found to require immediate
28 action, the alleged incapacitated person, the ward or any person interested
29 in the welfare of the alleged incapacitated person or the ward may petition
30 for a finding of interim incapacity and for the appointment of a temporary
31 guardian. No finding and appointment may be made without notice, pursuant to
32 section 14-5309, except as provided in subsection B of this section.

33 B. The court may enter a finding of interim incapacity and may appoint
34 a temporary guardian without notice to the proposed ward or the proposed
35 ward's attorney only if all of the following conditions are met:

36 1. It clearly appears from specific facts shown by an affidavit or by
37 the verified petition that immediate and irreparable injury, loss or damage
38 will result before the proposed ward or the proposed ward's attorney can be
39 heard in opposition.

40 2. The petitioner or the petitioner's attorney certifies to the court
41 in writing any efforts that the petitioner or the petitioner's attorney has
42 made to give the notice or the reasons supporting the claim that notice
43 should not be required.

44 3. The petitioner files with the court a request for a hearing on the
45 petition for the appointment of a temporary guardian.

1 4. The petitioner or the petitioner's attorney certifies that that
2 person will give notice of the petition, the order and all filed reports and
3 affidavits to the proposed ward by personal service within the time period
4 the court directs but not in excess of seventy-two hours following entry of
5 the order of appointment.

6 5. The petitioner files a report from a physician, **A REGISTERED NURSE**
7 **PRACTITIONER** or a psychologist detailing the need for a guardian and the
8 basis for the emergency unless the report is waived by the court on a showing
9 of good cause by a party to the action.

10 C. Unless the proposed ward is represented by independent counsel, the
11 court shall appoint an attorney to represent the proposed ward in the
12 proceeding on receipt of the petition for temporary appointment. The
13 attorney shall visit the proposed ward as soon as practicable and shall be
14 prepared to represent the interest of the proposed ward at any hearing on the
15 petition.

16 D. Every order finding interim incapacity and appointing a temporary
17 guardian granted without notice expires as prescribed by the court but within
18 a period of not more than thirty days unless within that time the court
19 extends it for good cause shown for the same period or unless the attorney
20 for the ward consents that it may be extended for a longer period. The court
21 shall enter the reasons for the extension on the record.

22 E. The court shall schedule a hearing on the petition for a finding of
23 interim incapacity and the appointment of a temporary guardian within the
24 time specified in subsection D of this section. If the petitioner does not
25 proceed with the petition the court, on the motion of any party or on its own
26 motion, may dismiss the petition.

27 F. If the court orders the appointment of a temporary guardian without
28 notice, the ward may appear and move for its dissolution or modification on
29 two days' notice to the petitioner and to the temporary guardian or on such
30 shorter notice as the court prescribes. The court shall proceed to hear and
31 determine that motion as expeditiously as possible.

32 G. The hearing on a petition for the appointment of a temporary
33 guardian shall be held in the same manner as a hearing on a preliminary
34 injunction. The court may order the hearing on the petition for appointment
35 of a permanent guardian to be advanced and consolidated with the hearing of
36 the petition for temporary appointment. If the court does not order this
37 consolidation any evidence received on a petition for temporary appointment
38 that would be admissible at the hearing on a petition for a permanent
39 appointment becomes part of the record and need not be repeated at a later
40 hearing. This subsection does not limit the parties to any rights they may
41 have to trial by jury.

42 H. After notice and a hearing, if the court finds that a temporary
43 guardian is necessary and the provisions of this section have been met, the
44 court shall make an appointment of a temporary guardian for a specific

1 purpose and for a specific period of time of not more than six months unless
2 the court extends this time period for good cause shown.

3 I. A temporary guardian is responsible to provide the care and custody
4 of the ward. The authority of a permanent guardian previously appointed by
5 the court is suspended as long as the temporary guardian has authority. A
6 temporary guardian may be removed at any time. A temporary guardian shall
7 make any report the court requires. In all other respects, the provisions of
8 this title concerning guardians apply to temporary guardians.

9 Sec. 8. Section 14-5314, Arizona Revised Statutes, is amended to read:

10 14-5314. Compensation of appointees

11 A. If not otherwise compensated for services rendered, an
12 investigator, accountant, lawyer, physician, REGISTERED NURSE PRACTITIONER,
13 guardian or temporary guardian appointed pursuant to this article is entitled
14 to reasonable compensation from the estate of the ward if the petition is
15 granted, or from the petitioner if the petition is denied. If the court
16 compensates the provider of a service the court may charge the estate for the
17 reasonable cost of the service and shall deposit these monies in the probate
18 fund pursuant to section 14-5433.

19 B. Notwithstanding subsection A of this section, if compensation by
20 the ward or the petitioner is not feasible the court shall determine and pay
21 reasonable compensation for services rendered by an investigator, accountant,
22 lawyer, physician, REGISTERED NURSE PRACTITIONER, guardian or temporary
23 guardian appointed in a guardianship proceeding.

24 Sec. 9. Section 14-5315, Arizona Revised Statutes, is amended to read:

25 14-5315. Guardian reports; contents

26 A. A guardian shall submit a written report to the court on each
27 anniversary date of qualification as guardian, on resignation or removal as
28 guardian and on termination of the ward's disability.

29 B. The guardian shall mail a copy of the report to:

- 30 1. The ward.
- 31 2. The ward's conservator.
- 32 3. The ward's spouse or the ward's parents if the ward is not married.
- 33 4. A court appointed attorney for the ward.
- 34 5. Any other interested person who has filed a demand for notice with

35 the court.

36 C. The report shall include the following:

- 37 1. The type, name and address of the home or facility where the ward
38 lives and the name of the person in charge of the home.
- 39 2. The number of times the guardian has seen the ward in the last
40 twelve months.
- 41 3. The date the guardian last saw the ward.
- 42 4. The name and address of the ward's physician OR REGISTERED NURSE
43 PRACTITIONER.
- 44 5. The date the ward was last seen by a physician OR A REGISTERED
45 NURSE PRACTITIONER.

1 6. A copy of the ward's physician's **OR REGISTERED NURSE PRACTITIONER'S**
2 report to the guardian or, if none exists, a summary of the physician's **OR**
3 **THE REGISTERED NURSE PRACTITIONER'S** observations on the ward's physical and
4 mental condition.

5 7. Major changes in the ward's physical or mental condition observed
6 by the guardian in the last year.

7 8. The guardian's opinion as to whether the guardianship should be
8 continued.

9 9. A summary of the services provided to the ward by a governmental
10 agency and the name of the individual responsible for the ward's affairs with
11 that agency.

12 Sec. 10. Section 15-346, Arizona Revised Statutes, is amended to read:
13 **15-346. Policies and procedures concerning pupils with chronic**
14 **health problems; definition**

15 A. The governing board shall adopt policies and procedures concerning
16 pupils with chronic health problems in consultation with parents, teachers
17 and at least one health professional. The policies and procedures shall be
18 designed to provide continuing learning for pupils with chronic health
19 problems while they are absent from school and to provide for the integration
20 of pupils with chronic health problems into the regular education program as
21 much as possible. The policies and procedures shall include provisions for:

22 1. Homework availability to ensure that pupils with chronic health
23 problems have the opportunity to keep up with assignments and avoid losing
24 credit because of their absence from school.

25 2. Flexibility in physical education activity requirements so that
26 pupils with chronic health problems may participate in the regular physical
27 education program to the extent that their health permits.

28 B. For the ~~purpose~~ **PURPOSES** of this section, "pupils with chronic
29 health problems" means:

30 1. Pupils who **ARE NOT HOMEBOUND, BUT WHO** are unable to attend regular
31 classes for intermittent periods of one or more consecutive days because of
32 illness, disease, pregnancy complications, ~~or accident~~ ~~but who are not~~
33 ~~homebound. The chronic health problem shall be~~ **AS** certified by a person **WHO**
34 **IS** licensed ~~under~~ **PURSUANT TO** title 32, chapter 7, 13, ~~or~~ **15 OR** 17.

35 2. Pupils who have an infant with a severe health problem. ~~The severe~~
36 ~~health problem of the infant shall be~~ **AS** certified by a person **WHO IS**
37 licensed ~~under~~ **PURSUANT TO** title 32, chapter 7, 13, ~~or~~ **15 OR** 17.

38 Sec. 11. Section 15-843, Arizona Revised Statutes, is amended to read:
39 **15-843. Pupil disciplinary proceedings**

40 A. An action concerning discipline, suspension or expulsion of a pupil
41 is not subject to ~~the provisions of~~ title 38, chapter 3, article 3.1, except
42 that the governing board of a school district shall post regular notice and
43 shall take minutes of any hearing held by the governing board concerning the
44 discipline, suspension or expulsion of a pupil.

1 B. The governing board of any school district ~~shall~~, in consultation
2 with the teachers and parents of the school district, **SHALL** prescribe rules
3 for the discipline, suspension and expulsion of pupils. The rules shall be
4 consistent with the constitutional rights of pupils and shall include at
5 least the following:

6 1. Penalties for excessive pupil absenteeism pursuant to section
7 15-803 including failure in a subject, failure to pass a grade, suspension or
8 expulsion.

9 2. Procedures for the use of corporal punishment if allowed by the
10 governing board.

11 3. Procedures for the reasonable use of physical force by certificated
12 or classified personnel in self-defense, defense of others and defense of
13 property.

14 4. Procedures for dealing with pupils who have committed or **WHO** are
15 believed to have committed a crime.

16 5. A notice and hearing procedure for cases concerning the suspension
17 of a pupil for more than ten days.

18 6. Procedures and conditions for readmission of a pupil who has been
19 expelled or suspended for more than ten days.

20 7. Procedures for appeal to the governing board of the suspension of a
21 pupil for more than ten days, if the decision to suspend the pupil was not
22 made by the governing board.

23 8. Procedures for appeal of the recommendation of the hearing officer
24 or officers designated by the board as provided in subsection F **OF THIS**
25 **SECTION** at the time the board considers the recommendation.

26 C. Penalties adopted ~~under~~ **PURSUANT TO** subsection B, paragraph 1 **OF**
27 **THIS SECTION** for excessive absenteeism shall not be applied to pupils who
28 have completed the course requirements and whose absence from school is due
29 solely to illness, disease or accident as certified by a person **WHO IS**
30 licensed ~~under~~ **PURSUANT TO** title 32, chapter 7, 13, ~~or~~ **15 OR** 17.

31 D. The governing board shall:

32 1. Support and assist teachers in the implementation and enforcement
33 of the rules prescribed ~~in~~ **PURSUANT TO** subsection B **OF THIS SECTION**.

34 2. Develop procedures allowing teachers and principals to recommend
35 the suspension or expulsion of pupils.

36 3. Develop procedures allowing teachers and principals to temporarily
37 remove disruptive pupils from a class.

38 4. Delegate to the principal the authority to remove a disruptive
39 pupil from the classroom.

40 E. If a pupil withdraws from school after receiving notice of possible
41 action concerning discipline, expulsion or suspension, the governing board
42 may continue with the action after the withdrawal and may record the results
43 of such action in the pupil's permanent file.

1 F. In all action concerning the expulsion of a pupil, the governing
2 board of a school district shall:

3 1. Be notified of the intended action.

4 2. Decide, in executive session, whether to hold a hearing or to
5 designate one or more hearing officers to hold a hearing to hear the
6 evidence, prepare a record and bring a recommendation to the board for action
7 and whether the hearing shall be held in executive session.

8 3. Give written notice, at least five working days prior to the
9 hearing by the governing board or the hearing officer or officers designated
10 by the governing board, to all pupils subject to expulsion and their parents
11 or guardians of the date, time and place of the hearing. If the governing
12 board decides that the hearing is to be held in executive session, the
13 written notice shall include a statement of the right of the parents or ~~legal~~
14 guardians or an emancipated pupil WHO IS subject to expulsion to ~~indicate~~
15 ~~their objection~~ OBJECT to the governing board's decision to have the hearing
16 held in executive session. Objections shall be made in writing to the
17 governing board.

18 G. If a parent, ~~legal~~ OR guardian or AN emancipated pupil WHO IS
19 subject to expulsion disagrees that the hearing should be held in executive
20 session, ~~then~~ it shall be held in an open meeting unless:

21 1. If only one pupil is subject to expulsion and disagreement exists
22 between that pupil's parents or ~~legal~~ guardians, the governing board, after
23 consultations with the pupil's parents or ~~legal~~ guardians or the emancipated
24 pupil, shall decide in executive session whether the hearing will be in
25 executive session.

26 2. If more than one pupil is subject to expulsion and disagreement
27 exists between the parents or guardians of different pupils, then separate
28 hearings shall be held subject to the provisions of this section.

29 H. ~~Nothing in this section shall be construed to~~ THIS SECTION DOES NOT
30 prevent the pupil who is subject to expulsion or suspension, and the pupil's
31 parents or ~~legal~~ guardians and legal counsel, from attending any executive
32 session pertaining to the proposed disciplinary action, from having access to
33 the minutes and testimony of the executive session or from recording the
34 session at the parent's or ~~legal~~ guardian's expense.

35 I. In schools employing a superintendent or a principal, the authority
36 to suspend a pupil from school is vested in the superintendent, principal or
37 other school officials granted this power by the governing board of the
38 school district.

39 J. In schools that do not have a superintendent or principal, a
40 teacher may suspend a pupil from school.

41 K. In all cases of suspension, it shall be for good cause and shall be
42 reported within five days to the governing board by the superintendent or the
43 person imposing the suspension.

44 L. A teacher who fails to comply with this section is guilty of
45 unprofessional conduct and the teacher's certificate may be revoked.

1 M. The principal of each school shall insure that a copy of all rules
2 pertaining to discipline, suspension and expulsion of pupils is distributed
3 to the parents of each pupil at the time the pupil is enrolled in school.

4 N. The principal of each school shall ~~insure~~ ENSURE that all rules
5 pertaining to the discipline, suspension and expulsion of pupils are
6 communicated to students at the beginning of each school year, and to
7 transfer students at the time of their enrollment in the school.

8 Sec. 12. Section 15-871, Arizona Revised Statutes, is amended to read:
9 15-871. Definitions

10 In this article, unless the context otherwise requires:

11 1. "Documentary proof" means written evidence that a pupil has been
12 immunized or has laboratory evidence of immunity ~~which~~ THAT conforms with the
13 standards promulgated pursuant to section 15-872.

14 2. "Dose" means the number in a series of immunizations ~~which~~ THAT may
15 be prescribed pursuant to section 36-672.

16 3. "Health agency" means a local health department or similar
17 governmental agency established pursuant to the laws of another state or
18 country and its officers and employees.

19 4. "Homeless pupil" means a pupil who has a primary residence that is:

20 (a) A supervised publicly or privately operated shelter designed to
21 provide temporary living accommodations.

22 (b) An institution that provides a temporary residence for individuals
23 intended to be institutionalized.

24 (c) A public or private place not designed for, or ordinarily used as
25 a regular sleeping accommodation for, human beings.

26 5. "Immunization" means the process of inoculation with a specific
27 antigen to promote antibody formation in the body.

28 6. "Immunized" means the required initial immunization and boosters or
29 reimmunization prescribed pursuant to section 36-672.

30 7. "Laboratory evidence of immunity" means written evidence of
31 serologic confirmation of the presence of specific antibodies against an
32 immunization-preventable disease ~~which~~ THAT is signed by a physician or an
33 authorized representative of a health agency.

34 8. "Local health department" means a local health department
35 established pursuant to title 36, chapter 1, article 4.

36 9. "Physician" means a person licensed pursuant to title 32, chapter
37 13, 17 or 29 or a person licensed to practice allopathic or osteopathic
38 medicine under the laws of another state or country.

39 10. "Pupil" means a person who is eligible to receive instruction at a
40 school and includes pre-kindergarten age children receiving either services
41 for children with disabilities or day care on a school campus otherwise
42 exempt from day care rules pursuant to section 36-884.

43 11. "REGISTERED NURSE PRACTITIONER" HAS THE SAME MEANING PRESCRIBED IN
44 SECTION 32-1601.

1 G. Unless proof of an exemption from immunization pursuant to section
2 15-873 is provided, a pupil who is admitted or allowed to continue to attend
3 and who fails to comply with the immunization schedule within the time
4 intervals specified by the schedule shall be suspended from school attendance
5 until documentary proof of the administration of another dose of each
6 appropriate immunizing agent is provided to the school administrator.

7 H. The provisions of subsections B, D and E of this section do not
8 apply to homeless pupils until the fifth calendar day after enrollment.

9 I. A school and its employees are immune from civil liability for
10 decisions concerning the admission, readmission and suspension of a pupil
11 ~~which~~ THAT are based on a good faith implementation of the requirements of
12 this article.

13 Sec. 14. Section 15-873, Arizona Revised Statutes, is amended to read:

14 15-873. Exemptions; nonattendance during outbreak

15 A. Documentary proof is not required for a pupil to be admitted to
16 school if one of the following occurs:

17 1. The parent or guardian of the pupil submits a signed statement to
18 the school administrator stating that the parent or guardian has received
19 information about immunizations provided by the department of health
20 services, ~~AND~~ AND understands the risks and benefits of immunizations and the
21 potential risks of nonimmunization and that due to personal beliefs, the
22 parent or guardian does not consent to the immunization of the pupil.

23 2. The school administrator receives written certification ~~which~~ THAT
24 is signed by the parent or guardian and by a physician OR A REGISTERED NURSE
25 PRACTITIONER, ~~which~~ THAT states that one or more of the required
26 immunizations may be detrimental to the pupil's health and ~~which~~ THAT
27 indicates the specific nature and probable duration of the medical condition
28 or circumstance ~~which~~ THAT precludes immunization.

29 B. An exemption pursuant to subsection A, paragraph 2 is only valid
30 during the duration of the circumstance or condition ~~which~~ THAT precludes
31 immunization.

32 C. Pupils who lack documentary proof of immunization shall not attend
33 school during outbreak periods of communicable immunization-preventable
34 diseases as determined by the department of health services or local health
35 department. The department of health services or local health department
36 shall transmit notice of this determination to the school administrator
37 responsible for the exclusion of the pupils.

38 Sec. 15. Section 20-142, Arizona Revised Statutes, is amended to read:

39 20-142. Powers and duties of director; payment of examination
40 and investigation costs; home health services

41 A. The director shall enforce the provisions of this title.

42 B. The director shall have powers and authority expressly conferred by
43 or reasonably implied from the provisions of this title.

1 C. The director may conduct examinations and investigations of
2 insurance matters, including examinations and investigations of adjusters,
3 agents and brokers and any other persons who are regulated under this title,
4 in addition to examinations and investigations expressly authorized, as the
5 director deems proper in determining whether a person has violated any
6 provision of this title or for the purpose of securing information useful in
7 the lawful administration of any provision of this title. The examined party
8 shall pay the cost of examinations that are conducted pursuant to this
9 subsection except for examinations of adjusters, agents and brokers. The
10 examined party shall pay the cost of examining adjusters, agents and brokers
11 only if the party has violated any provision of this title. The state shall
12 pay the cost of an investigation.

13 D. The director shall establish guidelines for insurers on home health
14 services that shall be used by the director pursuant to sections 20-826,
15 20-1342, 20-1402 and 20-1404. The director may use home health services as
16 defined in section 36-151. Guidelines shall include but not be limited to:

17 1. Home health services that are prescribed by a physician OR A
18 REGISTERED NURSE PRACTITIONER.

19 2. Home health services that are determined to cost less if provided
20 in the home than the average length of in-hospital service for the same
21 service.

22 3. Skilled professional care in the home that is comparable to skilled
23 professional care provided in-hospital and that is reviewed and approved at
24 thirty day intervals by a physician.

25 E. Pursuant to section 41-1750, subsection G, the director may receive
26 criminal history record information in connection with the issuance, renewal,
27 suspension or revocation of a license or certificate of authority or the
28 consideration of a merger or acquisition. The director may require a person
29 to submit a full set of fingerprints to the department. The department of
30 insurance shall submit the fingerprints to the department of public safety
31 for the purpose of obtaining a state and federal criminal records check
32 pursuant to section 41-1750 and Public Law 92-544. The department of public
33 safety may exchange this fingerprint data with the federal bureau of
34 investigation.

35 Sec. 16. Section 20-826, Arizona Revised Statutes, is amended to read:
36 20-826. Subscription contracts; definitions

37 A. A contract between a corporation and its subscribers shall not be
38 issued unless the form of such contract is approved in writing by the
39 director.

40 B. Each contract shall plainly state the services to which the
41 subscriber is entitled and those to which the subscriber is not entitled
42 under the plan, and shall constitute a direct obligation of the providers of
43 services with which the corporation has contracted for hospital, medical,
44 dental or optometric services.

1 C. Each contract, except for dental services or optometric services,
2 shall be so written that the corporation shall pay benefits for each of the
3 following:

4 1. Performance of any surgical service that is covered by the terms of
5 such contract, regardless of the place of service.

6 2. Any home health services that are performed by a licensed home
7 health agency and that a physician has prescribed in lieu of hospital
8 services, as defined by the director, providing the hospital services would
9 have been covered.

10 3. Any diagnostic service that a physician has performed outside a
11 hospital in lieu of inpatient service, providing the inpatient service would
12 have been covered.

13 4. Any service performed in a hospital's outpatient department or in a
14 freestanding surgical facility, if such service would have been covered if
15 performed as an inpatient service.

16 D. Each contract for dental or optometric services shall be so written
17 that the corporation shall pay benefits for contracted dental or optometric
18 services provided by dentists or optometrists.

19 E. Any contract, except accidental death and dismemberment, applied
20 for that provides family coverage shall, as to such coverage of family
21 members, also provide that the benefits applicable for children shall be
22 payable with respect to a newly born child of the insured from the instant of
23 such child's birth, to a child adopted by the insured, regardless of the age
24 at which the child was adopted, and to a child who has been placed for
25 adoption with the insured and for whom the application and approval
26 procedures for adoption pursuant to section 8-105 or 8-108 have been
27 completed to the same extent that such coverage applies to other members of
28 the family. The coverage for newly born or adopted children or children
29 placed for adoption shall include coverage of injury or sickness including
30 necessary care and treatment of medically diagnosed congenital defects and
31 birth abnormalities. If payment of a specific premium is required to provide
32 coverage for a child, the contract may require that notification of birth,
33 adoption or adoption placement of the child and payment of the required
34 premium must be furnished to the insurer within thirty-one days after the
35 date of birth, adoption or adoption placement in order to have the coverage
36 continue beyond the thirty-one day period.

37 F. Each contract that is delivered or issued for delivery in this
38 state after December 25, 1977 and that provides that coverage of a dependent
39 child shall terminate upon attainment of the limiting age for dependent
40 children specified in the contract shall also provide in substance that
41 attainment of such limiting age shall not operate to terminate the coverage
42 of such child while the child is and continues to be both incapable of
43 self-sustaining employment by reason of mental retardation or physical
44 handicap and chiefly dependent upon the subscriber for support and
45 maintenance. Proof of such incapacity and dependency shall be furnished to

1 the corporation by the subscriber within thirty-one days of the child's
2 attainment of the limiting age and subsequently as may be required by the
3 corporation, but not more frequently than annually after the two-year period
4 following the child's attainment of the limiting age.

5 G. No corporation may cancel or refuse to renew any subscriber's
6 contract without giving notice of such cancellation or nonrenewal to the
7 subscriber under such contract. A notice by the corporation to the
8 subscriber of cancellation or nonrenewal of a subscription contract shall be
9 mailed to the named subscriber at least forty-five days before the effective
10 date of such cancellation or nonrenewal. The notice shall include or be
11 accompanied by a statement in writing of the reasons for such action by the
12 corporation. Failure of the corporation to comply with the provisions of
13 this subsection shall invalidate any cancellation or nonrenewal except a
14 cancellation or nonrenewal for nonpayment of premium.

15 H. A contract that provides coverage for surgical services for a
16 mastectomy shall also provide coverage incidental to the patient's covered
17 mastectomy for surgical services for reconstruction of the breast on which
18 the mastectomy was performed, surgery and reconstruction of the other breast
19 to produce a symmetrical appearance, prostheses, treatment of physical
20 complications for all stages of the mastectomy, including lymphedemas, and at
21 least two external postoperative prostheses subject to all of the terms and
22 conditions of the policy.

23 I. A contract that provides coverage for surgical services for a
24 mastectomy shall also provide coverage for mammography screening performed on
25 dedicated equipment for diagnostic purposes on referral by a patient's
26 physician, subject to all of the terms and conditions of the policy and
27 according to the following guidelines:

28 1. A baseline mammogram for a woman from age thirty-five to
29 thirty-nine.

30 2. A mammogram for a woman from age forty to forty-nine every two
31 years or more frequently based on the recommendation of the woman's
32 physician.

33 3. A mammogram every year for a woman fifty years of age and over.

34 J. Any contract that is issued to the insured and that provides
35 coverage for maternity benefits shall also provide that the maternity
36 benefits apply to the costs of the birth of any child legally adopted by the
37 insured if all of the following are true:

38 1. The child is adopted within one year of birth.

39 2. The insured is legally obligated to pay the costs of birth.

40 3. All preexisting conditions and other limitations have been met by
41 the insured.

42 4. The insured has notified the insurer of the insured's acceptability
43 to adopt children pursuant to section 8-105, within sixty days after such
44 approval or within sixty days after a change in insurance policies, plans or
45 companies.

1 K. The coverage prescribed by subsection J of this section is excess
2 to any other coverage the natural mother may have for maternity benefits
3 except coverage made available to persons pursuant to title 36, chapter 29
4 but not including coverage made available to persons defined as eligible
5 under section 36-2901, paragraph 6, subdivisions (b), (c), (d) and (e). If
6 such other coverage exists the agency, attorney or individual arranging the
7 adoption shall make arrangements for the insurance to pay those costs that
8 may be covered under that policy and shall advise the adopting parent in
9 writing of the existence and extent of the coverage without disclosing any
10 confidential information such as the identity of the natural parent. The
11 insured adopting parents shall notify their insurer of the existence and
12 extent of the other coverage.

13 L. The director may disapprove any contract if the benefits provided
14 in the form of such contract are unreasonable in relation to the premium
15 charged.

16 M. The director shall adopt emergency rules applicable to persons who
17 are leaving active service in the armed forces of the United States and
18 returning to civilian status including:

- 19 1. Conditions of eligibility.
- 20 2. Coverage of dependents.
- 21 3. Preexisting conditions.
- 22 4. Termination of insurance.
- 23 5. Probationary periods.
- 24 6. Limitations.
- 25 7. Exceptions.
- 26 8. Reductions.
- 27 9. Elimination periods.
- 28 10. Requirements for replacement.
- 29 11. Any other condition of subscription contracts.

30 N. Any contract that provides maternity benefits shall not restrict
31 benefits for any hospital length of stay in connection with childbirth for
32 the mother or the newborn child to less than forty-eight hours following a
33 normal vaginal delivery or ninety-six hours following a cesarean
34 section. The contract shall not require the provider to obtain authorization
35 from the corporation for prescribing the minimum length of stay required by
36 this subsection. The contract may provide that an attending provider in
37 consultation with the mother may discharge the mother or the newborn child
38 before the expiration of the minimum length of stay required by this
39 subsection. The corporation shall not:

- 40 1. Deny the mother or the newborn child eligibility or continued
41 eligibility to enroll or to renew coverage under the terms of the contract
42 solely for the purpose of avoiding the requirements of this subsection.
- 43 2. Provide monetary payments or rebates to mothers to encourage those
44 mothers to accept less than the minimum protections available pursuant to
45 this subsection.

1 3. Penalize or otherwise reduce or limit the reimbursement of an
2 attending provider because that provider provided care to any insured under
3 the contract in accordance with this subsection.

4 4. Provide monetary or other incentives to an attending provider to
5 induce that provider to provide care to an insured under the contract in a
6 manner that is inconsistent with this subsection.

7 5. Except as described in subsection O of this section, restrict
8 benefits for any portion of a period within the minimum length of stay in a
9 manner that is less favorable than the benefits provided for any preceding
10 portion of that stay.

11 O. Nothing in subsection N of this section:

12 1. Requires a mother to give birth in a hospital or to stay in the
13 hospital for a fixed period of time following the birth of the child.

14 2. Prevents a corporation from imposing deductibles, coinsurance or
15 other cost sharing in relation to benefits for hospital lengths of stay in
16 connection with childbirth for a mother or a newborn child under the
17 contract, except that any coinsurance or other cost sharing for any portion
18 of a period within a hospital length of stay required pursuant to subsection
19 N of this section shall not be greater than the coinsurance or cost sharing
20 for any preceding portion of that stay.

21 3. Prevents a corporation from negotiating the level and type of
22 reimbursement with a provider for care provided in accordance with subsection
23 N of this section.

24 P. Any contract that provides coverage for diabetes shall also provide
25 coverage for equipment and supplies that are medically necessary and that are
26 prescribed by a health care provider including:

27 1. Blood glucose monitors.

28 2. Blood glucose monitors for the legally blind.

29 3. Test strips for glucose monitors and visual reading and urine
30 testing strips.

31 4. Insulin preparations and glucagon.

32 5. Insulin cartridges.

33 6. Drawing up devices and monitors for the visually impaired.

34 7. Injection aids.

35 8. Insulin cartridges for the legally blind.

36 9. Syringes and lancets including automatic lancing devices.

37 10. Prescribed oral agents for controlling blood sugar that are
38 included on the plan formulary.

39 11. To the extent coverage is required under medicare, podiatric
40 appliances for prevention of complications associated with diabetes.

41 12. Any other device, medication, equipment or supply for which
42 coverage is required under medicare from and after January 1, 1999. The
43 coverage required in this paragraph is effective six months after the
44 coverage is required under medicare.

1 Q. Nothing in subsection P of this section prohibits a medical service
2 corporation, a hospital service corporation or a hospital, medical, dental
3 and optometric service corporation from imposing deductibles, coinsurance or
4 other cost sharing in relation to benefits for equipment or supplies for the
5 treatment of diabetes.

6 R. Any hospital or medical service contract that provides coverage for
7 prescription drugs shall not limit or exclude coverage for any prescription
8 drug prescribed for the treatment of cancer on the basis that the
9 prescription drug has not been approved by the United States food and drug
10 administration for the treatment of the specific type of cancer for which the
11 prescription drug has been prescribed, if the prescription drug has been
12 recognized as safe and effective for treatment of that specific type of
13 cancer in one or more of the standard medical reference compendia prescribed
14 in subsection S of this section or medical literature that meets the criteria
15 prescribed in subsection S of this section. The coverage required under this
16 subsection includes covered medically necessary services associated with the
17 administration of the prescription drug. This subsection does not:

18 1. Require coverage of any prescription drug used in the treatment of
19 a type of cancer if the United States food and drug administration has
20 determined that the prescription drug is contraindicated for that type of
21 cancer.

22 2. Require coverage for any experimental prescription drug that is not
23 approved for any indication by the United States food and drug
24 administration.

25 3. Alter any law with regard to provisions that limit the coverage of
26 prescription drugs that have not been approved by the United States food and
27 drug administration.

28 4. Notwithstanding section 20-841.05, require reimbursement or
29 coverage for any prescription drug that is not included in the drug formulary
30 or list of covered prescription drugs specified in the contract.

31 5. Notwithstanding section 20-841.05, prohibit a contract from
32 limiting or excluding coverage of a prescription drug, if the decision to
33 limit or exclude coverage of the prescription drug is not based primarily on
34 the coverage of prescription drugs required by this section.

35 6. Prohibit the use of deductibles, coinsurance, copayments or other
36 cost sharing in relation to drug benefits and related medical benefits
37 offered.

38 S. For the purposes of subsection R of this section:

39 1. The acceptable standard medical reference compendia are the
40 following:

41 (a) The American medical association drug evaluations, a publication
42 of the American medical association.

43 (b) The American hospital formulary service drug information, a
44 publication of the American society of health system pharmacists.

1 (c) Drug information for the health care provider, a publication of
2 the United States pharmacopoeia convention.

3 2. Medical literature may be accepted if all of the following apply:

4 (a) At least two articles from major peer reviewed professional
5 medical journals have recognized, based on scientific or medical criteria,
6 the drug's safety and effectiveness for treatment of the indication for which
7 the drug has been prescribed.

8 (b) No article from a major peer reviewed professional medical journal
9 has concluded, based on scientific or medical criteria, that the drug is
10 unsafe or ineffective or that the drug's safety and effectiveness cannot be
11 determined for the treatment of the indication for which the drug has been
12 prescribed.

13 (c) The literature meets the uniform requirements for manuscripts
14 submitted to biomedical journals established by the international committee
15 of medical journal editors or is published in a journal specified by the
16 United States department of health and human services as acceptable peer
17 reviewed medical literature pursuant to section 186(t)(2)(B) of the social
18 security act (42 United States Code section 1395x(t)(2)(B)).

19 T. A corporation shall not issue or deliver any advertising matter or
20 sales material to any person in this state until the corporation files the
21 advertising matter or sales material with the director. This subsection does
22 not require a corporation to have the prior approval of the director to issue
23 or deliver the advertising matter or sales material. If the director finds
24 that the advertising matter or sales material, in whole or in part, is false,
25 deceptive or misleading, the director may issue an order disapproving the
26 advertising matter or sales material, directing the corporation to cease and
27 desist from issuing, circulating, displaying or using the advertising matter
28 or sales material within a period of time specified by the director but not
29 less than ten days and imposing any penalties prescribed in this title. At
30 least five days before issuing an order pursuant to this subsection, the
31 director shall provide the corporation with a written notice of the basis of
32 the order to provide the corporation with an opportunity to cure the alleged
33 deficiency in the advertising matter or sales material within a single five
34 day period for the particular advertising matter or sales material at
35 issue. The corporation may appeal the director's order pursuant to title 41,
36 chapter 6, article 10. Except as otherwise provided in this subsection, a
37 corporation may obtain a stay of the effectiveness of the order as prescribed
38 in section 20-162. If the director certifies in the order and provides a
39 detailed explanation of the reasons in support of the certification that
40 continued use of the advertising matter or sales material poses a threat to
41 the health, safety or welfare of the public, the order may be entered
42 immediately without opportunity for cure and the effectiveness of the order
43 is not stayed pending the hearing on the notice of appeal but the hearing
44 shall be promptly instituted and determined.

1 U. Any contract that is offered by a hospital service corporation or
2 medical service corporation and that contains a prescription drug benefit
3 shall provide coverage of medical foods to treat inherited metabolic
4 disorders as provided by this section.

5 V. The metabolic disorders triggering medical foods coverage under
6 this section shall:

7 1. Be part of the newborn screening program prescribed in section
8 36-694.

9 2. Involve amino acid, carbohydrate or fat metabolism.

10 3. Have medically standard methods of diagnosis, treatment and
11 monitoring including quantification of metabolites in blood, urine or spinal
12 fluid or enzyme or DNA confirmation in tissues.

13 4. Require specially processed or treated medical foods that are
14 generally available only under the supervision and direction of a physician
15 who is licensed pursuant to title 32, chapter 13 or 17, ~~OR A REGISTERED~~
16 ~~NURSE PRACTITIONERS WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15,~~ that
17 must be consumed throughout life and without which the person may suffer
18 serious mental or physical impairment.

19 W. Medical foods eligible for coverage under this section shall be
20 prescribed or ordered under the supervision of a physician licensed pursuant
21 to title 32, chapter 13 or 17 as medically necessary for the therapeutic
22 treatment of an inherited metabolic disease.

23 X. A hospital service corporation or medical service corporation shall
24 cover at least fifty per cent of the cost of medical foods prescribed to
25 treat inherited metabolic disorders and covered pursuant to this section. A
26 hospital service corporation or medical service corporation may limit the
27 maximum annual benefit for medical foods under this section to five thousand
28 dollars, which applies to the cost of all prescribed modified low protein
29 foods and metabolic formula.

30 Y. Any contract between a corporation and its subscribers is subject
31 to the following:

32 1. If the contract provides coverage for prescription drugs, the
33 contract shall provide coverage for any prescribed drug or device that is
34 approved by the United States food and drug administration for use as a
35 contraceptive. A corporation may use a drug formulary, multitiered drug
36 formulary or list but that formulary or list shall include oral, implant and
37 injectable contraceptive drugs, intrauterine devices and prescription barrier
38 methods if the corporation does not impose deductibles, coinsurance,
39 copayments or other cost containment measures for contraceptive drugs that
40 are greater than the deductibles, coinsurance, copayments or other cost
41 containment measures for other drugs on the same level of the formulary or
42 list.

43 2. If the contract provides coverage for outpatient health care
44 services, the contract shall provide coverage for outpatient contraceptive
45 services. For the purposes of this paragraph, "outpatient contraceptive

1 services" means consultations, examinations, procedures and medical services
2 provided on an outpatient basis and related to the use of APPROVED United
3 States food and drug ADMINISTRATION prescription contraceptive methods to
4 prevent unintended pregnancies.

5 3. This subsection does not apply to contracts issued to individuals
6 on a nongroup basis.

7 Z. Notwithstanding subsection Y of this section, a religious employer
8 whose religious tenets prohibit the use of prescribed contraceptive methods
9 may require that the corporation provide a contract without coverage for all
10 ~~federal~~ UNITED STATES food and drug administration approved contraceptive
11 methods. A religious employer shall submit a written affidavit to the
12 corporation stating that it is a religious employer. On receipt of the
13 affidavit, the corporation shall issue to the religious employer a contract
14 that excludes coverage of prescription contraceptive methods. The
15 corporation shall retain the affidavit for the duration of the contract and
16 any renewals of the contract. Before enrollment in the plan, every religious
17 employer that invokes this exemption shall provide prospective subscribers
18 written notice that the religious employer refuses to cover all ~~federal~~
19 UNITED STATES food and drug administration approved contraceptive methods for
20 religious reasons. This subsection shall not exclude coverage for
21 prescription contraceptive methods ordered by a health care provider with
22 prescriptive authority for medical indications other than to prevent an
23 unintended pregnancy. A corporation may require the subscriber to first pay
24 for the prescription and then submit a claim to the corporation along with
25 evidence that the prescription is for a noncontraceptive purpose. A
26 corporation may charge an administrative fee for handling these claims. A
27 religious employer shall not discriminate against an employee who
28 independently chooses to obtain insurance coverage or prescriptions for
29 contraceptives from another source.

30 AA. For the purposes of:

31 1. This section:

32 (a) "Inherited metabolic disorder" means a disease caused by an
33 inherited abnormality of body chemistry and includes a disease tested under
34 the newborn screening program prescribed in section 36-694.

35 (b) "Medical foods" means modified low protein foods and metabolic
36 formula.

37 (c) "Metabolic formula" means foods that are all of the following:

38 (i) Formulated to be consumed or administered enterally under the
39 supervision of a physician who is licensed pursuant to title 32, chapter 13
40 or 17.

41 (ii) Processed or formulated to be deficient in one or more of the
42 nutrients present in typical foodstuffs.

43 (iii) Administered for the medical and nutritional management of a
44 person who has limited capacity to metabolize foodstuffs or certain nutrients

1 contained in the foodstuffs or who has other specific nutrient requirements
2 as established by medical evaluation.

3 (iv) Essential to a person's optimal growth, health and metabolic
4 homeostasis.

5 (d) "Modified low protein foods" means foods that are all of the
6 following:

7 (i) Formulated to be consumed or administered enterally under the
8 supervision of a physician who is licensed pursuant to title 32, chapter 13
9 or 17.

10 (ii) Processed or formulated to contain less than one gram of protein
11 per unit of serving, but does not include a natural food that is naturally
12 low in protein.

13 (iii) Administered for the medical and nutritional management of a
14 person who has limited capacity to metabolize foodstuffs or certain nutrients
15 contained in the foodstuffs or who has other specific nutrient requirements
16 as established by medical evaluation.

17 (iv) Essential to a person's optimal growth, health and metabolic
18 homeostasis.

19 2. Subsection E of this section, the term "child", for purposes of
20 initial coverage of an adopted child or a child placed for adoption but not
21 for purposes of termination of coverage of such child, means a person under
22 the age of eighteen years.

23 3. Subsection Z of this section, "religious employer" means an entity
24 for which all of the following apply:

25 (a) The entity primarily employs persons who share the religious
26 tenets of the entity.

27 (b) The entity primarily serves persons who share the religious tenets
28 of the entity.

29 (c) The entity is a nonprofit organization as described in section
30 6033(a)(2)(A) (i) or (iii) of the internal revenue code of 1986, as amended.

31 Sec. 17. Section 20-826.03, Arizona Revised Statutes, is amended to
32 read:

33 20-826.03. Eosinophilic gastrointestinal disorder; formula

34 A. Any contract that is offered by a hospital service corporation or
35 medical service corporation and that contains a prescription drug benefit
36 shall cover amino acid-based formula that is ordered by a physician OR A
37 REGISTERED NURSE PRACTITIONER if:

38 1. The subscriber has been diagnosed with an eosinophilic
39 gastrointestinal disorder.

40 2. The subscriber is under the continuous supervision of a physician
41 who is licensed pursuant to title 32, chapter 13 or 17 OR A REGISTERED NURSE
42 PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15.

43 3. There is risk of a mental or physical impairment without the use of
44 the formula.

1 B. A hospital service corporation or medical service corporation shall
2 cover at least seventy-five per cent of the cost of the formula. The
3 hospital service corporation or medical service corporation may limit the
4 maximum annual benefit for formula under this section to twenty thousand
5 dollars.

6 C. This section does not apply to limited benefit coverage as defined
7 in section 20-1137.

8 Sec. 18. Section 20-833, Arizona Revised Statutes, is amended to read:

9 20-833. Relationship of health care professional and patient;
10 financial incentives; definition

11 A. Nothing in this article alters the relationship of physician and
12 patient, REGISTERED NURSE PRACTITIONER AND PATIENT, dentist and patient or
13 optometrist and patient.

14 B. The corporation shall not in any way influence the subscriber in
15 the subscriber's free choice of hospital, physician, REGISTERED NURSE
16 PRACTITIONER, dentist or optometrist other than to limit its benefits to
17 participating hospitals, physicians, dentists and optometrists.

18 C. Nothing in this article abridges the right of any physician,
19 hospital, dentist or optometrist to decline patients in accordance with the
20 standards and practices of such physician, hospital, dentist or optometrist,
21 and the corporation shall not be deemed to be engaged in the corporate
22 practice of medicine, dentistry or optometry.

23 D. A contract between the corporation and a health care professional
24 shall not contain a financial incentive plan that includes a specific payment
25 made to or withheld from the health care professional as an inducement to
26 deny, reduce, limit or delay medically necessary care that is covered by the
27 contract with a subscriber or group of subscribers for a specific disease or
28 condition. This section does not prohibit per diem or per case payments,
29 diagnostic related grouping payments, or financial incentive plans, including
30 capitation payments or shared risk arrangements, that are not connected to
31 specific medical decisions relating to a subscriber or a group of subscribers
32 for a specific disease or condition. Each corporation shall file with its
33 annual report a written statement with the director that certifies that the
34 corporation is in compliance with this subsection.

35 E. For the purposes of this section, "health care professional" has
36 the same meaning prescribed in section 20-3151.

37 Sec. 19. Section 20-841.04, Arizona Revised Statutes, is amended to
38 read:

39 20-841.04. Standing referrals to network health care
40 professionals; definition

41 A. Any corporation that offers a health benefits plan shall establish
42 a procedure by which a subscriber may apply for a standing referral to a
43 network health care professional. The corporation shall provide a subscriber
44 with a standing referral if all of the following conditions are met:

45 1. The subscriber is a covered member of that corporation.

1 2. The subscriber has a disease or condition that is life threatening,
2 degenerative, chronic or disabling.

3 3. The subscriber's primary care physician OR REGISTERED NURSE
4 PRACTITIONER in conjunction with a network health care professional
5 determines that the subscriber's health care requires a network health care
6 professional's expertise.

7 4. The subscriber's primary care physician OR REGISTERED NURSE
8 PRACTITIONER determines that the subscriber's disease or condition will
9 require ongoing medical care for an extended period of time.

10 5. The standing referral is made by the subscriber's primary care
11 physician OR REGISTERED NURSE PRACTITIONER to a network health care
12 professional who is responsible for providing and coordinating the
13 subscriber's specialty care.

14 6. The network health care professional is authorized by the
15 corporation to provide the services under the standing referral.

16 B. The corporation may limit the number of visits and time period for
17 which a subscriber may receive a standing referral.

18 C. If the subscriber receives a standing referral or any other
19 referral from the subscriber's primary care physician, that referral remains
20 in effect even if the primary care physician leaves the corporation's
21 network.

22 D. If the treating health care professional leaves the network or the
23 subscriber ceases to be a covered member, the standing referral expires.

24 E. This section does not apply to any corporation that holds a
25 certificate of authority to operate either as a dental service corporation or
26 an optometric service corporation.

27 F. For the purposes of this section, "network health care
28 professional" means a practitioner of a health profession as defined in
29 section 32-3101 who is under written contract with the corporation to provide
30 services in a specialty discipline that is recognized by an American medical
31 specialty board.

32 Sec. 20. Section 20-1051, Arizona Revised Statutes, is amended to
33 read:

34 20-1051. Definitions

35 In this article, unless the context otherwise requires:

36 1. "Director" means the director of the department of insurance.

37 2. "Enrollee" means an individual who has been enrolled in a health
38 care plan.

39 3. "Evidence of coverage" means any certificate, agreement or contract
40 issued to an enrollee and setting out the coverage to which the enrollee is
41 entitled.

42 4. "Genetic information" means information about genes, gene products
43 and inherited characteristics that may derive from the individual or a family
44 member, including information regarding carrier status and information
45 derived from laboratory tests that identify mutations in specific genes or

1 chromosomes, physical medical examinations, family histories and direct
2 analysis of genes or chromosomes.

3 5. "Health care plan" means any contractual arrangement whereby any
4 health care services organization undertakes to provide directly or to
5 arrange for all or a portion of contractually covered health care services
6 and to pay or make reimbursement for any remaining portion of the health care
7 services on a prepaid basis through insurance or otherwise. A health care
8 plan shall include those health care services required in this article or in
9 any rule adopted pursuant to this article.

10 6. "Health care services" means services for the purpose of
11 diagnosing, preventing, alleviating, curing or healing human illness or
12 injury.

13 7. "Health care services organization" means any person that
14 undertakes to conduct one or more health care plans. Unless the context
15 otherwise requires, health care services organization includes a provider
16 sponsored health care services organization.

17 8. "Health status-related factor" means any factor in relation to the
18 health of the individual or a dependent of the individual enrolled or to be
19 enrolled in a health care services organization including:

20 (a) Health status.

21 (b) Medical condition, including physical and mental illness.

22 (c) Claims experience.

23 (d) Receipt of health care.

24 (e) Medical history.

25 (f) Genetic information.

26 (g) Evidence of insurability, including conditions arising out of acts
27 of domestic violence as defined in section 20-448.

28 (h) The existence of a physical or mental disability.

29 9. "Network plan" means health care services that are provided by a
30 health care services organization under which the financing and delivery of
31 health care services are provided, in whole or in part, through a defined set
32 of providers under contract with the health care services organization.

33 10. "Person" means any natural or artificial person including, but not
34 limited to, individuals, partnerships, associations, providers of health
35 care, trusts, insurers, hospital or medical service corporations or other
36 corporations, prepaid group practice plans, foundations for medical care and
37 health maintenance organizations.

38 11. "Provider" means any physician, hospital or other person that is
39 licensed or otherwise authorized to furnish health care services in this
40 state.

41 12. "Provider sponsored health care services organization" means a
42 provider sponsored organization that provides at least one health care plan
43 only to medicare beneficiaries under the medicare-plus-choice program
44 established under the balanced budget act of 1997 (42 United States Code

1 sections 1395w-21 through 1395w-28 and title XVIII, part C of the social
2 security act, sections 1851 through 1859).

3 13. "Provider sponsored organization" means an entity that:

4 (a) Is a legal aggregation of providers that operate collectively to
5 provide health care services to medicare beneficiaries under the
6 medicare-plus-choice program established under the balanced budget act of
7 1997 (42 United States Code sections 1395w-21 through 1395w-28 and title
8 XVIII, part C of the social security act, sections 1851 through 1859).

9 (b) Acts through a licensed firm or corporation that has authority over
10 the entity's activities and responsibility for satisfying the requirements of
11 this article relating to the operation of a provider sponsored health care
12 services organization.

13 (c) Provides a substantial proportion of the health care services
14 required to be provided under the medicare-plus-choice program established
15 under the balanced budget act of 1997 (42 United States Code sections
16 1395w-21 through 1395w-28 and title XVIII, part C of the social security act,
17 sections 1851 through 1859) directly through providers or affiliated groups
18 of providers.

19 14. "REGISTERED NURSE PRACTITIONER" HAS THE SAME MEANING PRESCRIBED IN
20 SECTION 32-1601.

21 Sec. 21. Section 20-1057, Arizona Revised Statutes, is amended to
22 read:

23 20-1057. Evidence of coverage by health care services
24 organizations; renewability; definitions

25 A. Every enrollee in a health care plan shall be issued an evidence of
26 coverage by the responsible health care services organization.

27 B. Any contract, except accidental death and dismemberment, applied
28 for that provides family coverage shall **ALSO PROVIDE**, as to such coverage of
29 family members, ~~also provide~~ that the benefits applicable for children shall
30 be payable with respect to a newly born child of the enrollee from the
31 instant of such child's birth, to a child adopted by the enrollee, regardless
32 of the age at which the child was adopted, and to a child who has been placed
33 for adoption with the enrollee and for whom the application and approval
34 procedures for adoption pursuant to section 8-105 or 8-108 have been
35 completed to the same extent that such coverage applies to other members of
36 the family. The coverage for newly born or adopted children or children
37 placed for adoption shall include coverage of injury or sickness including
38 necessary care and treatment of medically diagnosed congenital defects and
39 birth abnormalities. If payment of a specific premium is required to provide
40 coverage for a child, the contract may require that notification of birth,
41 adoption or adoption placement of the child and payment of the required
42 premium must be furnished to the insurer within thirty-one days after the
43 date of birth, adoption or adoption placement in order to have the coverage
44 continue beyond the thirty-one day period.

1 C. Any contract, except accidental death and dismemberment, that
2 provides coverage for psychiatric, drug abuse or alcoholism services shall
3 require the health care services organization to provide reimbursement for
4 such services in accordance with the terms of the contract without regard to
5 whether the covered services are rendered in a psychiatric special hospital
6 or general hospital.

7 D. No evidence of coverage or amendment to the coverage shall be
8 issued or delivered to any person in this state until a copy of the form of
9 the evidence of coverage or amendment to the coverage has been filed with and
10 approved by the director.

11 E. An evidence of coverage shall contain a clear and complete
12 statement if a contract, or a reasonably complete summary if a certificate of
13 contract, of:

14 1. The health care services and the insurance or other benefits, if
15 any, to which the enrollee is entitled under the health care plan.

16 2. Any limitations of the services, kind of services, benefits or kind
17 of benefits to be provided, including any deductible or copayment feature.

18 3. Where and in what manner information is available as to how
19 services may be obtained.

20 4. The enrollee's obligation, if any, respecting charges for the
21 health care plan.

22 F. An evidence of coverage shall not contain provisions or statements
23 that are unjust, unfair, inequitable, misleading or deceptive, that encourage
24 misrepresentation or that are untrue.

25 G. The director shall approve any form of evidence of coverage if the
26 requirements of subsections E and F of this section are met. It is unlawful
27 to issue such form until approved. If the director does not disapprove any
28 such form within forty-five days after the filing of the form, it is deemed
29 approved. If the director disapproves a form of evidence of coverage, the
30 director shall notify the health care services organization. In the notice,
31 the director shall specify the reasons for the director's disapproval. The
32 director shall grant a hearing on such disapproval within fifteen days after
33 a request for a hearing in writing is received from the health care services
34 organization.

35 H. A health care services organization shall not cancel or refuse to
36 renew an enrollee's evidence of coverage that was issued on a group basis
37 without giving notice of the cancellation or nonrenewal to the enrollee and,
38 on request of the director, to the department of insurance. A notice by the
39 organization to the enrollee of cancellation or nonrenewal of the enrollee's
40 evidence of coverage shall be mailed to the enrollee at least sixty days
41 before the effective date of such cancellation or nonrenewal. The notice
42 shall include or be accompanied by a statement in writing of the reasons as
43 stated in the contract for such action by the organization. Failure of the
44 organization to comply with this subsection shall invalidate any cancellation
45 or nonrenewal except a cancellation or nonrenewal for nonpayment of premium,

1 for fraud or misrepresentation in the application or other enrollment
2 documents or for loss of eligibility as defined in the evidence of coverage.
3 A health care services organization shall not cancel an enrollee's evidence
4 of coverage issued on a group basis because of the enrollee's or dependent's
5 age, except for loss of eligibility as defined in the evidence of coverage,
6 sex, health status-related factor, national origin or frequency of
7 utilization of health care services of the enrollee. An evidence of coverage
8 issued on a group basis shall clearly delineate all terms under which the
9 health care services organization may cancel or refuse to renew an evidence
10 of coverage for an enrollee or dependent. Nothing in this subsection
11 prohibits the cancellation or nonrenewal of a health benefits plan contract
12 issued on a group basis for any of the reasons allowed in section 20-2309. A
13 health care services organization may cancel or nonrenew an evidence of
14 coverage issued to an individual on a nongroup basis only for the reasons
15 allowed by subsection N of this section.

16 I. A health care plan that provides coverage for surgical services for
17 a mastectomy shall also provide coverage incidental to the patient's covered
18 mastectomy for surgical services for reconstruction of the breast on which
19 the mastectomy was performed, surgery and reconstruction of the other breast
20 to produce a symmetrical appearance, prostheses, treatment of physical
21 complications for all stages of the mastectomy, including lymphedemas, and at
22 least two external postoperative prostheses subject to all of the terms and
23 conditions of the policy.

24 J. A contract that provides coverage for surgical services for a
25 mastectomy shall also provide coverage for mammography screening performed on
26 dedicated equipment for diagnostic purposes on referral by a patient's
27 physician, subject to all of the terms and conditions of the policy and
28 according to the following guidelines:

29 1. A baseline mammogram for a woman from age thirty-five to
30 thirty-nine.

31 2. A mammogram for a woman from age forty to forty-nine every two
32 years or more frequently based on the recommendation of the woman's
33 physician.

34 3. A mammogram every year for a woman fifty years of age and over.

35 K. Any contract that is issued to the enrollee and that provides
36 coverage for maternity benefits shall also provide that the maternity
37 benefits apply to the costs of the birth of any child legally adopted by the
38 enrollee if all the following are true:

39 1. The child is adopted within one year of birth.

40 2. The enrollee is legally obligated to pay the costs of birth.

41 3. All preexisting conditions and other limitations have been met and
42 all deductibles and copayments have been paid by the enrollee.

43 4. The enrollee has notified the insurer of the enrollee's
44 acceptability to adopt children pursuant to section 8-105 within sixty days

1 after such approval or within sixty days after a change in insurance
2 policies, plans or companies.

3 L. The coverage prescribed by subsection K of this section is excess
4 to any other coverage the natural mother may have for maternity benefits
5 except coverage made available to persons pursuant to title 36, chapter 29
6 but not including coverage made available to persons defined as eligible
7 under section 36-2901, paragraph 6, subdivisions (b), (c), (d) and (e). If
8 such other coverage exists the agency, attorney or individual arranging the
9 adoption shall make arrangements for the insurance to pay those costs that
10 may be covered under that policy and shall advise the adopting parent in
11 writing of the existence and extent of the coverage without disclosing any
12 confidential information such as the identity of the natural parent. The
13 enrollee adopting parents shall notify their health care services
14 organization of the existence and extent of the other coverage. A health
15 care services organization is not required to pay any costs in excess of the
16 amounts it would have been obligated to pay to its hospitals and providers if
17 the natural mother and child had received the maternity and newborn care
18 directly from or through that health care services organization.

19 M. Each health care services organization shall offer membership to
20 the following in a conversion plan that provides the basic health care
21 benefits required by the director:

22 1. Each enrollee including the enrollee's enrolled dependents leaving
23 a group.

24 2. Each enrollee and the enrollee's dependents who would otherwise
25 cease to be eligible for membership because of the age of the enrollee or the
26 enrollee's dependents or the death or the dissolution of marriage of an
27 enrollee.

28 N. A health care services organization shall not cancel or nonrenew an
29 evidence of coverage issued to an individual on a nongroup basis, including a
30 conversion plan, except for any of the following reasons and in compliance
31 with the notice and disclosure requirements contained in subsection H of this
32 section:

33 1. The individual has failed to pay premiums or contributions in
34 accordance with the terms of the evidence of coverage or the health care
35 services organization has not received premium payments in a timely manner.

36 2. The individual has performed an act or practice that constitutes
37 fraud or the individual made an intentional misrepresentation of material
38 fact under the terms of the evidence of coverage.

39 3. The health care services organization has ceased to offer coverage
40 to individuals that is consistent with the requirements of sections 20-1379
41 and 20-1380.

42 4. If the health care services organization offers a health care plan
43 in this state through a network plan, the individual no longer resides, lives
44 or works in the service area served by the network plan or in an area for
45 which the health care services organization is authorized to transact

1 business but only if the coverage is terminated uniformly without regard to
2 any health status-related factor of the covered individual.

3 5. If the health care services organization offers health coverage in
4 this state in the individual market only through one or more bona fide
5 associations, the membership of the individual in the association has ceased
6 but only if that coverage is terminated uniformly without regard to any
7 health status-related factor of any covered individual.

8 0. A conversion plan may be modified if the modification complies with
9 the notice and disclosure provisions for cancellation and nonrenewal under
10 subsection H of this section. A modification of a conversion plan that has
11 already been issued shall not result in the effective elimination of any
12 benefit originally included in the conversion plan.

13 P. Any person who is a United States armed forces reservist, who is
14 ordered to active military duty on or after August 22, 1990 and who was
15 enrolled in a health care plan shall have the right to reinstate such
16 coverage upon release from active military duty subject to the following
17 conditions:

18 1. The reservist shall make written application to the health plan
19 within ninety days of discharge from active military duty or within one year
20 of hospitalization continuing after discharge. Coverage shall be effective
21 upon receipt of the application by the health plan.

22 2. The health plan may exclude from such coverage any health or
23 physical condition arising during and occurring as a direct result of active
24 military duty.

25 Q. The director shall adopt emergency rules applicable to persons who
26 are leaving active service in the armed forces of the United States and
27 returning to civilian status consistent with ~~the provisions of~~ subsection P
28 of this section including:

- 29 1. Conditions of eligibility.
- 30 2. Coverage of dependents.
- 31 3. Preexisting conditions.
- 32 4. Termination of insurance.
- 33 5. Probationary periods.
- 34 6. Limitations.
- 35 7. Exceptions.
- 36 8. Reductions.
- 37 9. Elimination periods.
- 38 10. Requirements for replacement.
- 39 11. Any other conditions of evidences of coverage.

40 R. Any contract that provides maternity benefits shall not restrict
41 benefits for any hospital length of stay in connection with childbirth for
42 the mother or the newborn child to less than forty-eight hours following a
43 normal vaginal delivery or ninety-six hours following a cesarean section.
44 The contract shall not require the provider to obtain authorization from the
45 health care services organization for prescribing the minimum length of stay

1 required by this subsection. The contract may provide that an attending
2 provider in consultation with the mother may discharge the mother or the
3 newborn child before the expiration of the minimum length of stay required by
4 this subsection. The health care services organization shall not:

5 1. Deny the mother or the newborn child eligibility or continued
6 eligibility to enroll or to renew coverage under the terms of the contract
7 solely for the purpose of avoiding the requirements of this subsection.

8 2. Provide monetary payments or rebates to mothers to encourage those
9 mothers to accept less than the minimum protections available pursuant to
10 this subsection.

11 3. Penalize or otherwise reduce or limit the reimbursement of an
12 attending provider because that provider provided care to any insured under
13 the contract in accordance with this subsection.

14 4. Provide monetary or other incentives to an attending provider to
15 induce that provider to provide care to an insured under the contract in a
16 manner that is inconsistent with this subsection.

17 5. Except as described in subsection S of this section, restrict
18 benefits for any portion of a period within the minimum length of stay in a
19 manner that is less favorable than the benefits provided for any preceding
20 portion of that stay.

21 S. Nothing in subsection R of this section:

22 1. Requires a mother to give birth in a hospital or to stay in the
23 hospital for a fixed period of time following the birth of the child.

24 2. Prevents a health care services organization from imposing
25 deductibles, coinsurance or other cost sharing in relation to benefits for
26 hospital lengths of stay in connection with childbirth for a mother or a
27 newborn child under the contract, except that any coinsurance or other cost
28 sharing for any portion of a period within a hospital length of stay required
29 pursuant to subsection R of this section shall not be greater than the
30 coinsurance or cost sharing for any preceding portion of that stay.

31 3. Prevents a health care services organization from negotiating the
32 level and type of reimbursement with a provider for care provided in
33 accordance with subsection R of this section.

34 T. Any contract or evidence of coverage that provides coverage for
35 diabetes shall also provide coverage for equipment and supplies that are
36 medically necessary and that are prescribed by a health care provider
37 including:

38 1. Blood glucose monitors.

39 2. Blood glucose monitors for the legally blind.

40 3. Test strips for glucose monitors and visual reading and urine
41 testing strips.

42 4. Insulin preparations and glucagon.

43 5. Insulin cartridges.

44 6. Drawing up devices and monitors for the visually impaired.

45 7. Injection aids.

1 8. Insulin cartridges for the legally blind.

2 9. Syringes and lancets including automatic lancing devices.

3 10. Prescribed oral agents for controlling blood sugar that are
4 included on the plan formulary.

5 11. To the extent coverage is required under medicare, podiatric
6 appliances for prevention of complications associated with diabetes.

7 12. Any other device, medication, equipment or supply for which
8 coverage is required under medicare from and after January 1, 1999. The
9 coverage required in this paragraph is effective six months after the
10 coverage is required under medicare.

11 U. Nothing in subsection T of this section:

12 1. Entitles a member or enrollee of a health care services
13 organization to equipment or supplies for the treatment of diabetes that are
14 not medically necessary as determined by the health care services
15 organization medical director or the medical director's designee.

16 2. Provides coverage for diabetic supplies obtained by a member or
17 enrollee of a health care services organization without a prescription unless
18 otherwise permitted pursuant to the terms of the health care plan.

19 3. Prohibits a health care services organization from imposing
20 deductibles, coinsurance or other cost sharing in relation to benefits for
21 equipment or supplies for the treatment of diabetes.

22 V. Any contract or evidence of coverage that provides coverage for
23 prescription drugs shall not limit or exclude coverage for any prescription
24 drug prescribed for the treatment of cancer on the basis that the
25 prescription drug has not been approved by the United States food and drug
26 administration for the treatment of the specific type of cancer for which the
27 prescription drug has been prescribed, if the prescription drug has been
28 recognized as safe and effective for treatment of that specific type of
29 cancer in one or more of the standard medical reference compendia prescribed
30 in subsection W of this section or medical literature that meets the criteria
31 prescribed in subsection W of this section. The coverage required under this
32 subsection includes covered medically necessary services associated with the
33 administration of the prescription drug. This subsection does not:

34 1. Require coverage of any prescription drug used in the treatment of
35 a type of cancer if the United States food and drug administration has
36 determined that the prescription drug is contraindicated for that type of
37 cancer.

38 2. Require coverage for any experimental prescription drug that is not
39 approved for any indication by the United States food and drug
40 administration.

41 3. Alter any law with regard to provisions that limit the coverage of
42 prescription drugs that have not been approved by the United States food and
43 drug administration.

1 4. Notwithstanding section 20-1057.02, require reimbursement or
2 coverage for any prescription drug that is not included in the drug formulary
3 or list of covered prescription drugs specified in the contract or evidence
4 of coverage.

5 5. Notwithstanding section 20-1057.02, prohibit a contract or evidence
6 of coverage from limiting or excluding coverage of a prescription drug, if
7 the decision to limit or exclude coverage of the prescription drug is not
8 based primarily on the coverage of prescription drugs required by this
9 section.

10 6. Prohibit the use of deductibles, coinsurance, copayments or other
11 cost sharing in relation to drug benefits and related medical benefits
12 offered.

13 W. For the purposes of subsection V of this section:

14 1. The acceptable standard medical reference compendia are the
15 following:

16 (a) The American medical association drug evaluations, a publication
17 of the American medical association.

18 (b) The American hospital formulary service drug information, a
19 publication of the American society of health system pharmacists.

20 (c) Drug information for the health care provider, a publication of
21 the United States pharmacopoeia convention.

22 2. Medical literature may be accepted if all of the following apply:

23 (a) At least two articles from major peer reviewed professional
24 medical journals have recognized, based on scientific or medical criteria,
25 the drug's safety and effectiveness for treatment of the indication for which
26 the drug has been prescribed.

27 (b) No article from a major peer reviewed professional medical journal
28 has concluded, based on scientific or medical criteria, that the drug is
29 unsafe or ineffective or that the drug's safety and effectiveness cannot be
30 determined for the treatment of the indication for which the drug has been
31 prescribed.

32 (c) The literature meets the uniform requirements for manuscripts
33 submitted to biomedical journals established by the international committee
34 of medical journal editors or is published in a journal specified by the
35 United States department of health and human services as acceptable peer
36 reviewed medical literature pursuant to section 186(t)(2)(B) of the social
37 security act (42 United States Code section 1395x(t)(2)(B)).

38 X. A health care services organization shall not issue or deliver any
39 advertising matter or sales material to any person in this state until the
40 health care services organization files the advertising matter or sales
41 material with the director. This subsection does not require a health care
42 services organization to have the prior approval of the director to issue or
43 deliver the advertising matter or sales material. If the director finds that
44 the advertising matter or sales material, in whole or in part, is false,
45 deceptive or misleading, the director may issue an order disapproving the

1 advertising matter or sales material, directing the health care services
2 organization to cease and desist from issuing, circulating, displaying or
3 using the advertising matter or sales material within a period of time
4 specified by the director but not less than ten days and imposing any
5 penalties prescribed in this title. At least five days before issuing an
6 order pursuant to this subsection, the director shall provide the health care
7 services organization with a written notice of the basis of the order to
8 provide the health care services organization with an opportunity to cure the
9 alleged deficiency in the advertising matter or sales material within a
10 single five day period for the particular advertising matter or sales
11 material at issue. The health care services organization may appeal the
12 director's order pursuant to title 41, chapter 6, article 10. Except as
13 otherwise provided in this subsection, a health care services organization
14 may obtain a stay of the effectiveness of the order as prescribed in section
15 20-162. If the director certifies in the order and provides a detailed
16 explanation of the reasons in support of the certification that continued use
17 of the advertising matter or sales material poses a threat to the health,
18 safety or welfare of the public, the order may be entered immediately without
19 opportunity for cure and the effectiveness of the order is not stayed pending
20 the hearing on the notice of appeal but the hearing shall be promptly
21 instituted and determined.

22 Y. Any contract or evidence of coverage that is offered by a health
23 care services organization and that contains a prescription drug benefit
24 shall provide coverage of medical foods to treat inherited metabolic
25 disorders as provided by this section.

26 Z. The metabolic disorders triggering medical foods coverage under
27 this section shall:

28 1. Be part of the newborn screening program prescribed in section
29 36-694.

30 2. Involve amino acid, carbohydrate or fat metabolism.

31 3. Have medically standard methods of diagnosis, treatment and
32 monitoring including quantification of metabolites in blood, urine or spinal
33 fluid or enzyme or DNA confirmation in tissues.

34 4. Require specially processed or treated medical foods that are
35 generally available only under the supervision and direction of a physician
36 who is licensed pursuant to title 32, chapter 13 or 17 OR A REGISTERED NURSE
37 PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15, that must be
38 consumed throughout life and without which the person may suffer serious
39 mental or physical impairment.

40 AA. Medical foods eligible for coverage under this section shall be
41 prescribed or ordered under the supervision of a physician licensed pursuant
42 to title 32, chapter 13 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS
43 LICENSED PURSUANT TO TITLE 32, CHAPTER 15 as medically necessary for the
44 therapeutic treatment of an inherited metabolic disease.

1 BB. A health care services organization shall cover at least fifty per
2 cent of the cost of medical foods prescribed to treat inherited metabolic
3 disorders and covered pursuant to this section. An organization may limit
4 the maximum annual benefit for medical foods under this section to five
5 thousand dollars, which applies to the cost of all prescribed modified low
6 protein foods and metabolic formula.

7 CC. Unless preempted under federal law or unless federal law imposes
8 greater requirements than this section, this section applies to a provider
9 sponsored health care services organization.

10 DD. For the purposes of:

11 1. This section:

12 (a) "Inherited metabolic disorder" means a disease caused by an
13 inherited abnormality of body chemistry and includes a disease tested under
14 the newborn screening program prescribed in section 36-694.

15 (b) "Medical foods" means modified low protein foods and metabolic
16 formula.

17 (c) "Metabolic formula" means foods that are all of the following:

18 (i) Formulated to be consumed or administered enterally under the
19 supervision of a physician who is licensed pursuant to title 32, chapter 13
20 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
21 32, CHAPTER 15.

22 (ii) Processed or formulated to be deficient in one or more of the
23 nutrients present in typical foodstuffs.

24 (iii) Administered for the medical and nutritional management of a
25 person who has limited capacity to metabolize foodstuffs or certain nutrients
26 contained in the foodstuffs or who has other specific nutrient requirements
27 as established by medical evaluation.

28 (iv) Essential to a person's optimal growth, health and metabolic
29 homeostasis.

30 (d) "Modified low protein foods" means foods that are all of the
31 following:

32 (i) Formulated to be consumed or administered enterally under the
33 supervision of a physician who is licensed pursuant to title 32, chapter 13
34 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
35 32, CHAPTER 15.

36 (ii) Processed or formulated to contain less than one gram of protein
37 per unit of serving, but does not include a natural food that is naturally
38 low in protein.

39 (iii) Administered for the medical and nutritional management of a
40 person who has limited capacity to metabolize foodstuffs or certain nutrients
41 contained in the foodstuffs or who has other specific nutrient requirements
42 as established by medical evaluation.

43 (iv) Essential to a person's optimal growth, health and metabolic
44 homeostasis.

1 Sec. 23. Section 20-1057.10, Arizona Revised Statutes, is amended to
2 read:

3 20-1057.10. Eosinophilic gastrointestinal disorder; formula

4 A. Any contract or evidence of coverage that is offered by a health
5 care services organization and that contains a prescription drug benefit
6 shall cover amino acid-based formula that is ordered by a physician **OR A**
7 **REGISTERED NURSE PRACTITIONER** if:

8 1. The enrollee has been diagnosed with an eosinophilic
9 gastrointestinal disorder.

10 2. The enrollee is under the continuous supervision of a physician who
11 is licensed pursuant to title 32, chapter 13 or 17 **OR A REGISTERED NURSE**
12 **PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15.**

13 3. There is risk of a mental or physical impairment without the use of
14 the formula.

15 B. A health care services organization shall cover at least
16 seventy-five per cent of the cost of the formula. The health care services
17 organization may limit the maximum annual benefit for formula under this
18 section to twenty thousand dollars.

19 C. This section does not apply to limited benefit coverage as defined
20 in section 20-1137.

21 Sec. 24. Section 20-1342.05, Arizona Revised Statutes, is amended to
22 read:

23 20-1342.05. Eosinophilic gastrointestinal disorder; formula

24 A. Any policy of disability insurance that is offered by a disability
25 insurer and that contains a prescription drug benefit shall cover amino
26 acid-based formula that is ordered by a physician **OR BY A REGISTERED NURSE**
27 **PRACTITIONER** if:

28 1. The insured has been diagnosed with an eosinophilic
29 gastrointestinal disorder.

30 2. The insured is under the continuous supervision of a physician who
31 is licensed pursuant to title 32, chapter 13 or 17 **OR A REGISTERED NURSE**
32 **PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15.**

33 3. There is risk of a mental or physical impairment without the use of
34 the formula.

35 B. A disability insurer shall cover at least seventy-five per cent of
36 the cost of the formula. The disability insurer may limit the maximum annual
37 benefit for formula under this section to twenty thousand dollars.

38 C. This section does not apply to limited benefit coverage as defined
39 in section 20-1137.

40 Sec. 25. Section 20-1376, Arizona Revised Statutes, is amended to
41 read:

42 20-1376. Prohibiting denial of certain contract benefits

43 A. Notwithstanding any provision of any disability insurance contract,
44 benefits shall not be denied under the contract for any medical or surgical
45 service performed by a ~~holder of a license issued~~ **PHYSICIAN WHO IS LICENSED**

1 pursuant to title 32, chapter 7 or 11, OR A REGISTERED NURSE PRACTITIONER WHO
2 IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15, if the service performed is
3 within the lawful scope of such person's license, and if the service is
4 surgical, such person is a member of the staff of an accredited hospital, and
5 if such contract would have provided benefits if such service had been
6 performed by a holder of a license issued pursuant to title 32, chapter 13.

7 B. If any disability insurance contract provides for or offers eye
8 care services, the subscriber shall have freedom of choice to select either
9 an optometrist or a physician and surgeon skilled in diseases of the eye to
10 provide the examination, care, or treatment for which the subscriber is
11 eligible and ~~which~~ THAT falls within the scope of practice of the optometrist
12 or physician and surgeon. Unless such disability insurance contract
13 otherwise provides, there shall be no reimbursement for ophthalmic materials,
14 lenses, spectacles, eyeglasses, ~~or~~ appurtenances ~~thereto~~ TO THESE MATERIALS
15 OR ITEMS.

16 C. If any individual disability insurance contract is written to
17 provide coverage for psychiatric, drug abuse or alcoholism services,
18 reimbursement for such services shall be made in accordance with the terms of
19 the contract without regard to whether the covered services are rendered in a
20 psychiatric special hospital or general hospital. Reimbursement for the cost
21 of the service may be made directly to the person licensed or certified
22 pursuant to title 32, chapter 13 or 19.1 or to the subscriber if the cost of
23 the service has not been reimbursed to another provider or health care
24 institution.

25 Sec. 26. Section 20-1631, Arizona Revised Statutes, is amended to
26 read:

27 20-1631. Definition of motor vehicle; cancellation of or
28 failure to renew coverage; limitations; limitation
29 of liability; exceptions; insurance producers

30 A. In this article, unless the context otherwise requires, "motor
31 vehicle" means a licensed land, motor-driven vehicle but does not mean:

32 1. A private passenger or station wagon type vehicle used as a public
33 or livery conveyance or rented to others.

34 2. Any other four-wheel motor vehicle of a load capacity of fifteen
35 hundred pounds or less ~~which~~ THAT is used in the business of transporting
36 passengers for hire, used in business primarily to transport property or
37 equipment, used as a public or livery conveyance or rented to others.

38 3. Any motor vehicle with a load capacity of more than fifteen hundred
39 pounds.

40 B. A motor vehicle used as a public or livery conveyance or rented to
41 others does not include a motor vehicle used in the course of volunteer work
42 for a tax-exempt organization as described in section 43-1201, paragraph 4.

43 C. An insurer shall not cancel or refuse to renew a motor vehicle
44 insurance policy solely because of the location of residence, age, race,

1 color, religion, sex, national origin or ancestry of anyone who is an
2 insured.

3 D. An insurer shall not issue a motor vehicle insurance policy in this
4 state unless the cancellation and renewal conditions of the policy or the
5 endorsement on the policy includes the limitations required by this section.
6 After a policy issued in this state has been in effect for sixty days, or if
7 the policy is a renewal, effective immediately, the company shall not
8 exercise its right to cancel or fail to renew the insurance afforded under
9 the policy unless:

10 1. The named insured fails to discharge when due any of the
11 obligations of the named insured in connection with the payment of premium
12 for this policy or any installment of the premium.

13 2. The insurance was obtained through fraudulent misrepresentation.

14 3. The named insured, any person who resides in the same household as
15 the named insured and customarily operates a motor vehicle insured under the
16 policy or any other person who regularly and frequently operates a motor
17 vehicle insured under the policy:

18 (a) Has had the person's driver license suspended or revoked during
19 the policy period.

20 (b) Becomes permanently disabled, either physically or mentally, and
21 such individual does not produce a certificate from a physician OR A
22 REGISTERED NURSE PRACTITIONER testifying to such person's ability to operate
23 a motor vehicle.

24 (c) Is or has been convicted during the thirty-six months immediately
25 preceding the effective date of the policy or during the policy period of:

26 (i) Criminal negligence resulting in death, homicide or assault and
27 arising out of the operation of a motor vehicle.

28 (ii) Operating a motor vehicle while in an intoxicated condition or
29 while under the influence of drugs.

30 (iii) Leaving the scene of an accident.

31 (iv) Making false statements in an application for a driver license.

32 (v) Reckless driving.

33 4. The insurer is placed in rehabilitation or receivership by the
34 insurance supervisory official in its state of domicile or by a court of
35 competent jurisdiction or the director has suspended the insurer's
36 certificate of authority based on its financially hazardous condition.

37 5. The named insured, any person who resides in the same household as
38 the named insured and customarily operates a motor vehicle insured under the
39 policy or any other person who regularly and frequently operates a motor
40 vehicle insured under the policy uses a motor vehicle rated or insured under
41 the policy as a private passenger motor vehicle regularly and frequently for
42 commercial purposes.

43 6. The director determines that the continuation of the policy would
44 place the insurer in violation of the laws of this state or would jeopardize
45 the solvency of the insurer.

1 7. If the insured and the insured's family members are eligible for
2 insurance based solely on the insured's employment with the insurer,
3 employment of the insured with that insurer is terminated and the insurer
4 exercises its right to nonrenew the policy within twelve months following the
5 insured's termination of employment.

6 E. In addition to the authorization to fail to renew insurance
7 provided by subsection D of this section, an insurer may exercise its right
8 to fail to renew a motor vehicle insurance policy pursuant to this
9 subsection. An insurer shall provide notice of the nonrenewal to the named
10 insured as prescribed by section 20-1632 at least forty-five days before the
11 nonrenewal. A named insured who disputes the nonrenewal of the named
12 insured's policy may file an objection with the director pursuant to section
13 20-1633. An insurer shall not fail to renew more than one-half of one per
14 cent of its policies annually pursuant to this subsection. An insurer may
15 fail to renew a motor vehicle insurance policy if the named insured, any
16 person who resides in the same household as the named insured and who
17 customarily operates a motor vehicle insured under the policy or any other
18 person who regularly and frequently operates a motor vehicle insured under
19 the policy has had at any time during the thirty-six months immediately
20 before the notice of nonrenewal three or more at-fault accidents under any
21 motor vehicle insurance policy issued by this insurer in which the property
22 damage paid by the insurer for each accident ~~which~~ THAT occurred prior to
23 January 1, 2000 is more than one thousand eight hundred dollars. For
24 accidents occurring on or after January 1, 2000, the department of insurance
25 shall annually adjust and publish, to the nearest ten dollars, the threshold
26 amount of property damages in this subsection by the percentage change in the
27 all items component of the consumer price index for all urban consumers of
28 the United States department of labor, bureau of labor statistics. The
29 insurer shall not exercise its right to fail to renew the insurance under
30 this subsection unless the same individual has had all the accidents that
31 make the policy subject to nonrenewal under this subsection. The insurer
32 shall not exercise its right to fail to renew a motor vehicle insurance
33 policy pursuant to this subsection due to the accident record of the named
34 insured if the named insured has been insured for standard automobile bodily
35 injury coverage for at least ten consecutive years with the same insurer
36 prior to the most recent accident that makes the policy subject to nonrenewal
37 under this subsection. For the purposes of this subsection, "at-fault" means
38 the insured is at least fifty per cent responsible for the accident.

39 F. The company shall not cancel or fail to renew the insurance when a
40 person other than the named insured has violated subsection D, paragraph 3 of
41 this section, or fail to renew the insurance pursuant to subsection E of this
42 section due to the driving record of an individual other than the named
43 insured, if the named insured in writing agrees to exclude as insured the
44 person by name when operating a motor vehicle and further agrees to exclude
45 coverage to the named insured for any negligence ~~which~~ THAT may be imputed by

1 law to the named insured arising out of the maintenance, operation or use of
2 a motor vehicle by the excluded person. The written agreement that excludes
3 coverage under a policy for a named individual is effective for each renewal
4 of the policy by the insurer and remains in effect until the insurer agrees
5 in writing to provide coverage for the named individual who was previously
6 excluded from coverage.

7 G. This article does not apply to any policy ~~which~~ THAT has been in
8 effect less than sixty days at the time notice of cancellation is mailed or
9 delivered by the insurer unless the policy is a renewal policy, or to
10 policies:

11 1. Insuring any motor vehicle other than a private passenger motor
12 vehicle as defined in section 20-117.

13 2. Insuring the motor vehicle hazard of garages, motor vehicle sales
14 agencies, repair shops, service stations or public parking places.

15 3. Providing insurance only on an excess basis.

16 H. If a consumer purchases motor vehicle insurance coverage from an
17 insurance producer licensed in this state, the insurance producer that owns
18 the policy expiration shall remain the insurance producer of record for that
19 insured. In the event the insurer terminates the insurance producer's
20 contract, the insurance producer shall continue to provide customary services
21 to the insured. The insurer shall provide the insurance producer with a
22 minimum degree of authority necessary to provide customary services to the
23 insured and shall provide the same level of compensation for these services
24 ~~which~~ THAT were in effect prior to the termination of the insurance producer
25 contract.

26 I. Subsection H of this section shall not apply if one or more of the
27 following conditions exist:

28 1. The insurance producer of record has had its license suspended or
29 revoked by the department.

30 2. The insurance producer of record is indebted to the insurer.

31 3. The insured has supplied the insurer with a written request that
32 its insurance producer of record be changed to another insurance producer of
33 the insurer.

34 4. The insurance producer of record has authorized transfer of this
35 account to another licensed insurance producer of the insurer.

36 5. The director has determined after a public hearing that
37 continuation of this relationship is not in the best interest of the public.

38 6. The insurance producer of record is under an exclusive contract or
39 contract requiring the insurance producer to submit all eligible business to
40 an insurer or group of insurers under a common management.

41 J. Subsection H of this section shall not apply to any transaction in
42 which the expiration of the policies is owned by the insurer.

43 K. Notwithstanding any law to the contrary, the issuance at renewal of
44 revised policy provisions to modify an existing policy by adding coverages or
45 policy provisions, modifying coverages or policy provisions, or eliminating

1 coverages or policy provisions is not a nonrenewal or cancellation of the
2 policy if the modification of a basic coverage does not eliminate the
3 essential benefit of that basic coverage. If the modification of the basic
4 coverage eliminates the essential benefit of the basic coverage, the director
5 shall order the insurer to remove the modification from the policy. This
6 subsection does not allow the insurer, without the written consent of the
7 insured, to eliminate the basic coverages of the policy or to reduce the
8 monetary limits of any of the basic coverages of the policy that were
9 selected and agreed on. This subsection does not limit a policyholder from
10 continuing to renew uninsured or underinsured motorist coverage pursuant to
11 section 20-259.01. For the purposes of this subsection, "basic coverage"
12 means any of the following:

- 13 1. Bodily injury coverage.
- 14 2. Property damage coverage.
- 15 3. Uninsured motorist coverage.
- 16 4. Underinsured motorist coverage.
- 17 5. Medical payments coverage.
- 18 6. Comprehensive coverage.
- 19 7. Collision coverage.

20 L. For the purposes of this section, "fail to renew" or "nonrenewal"
21 does not include the issuance and delivery of a new policy within the same
22 insurer or an insurer under the same ownership or management as the original
23 insurer as provided in this subsection. An insurer may transfer up to one
24 per cent of its policies to an affiliated insurer within one calendar year if
25 under a policy to be transferred one or more of the insureds that are insured
26 under the policy have individually within the past thirty-six months had two
27 or more at-fault accidents under any motor vehicle insurance policy issued by
28 this insurer in which the property damage paid by the insurer for each
29 accident exceeded one thousand five hundred dollars or individually have had
30 three or more moving violations. Moving violations for which an insured
31 completes an approved traffic school program shall not be considered as a
32 moving violation under this section. A company shall not transfer a policy
33 if a named insured agrees in writing to exclude as an insured a person or
34 persons who each individually meet the criteria for transfer pursuant to this
35 subsection and further agrees to exclude coverage for any negligence **which**
36 **THAT** may be imputed by law to the named insured arising out of the
37 maintenance, operation or use of a motor vehicle by such excluded person or
38 persons. An insurer shall transfer only those individuals responsible for
39 the at-fault accidents or moving violations, and the excluded or transferred
40 insured's driving record shall not be used in determining rates, surcharges
41 or premiums for the nonexcluded or nontransferred insured. The one per cent
42 limit set forth in this subsection shall not apply to transfers of policies
43 from the original insurer to another insurer under the same ownership or
44 management as the original insurer if the rates charged by the other insurer
45 are the same as or lower than the rates charged by the original insurer. No

1 insurer shall transfer policyholders because of their location of residence,
2 age, race, color, religion, sex, national origin or ancestry. Transfers by
3 an insurer pursuant to this subsection shall not be construed to permit a new
4 unrestricted sixty day period for cancellation or nonrenewal.

5 M. Except as provided in this subsection, an insurer shall not refuse
6 to renew a policy until after August 31, 1998, based on an insured's failure
7 to maintain membership in a bona fide association, until both the insurer and
8 bona fide association have complied with this subsection and shall not refuse
9 to renew any coverage continuously in effect before September 1, 1998,
10 subject to all the following:

11 1. In addition to any other reason provided in this section, an
12 insurer may refuse to renew an insurance policy issued pursuant to this
13 article if all of the following conditions apply:

14 (a) The insurer clearly discloses to the applicant and the insured in
15 the application for insurance and insurance policy that both the payment of
16 dues and current membership in the bona fide association are prerequisites to
17 obtaining or renewing the insurance.

18 (b) Any money paid to the bona fide association as a membership fee:

19 (i) Is not used by the insurer directly or indirectly to defray any
20 costs or expenses in connection with the sale or purchase of the insurance.

21 (ii) Is set independently of any factor used by the insurer to make
22 any judgment or determination about the eligibility of any individual,
23 including the member, an employee of a member or a dependent of a member, to
24 purchase or renew the insurance.

25 (c) The bona fide association has filed a certification with the
26 director verifying the eligibility of the insurer to refuse to renew an
27 insurance policy based on membership in the bona fide association.

28 2. To qualify as a bona fide association pursuant to this subsection,
29 the association shall meet all of the requirements of this paragraph. The
30 association shall file a statement with the director at least thirty days
31 before the commencement of the offer or sale of insurance as provided by this
32 subsection verifying that the association meets the requirements of this
33 paragraph. The association shall update the filing required by this
34 paragraph at least thirty days before the effective date of any material
35 change in the information contained in the statement, and shall file a
36 separate notice with the director if the insurance described in the statement
37 is no longer available through the association. The statement shall include
38 the following information:

39 (a) That the association has been in active existence for at least
40 five consecutive years immediately before the filing of the statement.

41 (b) That the association has been formed and maintained in good faith
42 for purposes other than obtaining or providing insurance and does not
43 condition membership in the association on the purchase of insurance.

44 (c) That the association has articles of incorporation and bylaws or
45 other similar governing documents.

1 (d) That the association does not condition membership in the
2 association or set membership fees on the eligibility of any individual,
3 including the member, an employee of the member or a dependent of the member,
4 to purchase or renew the insurance, or on any factor that the insurer could
5 not lawfully consider when setting rates.

6 (e) That the association has a relationship with a specific insurer or
7 insurers and identifies the insurer or insurers.

8 3. Membership fees collected by the bona fide association are not
9 premiums of the insurer that issued the coverage unless the bona fide
10 association:

11 (a) Uses any portion of the membership fees directly or indirectly to
12 defray any costs or expenses in connection with the sale or purchase of the
13 insurance.

14 (b) Sets or adjusts membership fees for any member of the bona fide
15 association based on any factor used by the insurer that issues the insurance
16 to make any judgment or determination about the eligibility of any
17 individual, including the member, an employee of the member or a dependent of
18 the member, to purchase or renew the insurance.

19 4. If the membership fees constitute premiums pursuant to paragraph 3
20 of this subsection, an insurer shall not refuse to renew a policy as
21 otherwise permitted by this subsection.

22 Sec. 27. Section 20-2323, Arizona Revised Statutes, is amended to
23 read:

24 20-2323. Disclosure of information

25 A. Each accountable health plan that offers a health benefits plan to
26 the public shall provide disclosure forms as required by this section. The
27 disclosure form shall be in a form that is prescribed by the director and
28 that includes all of the following:

29 1. A separate roster of the plan's primary care physicians who are
30 licensed pursuant to title 32, chapter 13, 17 or 29, **AND REGISTERED NURSE**
31 **PRACTITIONERS WHO ARE LICENSED PURSUANT TO TITLE 32, CHAPTER 15**, including
32 the physician's or **REGISTERED NURSE PRACTITIONER'S** degree and practice
33 specialty, the year initially licensed to practice **medicine** and, if
34 different, the year initially licensed to practice **medicine** in this state.

35 2. In concise and specific terms:

36 (a) The full premium cost of the plan.

37 (b) Any copayment, coinsurance or deductible requirements that an
38 enrollee or the enrollee's family may incur in obtaining coverage under the
39 plan and any reservation by the plan to change premiums.

40 (c) The health care benefits to which an enrollee would be entitled.

41 (d) Where and in what manner an enrollee may obtain services,
42 including the procedures for selecting or changing primary care physicians
43 **AND REGISTERED NURSE PRACTITIONERS** and the locations of hospitals and
44 outpatient treatment centers that are under contract with the accountable
45 health plan.

1 3. Any limitations of the services, kinds of services, benefits and
2 exclusions that apply to the plan including:

3 (a) Procedures for emergency room, nighttime or weekend visits and
4 referrals to specialist physicians **AND REGISTERED NURSE PRACTITIONERS**.

5 (b) Whether services received outside of the plan are covered and in
6 what manner they are covered.

7 (c) The circumstances under which prior authorization is required for
8 emergency ~~medica+~~ **HEALTH** care and a statement as to whether and where the
9 plan provides twenty-four hour emergency services.

10 (d) The circumstances under which the plan may retroactively deny
11 coverage for emergency ~~medica+~~ **HEALTH RELATED** treatment and nonemergency
12 ~~medica+~~ **HEALTH RELATED** treatment that had prior authorization under the
13 plan's written policies.

14 (e) A statement regarding whether the plan's providers must comply
15 with any specified numbers, targeted averages or maximum durations of patient
16 visits and the specific requirements of each.

17 (f) The procedures that the enrollee must follow to consult with a
18 physician **OR A REGISTERED NURSE PRACTITIONER** other than the enrollee's
19 primary care physician **OR REGISTERED NURSE PRACTITIONER** and whether the
20 enrollee's primary care physician **OR REGISTERED NURSE PRACTITIONER**, the
21 plan's medical director or a committee must first authorize the referral.

22 (g) Whether it is necessary to repeat prior authorization if the
23 specialist care is continuing.

24 (h) Whether a point of service option is available and how it is
25 structured.

26 4. Grievance procedures for claim or treatment denials, creditable
27 coverage determinations, dissatisfaction with care and access to care issues.

28 5. Subject to section 20-2326, a statement as to whether a plan
29 physician **OR REGISTERED NURSE PRACTITIONER** is restricted to prescribing
30 drugs from a plan list or plan formulary and the extent to which an enrollee
31 will be reimbursed for costs of a drug that is not on a plan list or plan
32 formulary.

33 6. A statement as to whether plan provider compensation programs
34 include any incentives or penalties that are intended to encourage plan
35 providers to withhold services or minimize or avoid referrals to specialist
36 physicians, and if these types of incentives or penalties are included, a
37 concise description of and, at the option of the accountable health plan,
38 justification for each of them.

39 7. A statement that the disclosure form is a summary only and that the
40 enrollee should consult the plan's evidence of coverage to determine any
41 governing contractual provision.

42 B. An accountable health plan shall not disseminate a completed
43 disclosure form until the form is submitted to the director. This section
44 does not require an accountable health plan to submit to the director its

1 separate roster of plan physicians AND REGISTERED NURSE PRACTITIONERS or any
2 roster updates.

3 C. On request, an accountable health plan shall provide the
4 information required under subsection A of this section to all employers who
5 are considering participating in a health benefits plan that is offered by
6 the accountable health plan or to an employer that is considering renewal of
7 a health benefits plan that is provided by an accountable health plan.

8 D. An employer shall provide to its eligible employees the disclosures
9 required under subsection A of this section no later than the initiation of
10 any open enrollment period or at least ten days before any employee
11 enrollment deadline that is not associated with an open enrollment period.

12 E. An employer shall not execute a contract with an accountable health
13 plan until the employer receives the information required under subsection A
14 of this section.

15 F. Nothing in this section provides any private right or cause of
16 action to or on behalf of any enrollee, prospective enrollee, employer or
17 other person, whether a resident or nonresident of this state. This section
18 provides solely an administrative remedy to the director of the department of
19 insurance for any violation of this section or any related rule.

20 Sec. 28.. Section 20-2327, Arizona Revised Statutes, is amended to
21 read:

22 20-2327. Metabolic disorders; medical foods; definitions

23 A. Any health benefits plan THAT IS offered by an accountable health
24 plan AND that contains a prescription drug benefit shall provide coverage of
25 medical foods to treat inherited metabolic disorders as provided by this
26 section.

27 B. The metabolic disorders triggering medical foods coverage under
28 this section shall:

29 1. Be part of the newborn screening program prescribed in section
30 36-694.

31 2. Involve amino acid, carbohydrate or fat metabolism.

32 3. Have medically standard methods of diagnosis, treatment and
33 monitoring, including quantification of metabolites in blood, urine or spinal
34 fluid or enzyme or DNA confirmation in tissues.

35 4. Require specially processed or treated medical foods that are
36 generally available only under the supervision and direction of a physician
37 who is licensed pursuant to title 32, chapter 13 or 17 OR A REGISTERED NURSE
38 PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15, that must be
39 consumed throughout life and without which the person may suffer serious
40 mental or physical impairment.

41 C. Medical foods eligible for coverage under this section shall be
42 prescribed or ordered under the supervision of a physician licensed pursuant
43 to title 32, chapter 13 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS
44 LICENSED PURSUANT TO TITLE 32, CHAPTER 15 as medically necessary for the
45 therapeutic treatment of an inherited metabolic disease.

1 D. An accountable health plan shall cover at least fifty per cent of
2 the cost of medical foods prescribed to treat inherited metabolic disorders
3 and covered pursuant to this section. A ~~corporation~~ PLAN may limit the
4 maximum annual benefit for medical foods under this section to five thousand
5 dollars ~~which~~ THAT applies to the cost of all prescribed modified low protein
6 foods and metabolic formula.

7 E. For the purposes of this section:

8 1. "Inherited metabolic disorder" means a disease caused by an
9 inherited abnormality of body chemistry and includes a disease tested under
10 the newborn screening program prescribed in section 36-694.

11 2. "Medical foods" means modified low protein foods and metabolic
12 formula.

13 3. "Metabolic formula" means foods that are all of the following:

14 (a) Formulated to be consumed or administered enterally under the
15 supervision of a physician who is licensed pursuant to title 32, chapter 13
16 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
17 32, CHAPTER 15.

18 (b) Processed or formulated to be deficient in one or more of the
19 nutrients present in typical foodstuffs.

20 (c) Administered for the medical and nutritional management of a
21 person who has limited capacity to metabolize foodstuffs or certain nutrients
22 contained in the foodstuffs or who has other specific nutrient requirements
23 as established by medical evaluation.

24 (d) Essential to a person's optimal growth, health and metabolic
25 homeostasis.

26 4. "Modified low protein foods" means foods that are all of the
27 following:

28 (a) Formulated to be consumed or administered enterally under the
29 supervision of a physician who is licensed pursuant to title 32, chapter 13
30 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
31 32, CHAPTER 15.

32 (b) Processed or formulated to contain less than one gram of protein
33 per unit of serving, but does not include a natural food that is naturally
34 low in protein.

35 (c) Administered for the medical and nutritional management of a
36 person who has limited capacity to metabolize foodstuffs or certain nutrients
37 contained in the foodstuffs or who has other specific nutrient requirements
38 as established by medical evaluation.

39 (d) Essential to a person's optimal growth, health and metabolic
40 homeostasis.

41 Sec. 29. Section 20-2332, Arizona Revised Statutes, is amended to
42 read:

43 20-2332. Eosinophilic gastrointestinal disorder; formula

44 A. Any health benefit plan that is offered by an accountable health
45 plan and that contains a prescription drug benefit shall cover amino

1 acid-based formula that is ordered by a physician OR BY A REGISTERED NURSE
2 PRACTITIONER if:

3 1. The insured has been diagnosed with an eosinophilic
4 gastrointestinal disorder.

5 2. The insured is under the continuous supervision of a physician who
6 is licensed pursuant to title 32, chapter 13 or 17 OR A REGISTERED NURSE
7 PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 15.

8 3. There is risk of a mental or physical impairment without the use of
9 the formula.

10 B. An accountable health plan shall cover at least seventy-five per
11 cent of the cost of the formula. The accountable health plan may limit the
12 maximum annual benefit for formula under this section to twenty thousand
13 dollars.

14 C. This section does not apply to limited benefit coverage as defined
15 in section 20-1137.

16 Sec. 30. Section 21-202, Arizona Revised Statutes, is amended to read:

17 21-202. Persons entitled to be excused from jury service

18 A. It is the policy of this state that all qualified citizens have an
19 obligation to serve on juries when summoned by the courts of this state,
20 unless excused.

21 B. On timely application to the court, the following persons shall be
22 excused temporarily from service as a juror if the judge or jury commissioner
23 finds that any of the following ~~apply~~ APPLIES:

24 1. The prospective juror has a mental or physical condition that
25 causes the juror to be incapable of performing jury service. The juror or
26 the juror's personal representative shall provide to the court or jury
27 commissioner a medical statement from a physician who is licensed pursuant to
28 title 32 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
29 32, CHAPTER 15 that explains an existing mental or physical condition that
30 renders the person unfit for jury service. If a prospective juror does not
31 have a physician OR A REGISTERED NURSE PRACTITIONER, the prospective juror or
32 the juror's personal representative shall provide a sworn statement from a
33 professional caregiver for the prospective juror that is deemed acceptable by
34 the court or jury commissioner and that explains the mental or physical
35 condition that renders the prospective juror incapable of performing jury
36 service. For the purposes of this paragraph:

37 (a) The statement shall be in writing and shall contain a description
38 and duration of any mobility restrictions, the specific symptoms that make
39 the prospective juror mentally or physically unfit for jury service and their
40 duration, the employment status of the prospective juror and the printed
41 name, signature, professional license number if applicable, area of specialty
42 and contact information of the authorizing physician, REGISTERED NURSE
43 PRACTITIONER or professional caregiver.

1 (b) A form that complies with this paragraph shall be made available
2 at courthouses, the Arizona medical board ~~web-site~~ WEBSITE, THE BOARD OF
3 NURSING WEBSITE and other appropriate locations that are identified by the
4 court or jury commissioner.

5 (c) These documents are not public records and shall not be disclosed
6 to the general public.

7 2. Jury service by the prospective juror would substantially and
8 materially affect the public interest or welfare in an adverse manner.

9 3. The prospective juror is not currently capable of understanding the
10 English language.

11 4. Jury service would cause undue or extreme physical or financial
12 hardship to the prospective juror or a person under the prospective juror's
13 care or supervision. For the purposes of this paragraph:

14 (a) A judge or jury commissioner of the court for which the person was
15 called to jury service shall determine whether jury service would cause the
16 prospective juror undue or extreme physical or financial hardship.

17 (b) A person who requests to be excused under this paragraph shall
18 take all actions necessary to obtain a ruling on the request before the date
19 on which the person is scheduled to appear for jury duty.

20 (c) Undue or extreme physical or financial hardship is limited to the
21 following circumstances in which a person:

22 (i) Would be required to abandon a person under the potential juror's
23 care or supervision due to the impossibility of obtaining an appropriate
24 substitute caregiver during the period of participation in the jury pool or
25 on the jury.

26 (ii) Would incur costs that would have a substantial adverse impact on
27 the payment of the person's necessary daily living expenses or on those for
28 whom the potential juror provides regular employment or the principal means
29 of support.

30 (iii) Would suffer physical hardship that would result in illness or
31 disease.

32 (d) Undue or extreme physical or financial hardship does not exist
33 solely based on the fact that a prospective juror will be required to be
34 absent from the prospective juror's place of employment.

35 (e) A person who requests to be excused under this paragraph shall
36 provide the judge or jury commissioner with documentation that supports the
37 request to be excused, such as federal and state income tax returns, payroll
38 records, medical statements from physicians licensed pursuant to title 32 OR
39 REGISTERED NURSE PRACTITIONERS LICENSED PURSUANT TO TITLE 32, CHAPTER 15,
40 proof of dependency or guardianship or other similar documents. The judge or
41 jury commissioner may excuse a person if the documentation clearly supports
42 the request to be excused. These documents are not public records and shall
43 not be disclosed to the general public.

1 adoption of fee schedule provisions that involve specific prices, values or
2 reimbursements for prescription drugs, the commission shall base the adoption
3 on studies or practices that are validated and accepted in the industry,
4 including the applicability of formulas that use average wholesale price,
5 plus a dispensing fee, and that have been made publicly available for at
6 least one hundred eighty days before any hearing conducted by the commission.

7 D. Notwithstanding section 12-2235, information obtained by any
8 physician or surgeon examining or treating an injured person shall not be
9 considered a privileged communication, if such information is requested by
10 interested parties for a proper understanding of the case and a determination
11 of the rights involved. Hospital records of an employee concerning an
12 industrial claim shall not be considered privileged if requested by an
13 interested party in order to determine the rights involved. Medical
14 information from any source pertaining to conditions unrelated to the pending
15 industrial claim shall remain privileged.

16 E. When an accident occurs to an employee, the employee shall
17 forthwith report the accident and the injury resulting ~~therefrom~~ FROM THE
18 ACCIDENT to the employer, and any physician OR REGISTERED NURSE PRACTITIONER
19 employed by the injured employee shall forthwith report the accident and the
20 injury resulting ~~therefrom~~ FROM THE ACCIDENT to the employer, the insurance
21 carrier and the commission.

22 F. When an accident occurs to an employee, the employer may designate
23 in writing a physician OR REGISTERED NURSE PRACTITIONER chosen by the
24 employer, who shall be permitted by the employee, or any person in charge of
25 the employee, to make one examination of the injured employee in order to
26 ascertain the character and extent of the injury occasioned by the accident.
27 The physician OR REGISTERED NURSE PRACTITIONER so chosen shall forthwith
28 report to the employer, the insurance carrier and the commission the
29 character and extent of the injury as ascertained by ~~him~~ THE PHYSICIAN OR
30 REGISTERED NURSE PRACTITIONER. If the accident is not reported by the
31 employee or ~~his~~ THE EMPLOYEE'S physician OR REGISTERED NURSE PRACTITIONER
32 forthwith, as required, or if the injured employee or those in charge of ~~him~~
33 THE INJURED EMPLOYEE refuse to permit the employer's physician OR REGISTERED
34 NURSE PRACTITIONER to make the examination, and the injured employee is a
35 party to the refusal, no compensation shall be paid for the injury claimed to
36 have resulted from the accident. The commission may relieve the injured
37 person or ~~his~~ THE INJURED PERSON'S dependents from the loss or forfeiture of
38 compensation if it believes after investigation that the circumstances
39 attending the failure on the part of the employee or ~~his~~ THE EMPLOYEE'S
40 physician OR REGISTERED NURSE PRACTITIONER to report the accident and injury
41 are such as to have excused them.

42 G. Within ten days after receiving notice of an accident, the employer
43 shall inform ~~his~~ THE EMPLOYER'S insurance carrier and the commission on such
44 forms and in such manner as may be prescribed by the commission.

1 H. Immediately upon notice to the employer of an accident resulting in
2 an injury to an employee, the employer shall provide the employee with the
3 name and address of the employer's insurance carrier, the policy number and
4 the expiration date.

5 I. Any person failing or refusing to comply with this section is
6 guilty of a petty offense.

7 Sec. 32. Section 23-1026, Arizona Revised Statutes, is amended to
8 read:

9 23-1026. Periodical medical examination of employee; effect of
10 refusal or obstruction of examination or treatment

11 A. An employee who may be entitled to compensation under this chapter
12 shall submit ~~himself for~~ TO A medical examination from time to time at a
13 place reasonably convenient for the employee, if and when requested by the
14 commission, the state compensation fund, ~~his~~ THE EMPLOYEE'S employer or the
15 insurance carrier. A place is reasonably convenient even if it is not where
16 the employee resides if it is the place where the employee was injured and
17 the employer or the insurance carrier pays in advance the employee's
18 reasonable travel expenses, including the cost of transportation, food,
19 lodging and loss of pay, if applicable.

20 B. The request for the medical examination shall fix a time and place
21 having regard to the convenience of the employee, ~~his~~ THE EMPLOYEE'S physical
22 condition and ~~his~~ ability to attend. The employee may have a physician OR
23 REGISTERED NURSE PRACTITIONER present at the examination if procured and paid
24 for by ~~himself~~ THE EMPLOYEE.

25 C. If the employee refuses to submit to the medical examination or
26 obstructs the examination, ~~his~~ THE EMPLOYEE'S right to compensation ~~shall be~~
27 IS suspended until the examination has been made, and no compensation shall
28 be payable during or for such period.

29 D. A physician OR REGISTERED NURSE PRACTITIONER who makes or is
30 present at the medical examination provided by this section may be required
31 to testify as to the result ~~thereof~~ OF THAT ACTION.

32 E. Upon appropriate application and hearing, the commission may reduce
33 or suspend the compensation of an employee who persists in unsanitary or
34 injurious practices tending to imperil or retard ~~his~~ THE EMPLOYEE'S recovery,
35 or who refuses to submit to medical or surgical treatment reasonably
36 necessary to promote ~~his~~ THE EMPLOYEE'S recovery.

37 F. An employee shall be excused from attending a scheduled medical
38 examination if the employee requests a protective order and the
39 administrative law judge finds that the scheduled examination is unnecessary,
40 would be cumulative or could reasonably be timely scheduled with an
41 appropriate physician OR REGISTERED NURSE PRACTITIONER where the employee
42 resides. If a protective order is requested the burden is on the employer or
43 insurance carrier to establish that a medical examination should be scheduled
44 at a place other than where the employee resides. If an employee has left
45 this state and the employer or insurance carrier pays in advance the

1 employee's reasonable travel expenses, including the cost of transportation,
2 food, lodging and loss of pay, if applicable, the employer or insurance
3 carrier is entitled to have the employee return to this state one time a year
4 for examination or one time following the filing of a petition to reopen.

5 Sec. 33. Section 23-1043.02, Arizona Revised Statutes, is amended to
6 read:

7 23-1043.02. Human immunodeficiency virus; establishing
8 exposure; definition

9 A. A claim for a condition, infection, disease or disability involving
10 or related to the human immunodeficiency virus or acquired immune deficiency
11 syndrome shall include the occurrence of a significant exposure as defined in
12 this section and, except as provided in subsection B of this section, shall
13 be processed and determined under the provisions of this chapter and
14 applicable principles of law.

15 B. Notwithstanding any other law, an employee who satisfies the
16 following conditions presents a prima facie claim for a condition, infection,
17 disease or disability involving or related to the human immunodeficiency
18 virus or acquired immune deficiency syndrome if the medical evidence shows to
19 a reasonable degree of medical probability that the employee sustained a
20 significant exposure within the meaning of this section:

21 1. The employee's regular course of employment involves handling ~~OF~~ or
22 exposure to blood or body fluids, other than tears, saliva or perspiration,
23 including health care providers as defined in ~~title 36, chapter 6, article 4~~
24 SECTION 36-661, forensic laboratory workers, fire fighters, law enforcement
25 officers, emergency medical technicians, paramedics and correctional
26 officers.

27 2. Within ten calendar days after a possible significant exposure
28 ~~which~~ THAT arises out of and in the course of ~~his~~ THE EMPLOYEE'S employment,
29 the employee reports in writing to the employer the details of the exposure.
30 The employer shall notify its insurance carrier or claims processor of the
31 report. Failure of the employer to notify the insurance carrier is not a
32 defense to a claim by the employee.

33 3. The employee has blood drawn within ten days after the possible
34 significant exposure, the blood is tested for the human immunodeficiency
35 virus by antibody testing within thirty days after the exposure and the test
36 results are negative.

37 4. The employee is tested or diagnosed, according to clinical
38 standards established by the centers for disease control of the United States
39 public health service, as positive for the presence of the human
40 immunodeficiency virus within eighteen months after the date of the possible
41 significant exposure.

42 C. On presentation or showing of a prima facie claim under this
43 section, the employer may produce specific, relevant and probative evidence
44 to dispute the underlying facts, to contest whether the exposure was
45 significant as defined in this section, or to establish an alternative

1 significant exposure involving the presence of the human immunodeficiency
2 virus.

3 D. A person alleged to be a source of a significant exposure shall not
4 be compelled by subpoena or other court order to release confidential human
5 immunodeficiency virus related information either by document or by oral
6 testimony. Evidence of the alleged source's human immunodeficiency virus
7 status may be introduced by either party if the alleged source knowingly and
8 willingly consents to the release of that information.

9 E. Notwithstanding title 36, chapter 6, article 4, medical information
10 regarding the employee obtained by a physician or ~~surgeon~~ REGISTERED NURSE
11 PRACTITIONER is subject to the provisions of section 23-908, subsection D.

12 F. The commission by rule shall prescribe requirements and forms
13 regarding employee notification of the requirements of this section and the
14 proper documentation of a significant exposure.

15 G. For the purposes of this section, "significant exposure" means
16 contact of an employee's ruptured or broken skin or mucous membrane with a
17 person's blood or body fluids, other than tears, saliva or perspiration, of a
18 magnitude that the centers for disease control have epidemiologically
19 demonstrated can result in transmission of the human immunodeficiency
20 virus. For purposes of filing a claim under this section, significant
21 exposure does not include sexual activity or illegal drug use.

22 Sec. 34. Section 23-1043.03, Arizona Revised Statutes, is amended to
23 read:

24 23-1043.03. Hepatitis C; establishing exposure; definition

25 A. A claim for a condition, infection, disease or disability involving
26 or related to hepatitis C shall include the occurrence of a significant
27 exposure as defined in this section and, except as provided in subsection B
28 of this section, shall be processed and determined under this chapter and
29 applicable principles of law.

30 B. Notwithstanding any other law, an employee who satisfies the
31 following conditions presents a prima facie claim for a condition, infection,
32 disease or disability involving or related to hepatitis C if the medical
33 evidence shows to a reasonable degree of medical probability that the
34 employee sustained a significant exposure within the meaning of this section:

35 1. The employee's regular course of employment involves handling of or
36 exposure to blood or body fluids, other than tears, saliva or perspiration,
37 including health care providers as defined in section 36-661, forensic
38 laboratory workers, fire fighters, law enforcement officers, emergency
39 medical technicians, paramedics and correctional officers.

40 2. Within ten calendar days after a possible significant exposure that
41 arises out of and in the course of ~~his~~ THE EMPLOYEE'S employment, the
42 employee reports in writing to the employer the details of the exposure. The
43 employer shall notify its insurance carrier or claims processor of the
44 report. Failure of the employer to notify the insurance carrier is not a
45 defense to a claim by the employee.

1 3. The employee has blood drawn within ten days after the possible
2 significant exposure, the blood is tested for hepatitis C by antibody testing
3 within thirty days after the exposure and the test results are negative.

4 4. The employee is tested or diagnosed, according to clinical
5 standards established by the centers for disease control of the United States
6 public health service, as positive for the presence of hepatitis C within
7 seven months after the date of the possible significant exposure.

8 C. On presentation or showing of a prima facie claim under this
9 section, the employer may produce specific, relevant and probative evidence
10 to dispute the underlying facts, to contest whether the exposure was
11 significant as defined in this section, or to establish an alternative
12 significant exposure involving the presence of hepatitis C.

13 D. A person alleged to be a source of a significant exposure shall not
14 be compelled by subpoena or other court order to release confidential
15 hepatitis C related information either by document or by oral testimony.
16 Evidence of the alleged source's hepatitis C status may be introduced by
17 either party if the alleged source knowingly and willingly consents to the
18 release of that information.

19 E. Notwithstanding title 36, chapter 6, article 4, medical information
20 regarding the employee obtained by a physician or ~~surgeon~~ REGISTERED NURSE
21 PRACTITIONER is subject to section 23-908, subsection D.

22 F. The commission by rule shall prescribe requirements and forms
23 regarding employee notification of the requirements of this section and the
24 proper documentation of a significant exposure.

25 G. For the purposes of this section, "significant exposure" means
26 contact of an employee's ruptured or broken skin or mucous membrane or other
27 significant unbroken surface area with a person's blood or body fluids, other
28 than tears, saliva or perspiration, of a magnitude that the centers for
29 disease control have epidemiologically demonstrated can result in
30 transmission of hepatitis C. For purposes of filing a claim under this
31 section, significant exposure does not include sexual activity or illegal
32 drug use.

33 Sec. 35. Section 23-1070, Arizona Revised Statutes, is amended to
34 read:

35 23-1070. Medical, surgical and hospital benefits provided by
36 employer

37 A. An employer, other than the state or a political subdivision
38 thereof, who secures compensation to ~~his~~ THE EMPLOYER'S employees in the
39 manner provided in ~~either SECTION 23-961, subsection A, paragraph 1, or~~
40 ~~subsection A, paragraph 2 of section 23-961,~~ alone or jointly with other
41 employers ~~may~~, in lieu of making premium payments for medical, surgical and
42 hospital benefits, MAY provide such benefits to injured employees and may
43 collect one-half of the cost thereof from ~~his~~ THE EMPLOYER'S employees, not
44 to exceed one dollar per month from any employee, which may be deducted from
45 the wages of the employee.

1 B. An employer electing to provide such benefits shall notify ~~his~~ THE
2 EMPLOYER'S insurance carrier and the commission of the election and render a
3 detailed statement of the arrangements made therefor to the commission.

4 C. An employer who maintains a hospital for ~~his~~ THE EMPLOYER'S
5 employees or who contracts with a physician for the hospital care of injured
6 employees shall, on or before January 30 each year, make a verified written
7 report to the commission for the preceding year showing the total amount of
8 hospital fees collected and showing separately the amount contributed by the
9 employees and the amount contributed by the employers. The report shall also
10 contain an itemized account of the expenditures, investments or other
11 disposition of the fees, and a statement showing the balance remaining.

12 D. An employer who fails to notify ~~his~~ THE EMPLOYER'S insurance
13 carrier and the commission of ~~his~~ THE EMPLOYER'S election to provide such
14 benefits, or who maintains a hospital or contracts for hospital service as
15 provided in subsection C of this section, and fails to make the financial
16 report required therein, is liable for such benefits as provided in section
17 23-1062.

18 E. If the medical, surgical or hospital aid or treatment being
19 furnished by an employer is such that there is reasonable ground to believe
20 that the health, life or recovery of any employee is endangered or impaired
21 thereby, the commission may, upon application of the employee or upon its own
22 motion, order a change of physicians, REGISTERED NURSE PRACTITIONERS or other
23 conditions. If the employer fails to comply with the order promptly, the
24 injured employee may elect to have medical, surgical or hospital aid or
25 treatment provided by or through the state compensation fund. In that event
26 the claim of the injured employee against the employer shall be assigned to
27 the state compensation fund for the benefit thereof, and the state
28 compensation fund shall furnish to the insured employee medical, surgical or
29 hospital aid or treatment as provided in this chapter.

30 Sec. 36. Section 23-1071, Arizona Revised Statutes, is amended to
31 read:

32 23-1071. Notice by disabled employee of absence from locality
33 or state; failure to give notice; change of doctor
34 or registered nurse practitioner

35 A. No employee may leave the state of Arizona for a period exceeding
36 two weeks while the necessity of having medical treatment continues, without
37 the written approval of the commission. Any employee leaving the state of
38 Arizona for a period exceeding two weeks without such approval ~~will forfeit~~
39 ~~his~~ FORFEITS THE EMPLOYEE'S right to compensation during such time, as well
40 as ~~his~~ THE right to reimbursement for ~~his~~ medical expenses, and any
41 aggravation of ~~his~~ THE EMPLOYEE'S disability, by reason of the violation of
42 this section, will not be compensated. If an administrative law judge
43 approves an employee's request to leave this state after the request for
44 written approval was initially denied by the commission, the employee is

1 entitled to any forfeited compensation and medical benefits from the date the
2 employee first requested the written approval.

3 B. ~~No~~ AN employee may NOT change doctors OR REGISTERED NURSE
4 PRACTITIONERS without the written authorization of the insurance carrier, the
5 commission or the attending physician OR REGISTERED NURSE PRACTITIONER.

6 Sec. 37. Section 28-447, Arizona Revised Statutes, is amended to read:
7 28-447. Public records

8 A. An application for a license, permit, title or registration made to
9 the department and a document required by law or by the department to
10 accompany the application is a public record, except a medical report and a
11 report voluntarily submitted by a physician OR A REGISTERED NURSE
12 PRACTITIONER as defined in section 28-3005, except as provided by section
13 28-455 and except as otherwise provided by law.

14 B. If the department is required or authorized to revoke, suspend or
15 cancel a driver license or to suspend vehicle registrations pursuant to
16 chapter 9 of this title, it shall notify the holder by a written notice that
17 includes a citation to the statute or rule under which the action is
18 authorized or required. The department shall retain a copy of the notice.
19 The copy of the notice shall contain a certification that the original notice
20 was mailed and the date the notice was mailed. The copy of the notice is a
21 public record. If the copy is addressed to a licensee at the address last
22 shown on the department's records, as evidenced by the person's driver
23 license application or subsequent notification pursuant to section 28-448 by
24 the person of a different address, it is presumed, unless otherwise shown by
25 clear and convincing evidence, that the person to whom the notice was
26 addressed received the original notice.

27 C. The department may place notes, date stamps, identifying numbers or
28 other information on an application, a record of conviction or any other
29 record as is necessary to ensure the accuracy of the record and to expedite
30 its handling. The information does not affect the validity of a record,
31 except that the markings are not considered a part of the record for
32 evidentiary purposes unless proven accurate by other records of the
33 department or other competent evidence.

34 Sec. 38. Section 28-909, Arizona Revised Statutes, is amended to read:
35 28-909. Vehicle restraints required; exceptions; civil penalty

36 A. Each front seat occupant of a motor vehicle that is designed for
37 carrying ten or fewer passengers, that is manufactured for the model year
38 1972 and thereafter and that is required to be equipped with an integrated
39 lap and shoulder belt or a lap belt pursuant to the federal motor vehicle
40 safety standards prescribed in 49 Code of Federal Regulations section 571.208
41 shall either:

42 1. Have the lap and shoulder belt properly adjusted and fastened while
43 the vehicle is in motion.

44 2. If only a lap belt is installed where the occupant is sitting, have
45 the lap belt properly adjusted and fastened while the vehicle is in motion.

1 B. The operator of a motor vehicle that is designed for carrying ten
2 or fewer passengers, that is manufactured for the model year 1972 and
3 thereafter and that is required to be equipped with an integrated lap and
4 shoulder belt or a lap belt pursuant to the federal motor vehicle safety
5 standards prescribed in 49 Code of Federal Regulations section 571.208 shall
6 require each passenger under sixteen years of age to either:

7 1. Have the lap and shoulder belt properly adjusted and fastened while
8 the vehicle is in motion.

9 2. If only a lap belt is installed where the passenger is sitting,
10 have the lap belt properly adjusted and fastened while the vehicle is in
11 motion.

12 C. A peace officer shall not stop or issue a citation to a person
13 operating a motor vehicle on a highway in this state for a violation of this
14 section unless the peace officer has reasonable cause to believe there is
15 another alleged violation of a motor vehicle law of this state.

16 D. If a person is found responsible for a civil traffic violation
17 under this section, a department or agency of this state shall not consider
18 the violation for the purpose of determining whether the person's driver
19 license should be suspended or revoked. A court shall not transmit abstracts
20 of records of violations of this section to the department.

21 E. An insurer shall not consider a civil traffic violation under this
22 section as a traffic violation against the person for the purposes of
23 establishing rates for motor vehicle liability insurance or determining the
24 insurability of the person. An insurer shall not cancel or refuse to renew
25 any policy of insurance because of the violation.

26 F. This section does not apply to:

27 1. A child subject to the requirements of section 28-907.

28 2. A person possessing a written statement from a physician **OR A**
29 **REGISTERED NURSE PRACTITIONER** that the person is unable for medical or
30 psychological reasons to wear a lap and shoulder belt or a lap belt.

31 3. A letter carrier of the United States postal service while the
32 letter carrier is performing the letter carrier's duties.

33 G. If a person is found responsible for a civil traffic violation
34 under this section, the person is subject to a maximum civil penalty of ten
35 dollars for each violation.

36 Sec. 39. Section 28-2409, Arizona Revised Statutes, is amended to
37 read:

38 **28-2409. International symbol of access special plates;**
39 **placard; definitions**

40 A. The department shall issue special plates bearing the international
41 symbol of access to either:

42 1. A person who is permanently physically disabled and who is an owner
43 or lessee of a motor vehicle.

44 2. An organization that owns or leases a motor vehicle that primarily
45 transports physically disabled persons.

1 B. A permanently disabled special plate issued under this section is
2 valid for as long as the person to whom the plate is issued qualifies for
3 issuance under this section.

4 C. A person who is permanently physically disabled may obtain, if
5 qualified, a permanently disabled removable windshield placard. A person who
6 is temporarily physically disabled may obtain, if qualified, a temporarily
7 disabled removable windshield placard. An organization that primarily
8 transports physically disabled persons may obtain, if qualified, a placard
9 for each of the qualified vehicles. The department shall issue only one
10 valid placard to a temporarily or permanently physically disabled applicant,
11 except to replace a lost, stolen or mutilated placard or if the department
12 determines, on receiving the applicant's written request, that the needs of
13 the applicant are such that two valid placards are required. The department
14 shall issue a placard pursuant to this section at no additional charge.

15 D. A permanently disabled removable windshield placard issued or
16 renewed under this section is valid for five years. A temporarily disabled
17 removable windshield placard issued or renewed under this section is valid
18 for a period of time as determined by the department. A person who desires to
19 obtain a temporarily disabled removable windshield placard for an additional
20 period of time shall submit a new application.

21 E. A person or organization that desires to obtain a permanently
22 disabled or temporarily disabled removable windshield placard or
23 international symbol of access special plates shall submit an application to
24 the department on a form furnished by the department that contains one of the
25 following:

26 1. If a permanently or temporarily disabled person, a certificate
27 completed by a hospital administrator, ~~or by~~ an authorized physician **OR A**
28 **REGISTERED NURSE PRACTITIONER** that certifies that the applicant is physically
29 disabled.

30 2. If an organization, a signed statement by an authorized officer of
31 the organization affirming that the registered vehicle that is owned or
32 leased by the organization and that will display the placard or the
33 international symbol of access special plates primarily transports physically
34 disabled persons.

35 F. On receipt of the application containing the medical certificate or
36 signed statement, if the department finds that the applicant qualifies for
37 the parking privileges pursuant to chapter 3, article 14 of this title, the
38 department shall issue the placard or international symbol of access special
39 plates.

40 G. A person or an organization desiring to renew a permanently
41 disabled removable windshield placard shall submit an application to the
42 department containing one of the following:

43 1. If a permanently disabled person, a signed statement by the person
44 that is witnessed by a department agent or notary public, that requests the

1 renewal of the placard and that affirms that the person is physically
2 disabled.

3 2. If an organization, a signed statement by an authorized officer of
4 the organization affirming that the registered vehicle that is owned or
5 leased by the organization and that will display the placard primarily
6 transports physically disabled persons.

7 H. The placard or international symbol of access special plates shall
8 be displayed on or in the motor vehicle in the manner prescribed by the
9 department.

10 I. A request for special plates issued under this section may be
11 combined with a request for an honored military license plate issued under
12 article 13 of this chapter or any other special plate. The department shall
13 prescribe the form for the request. The request is subject to payment of
14 only the fee required for the honored military license plate or other special
15 plate and is not subject to any other special plate fee under section
16 28-2402. An international symbol of access special plate that is combined
17 with an honored military license plate or any other special plate is not a
18 personalized special plate under section 28-2406.

19 J. For the purposes of this section:

20 1. "Authorized physician" means a doctor of medicine, osteopathy,
21 podiatry or chiropractic licensed to practice medicine in this state or
22 another state or authorized by the United States government to practice
23 medicine.

24 2. "Permanently disabled removable windshield placard" means a
25 two-sided, hooked placard that includes on each side all of the following:

26 (a) The international symbol of access that is at least three inches
27 in height, that is centered on the placard and that is white on a blue
28 shield.

29 (b) An identification number.

30 (c) An expiration date.

31 (d) The seal or other identification of the issuing authority.

32 3. "Physically disabled person" means a person who, as determined by a
33 hospital administrator or authorized physician, meets any of the following
34 conditions:

35 (a) Cannot walk two hundred feet without stopping to rest.

36 (b) Cannot walk without the use of or assistance from any brace, cane,
37 crutch, other person, prosthetic device, wheelchair or other assistive
38 device.

39 (c) Is restricted by lung disease to such an extent that the person's
40 forced respiratory, expiratory volume for one second, if measured by
41 spirometry, is less than one liter, or the arterial oxygen tension is less
42 than sixty mm/Hg on room air at rest.

43 (d) Uses portable oxygen.

1 (e) Has a cardiac condition to the extent that the person's functional
2 limitations are classified in severity as class III or class IV according to
3 standards set by the American heart association.

4 (f) Is severely limited in the person's ability to walk due to an
5 arthritic, neurological or orthopedic condition.

6 4. "Temporarily disabled removable windshield placard" means a
7 two-sided, hooked placard that includes on each side all of the following:

8 (a) The international symbol of access that is at least three inches
9 in height, that is centered on the placard and that is white on a red shield.

10 (b) An identification number.

11 (c) A date of expiration.

12 (d) The seal or other identification of the issuing authority.

13 Sec. 40. Section 28-3005, Arizona Revised Statutes, is amended to
14 read:

15 28-3005. Medical or psychological reports; immunity;
16 definitions

17 A. A physician, REGISTERED NURSE PRACTITIONER, psychologist or
18 substance abuse counselor who provides information to the director in good
19 faith and at the written request of a driver license applicant or licensee
20 concerning a person's medical or psychological condition with respect to
21 operation of a motor vehicle is immune from personal liability with respect
22 to the information provided.

23 B. Notwithstanding the physician-patient, NURSE-PATIENT or
24 psychologist-client confidentiality relationship, a physician, REGISTERED
25 NURSE PRACTITIONER or psychologist may voluntarily report a patient to the
26 department who has a medical or psychological condition that in the opinion
27 of the physician, REGISTERED NURSE PRACTITIONER or psychologist could
28 significantly impair the person's ability to safely operate a motor vehicle.
29 If a report is made, the physician, REGISTERED NURSE PRACTITIONER or
30 psychologist shall make the report in writing, including the name, address
31 and date of birth of the patient. On receipt of the report, the department
32 may require an examination of the person reported in the manner provided by
33 section 28-3314. A person shall not bring an action against a physician,
34 REGISTERED NURSE PRACTITIONER or psychologist for not making a report
35 pursuant to this subsection. The physician, REGISTERED NURSE PRACTITIONER or
36 psychologist submitting the report in good faith is immune from civil or
37 criminal liability for making the report pursuant to this subsection. The
38 physician's, REGISTERED NURSE PRACTITIONER'S or psychologist's report is
39 subject to subpoena or order to produce in an action except an action against
40 the physician, REGISTERED NURSE PRACTITIONER or psychologist submitting the
41 report.

42 C. In this section:

43 1. "Medical or psychological condition" means a condition that could
44 affect a person's functional ability to safely operate a motor vehicle.

1 2. "Physician" means a medical doctor, optometrist, chiropractor,
2 naturopathic physician, doctor of osteopathy or doctor of homeopathy who is
3 licensed to practice in this state or another state or who is employed by the
4 federal government and practicing in this state or their agents.

5 3. "Psychologist" means a person who is licensed pursuant to title 32,
6 chapter 19.1, who is licensed to practice psychology in another state or who
7 is employed by the federal government and practicing in this state.

8 4. "REGISTERED NURSE PRACTITIONER" HAS THE SAME MEANING PRESCRIBED IN
9 SECTION 32-1601.

10 ~~4-~~ 5. "Substance abuse counselor" means a person who is licensed by
11 the board of behavioral health examiners in this state, who is licensed or
12 certified in another state, who is certified by a board for certification of
13 addiction counselors, who is a nationally certified addiction counselor or
14 who is employed by the federal government and practicing in this state.

15 Sec. 41. Section 28-3167, Arizona Revised Statutes, is amended to
16 read:

17 28-3167. Medical code information on license; rules; immunity

18 A. The department shall provide on each driver license and on each
19 nonoperating identification license a space where a licensee may indicate
20 that the licensee suffers from some type of adverse medical condition using a
21 medical code prescribed by the department if the licensee presents a signed
22 statement from a physician WHO IS licensed pursuant to title 32, chapter 13
23 or 17 OR A REGISTERED NURSE PRACTITIONER WHO IS LICENSED PURSUANT TO TITLE
24 32, CHAPTER 15 stating that the person suffers from the condition.

25 B. The department shall prescribe by rule a medical code to identify
26 the medical conditions using a system of numerals or letters commonly
27 accepted by the medical profession. Except for the purposes of entering the
28 medical code on the driver license or nonoperating identification license,
29 and unless the person affirmatively requests in writing that the person wants
30 the medical code as part of the computer record, the department shall not
31 maintain the medical code in the department computer after the department
32 issues the driver license or nonoperating identification license.

33 C. The department and this state are exempt from liability for damages
34 from the use of medical code information provided on a license pursuant to
35 this section.

36 Sec. 42. Section 44-133.01, Arizona Revised Statutes, is amended to
37 read:

38 44-133.01. Capacity of minor to consent to treatment for use of
39 a dangerous drug or narcotic

40 Notwithstanding any other ~~provision of~~ law, any minor WHO IS AT LEAST
41 twelve years of age ~~or older~~ who is found, upon diagnosis of a licensed
42 physician OR A REGISTERED NURSE PRACTITIONER, to be under the influence of a
43 dangerous drug or narcotic, which includes withdrawal symptoms, may be
44 considered an emergency case and ~~such~~ THE minor is ~~to be regarded~~ CONSIDERED
45 as having consented to hospital or medical care needed for treatment for ~~such~~

1 THAT CONDITION. Such consent ~~shall~~ IS not ~~be~~ subject to disaffirmance
2 because of minority. The consent of the parent, parents or legal guardian of
3 ~~such~~ THAT minor is not necessary to authorize hospital or medical care,
4 except that ~~such~~ THE consent ~~shall-be~~ IS equally valid if obtained.

5 Sec. 43. Section 46-454, Arizona Revised Statutes, is amended to read:
6 46-454. Duty to report abuse, neglect and exploitation of
7 incapacitated or vulnerable adults; duty to make
8 medical records available; violation; classification

9 A. A physician, REGISTERED NURSE PRACTITIONER, hospital intern or
10 resident, surgeon, dentist, psychologist, social worker, peace officer or
11 other person who has responsibility for the care of an incapacitated or
12 vulnerable adult and who has a reasonable basis to believe that abuse or
13 neglect of the adult has occurred or that exploitation of the adult's
14 property has occurred shall immediately report or cause reports to be made of
15 such reasonable basis to a peace officer or to a protective services worker.
16 The guardian or conservator of an incapacitated or vulnerable adult shall
17 immediately report or cause reports to be made of such reasonable basis to
18 the superior court. All of the above reports shall be made immediately in
19 person or by telephone and shall be followed by a written report mailed or
20 delivered within forty-eight hours or on the next working day if the
21 forty-eight hours expire on a weekend or holiday.

22 B. An attorney, accountant, trustee, guardian, conservator or other
23 person who has responsibility for preparing the tax records of an
24 incapacitated or vulnerable adult or a person who has responsibility for any
25 other action concerning the use or preservation of the incapacitated or
26 vulnerable adult's property and who, in the course of fulfilling that
27 responsibility, discovers a reasonable basis to believe that exploitation of
28 the adult's property has occurred or that abuse or neglect of the adult has
29 occurred shall immediately report or cause reports to be made of such
30 reasonable basis to a peace officer, to a protective services worker or to
31 the public fiduciary of the county in which the incapacitated or vulnerable
32 adult resides. If the public fiduciary is unable to investigate the contents
33 of a report, the public fiduciary shall immediately forward the report to a
34 protective services worker. If a public fiduciary investigates a report and
35 determines that the matter is outside the scope of action of a public
36 fiduciary, then the report shall be immediately forwarded to a protective
37 services worker. All of the above reports shall be made immediately in
38 person or by telephone and shall be followed by a written report mailed or
39 delivered within forty-eight hours or on the next working day if the
40 forty-eight hours expire on a weekend or holiday.

41 C. Reports pursuant to subsections A and B shall contain:

- 42 1. The names and addresses of the adult and any persons having control
43 or custody of the adult, if known.
- 44 2. The adult's age and the nature and extent of ~~his~~ incapacity or
45 vulnerability.

1 3. The nature and extent of the adult's injuries or physical neglect
2 or of the exploitation of the adult's property.

3 4. Any other information that the person reporting believes might be
4 helpful in establishing the cause of the adult's injuries or physical neglect
5 or of the exploitation of the adult's property.

6 D. Any person other than one required to report or cause reports to be
7 made in subsection A who has a reasonable basis to believe that abuse or
8 neglect of an incapacitated or vulnerable adult has occurred may report the
9 information to a peace officer or to a protective services worker.

10 E. A person having custody or control of medical or financial records
11 of an incapacitated or vulnerable adult for whom a report is required or
12 authorized under this section shall make such records, or a copy of such
13 records, available to a peace officer or adult protective services worker
14 investigating the incapacitated or vulnerable adult's neglect, exploitation
15 or abuse on written request for the records signed by the peace officer or
16 adult protective services worker. Records disclosed pursuant to this
17 subsection are confidential and may be used only in a judicial or
18 administrative proceeding or investigation resulting from a report required
19 or authorized under this section.

20 F. If reports pursuant to this section are received by a peace
21 officer, ~~he~~ THE PEACE OFFICER shall notify the adult protective services of
22 the department of economic security as soon as possible and make such
23 information available to them.

24 G. A person required to receive reports pursuant to subsection A, B or
25 D may take or cause to be taken photographs of the abused adult and the
26 vicinity involved. Medical examinations including radiological examinations
27 of the involved adult may be performed. Accounts, inventories or audits of
28 the exploited adult's property may be performed. The person, department,
29 agency, or court that initiates such photographs, examinations, accounts,
30 inventories or audits shall pay the associated costs in accordance with
31 existing statutes and rules. If any person is found to be responsible for
32 the abuse, neglect or exploitation of an incapacitated or vulnerable adult in
33 a criminal or civil action, the court may order the person to make
34 restitution as the court deems appropriate.

35 H. If psychiatric records are requested pursuant to subsection E, the
36 custodian of the records shall notify the attending psychiatrist, who may
37 excise from the records, before they are made available:

38 1. Personal information about individuals other than the patient.

39 2. Information regarding specific diagnosis or treatment of a
40 psychiatric condition, if the attending psychiatrist certifies in writing
41 that release of the information would be detrimental to the patient's health
42 or treatment.

43 I. If any portion of a psychiatric record is excised pursuant to
44 subsection H, a court, upon application of a peace officer or adult
45 protective services worker, may order that the entire record or any portion

1 of such record containing information relevant to the reported abuse or
2 neglect be made available to the peace officer or adult protective services
3 worker investigating the abuse or neglect.

4 ~~K.~~ J. A licensing agency shall not find that a reported incidence of
5 abuse at a care facility by itself is sufficient grounds to permit the agency
6 to close the facility or to find that all residents are in imminent danger.

7 ~~J.~~ K. A person who violates any provision of this section is guilty
8 of a class 1 misdemeanor.