ARIZONA HOUSE OF REPRESENTATIVES
Fifty-first Legislature – First Regular Session

COMMITTEE ON HEALTH

Minutes of Meeting
Wednesday, January 23, 2013
House Hearing Room 4 -- 10:00 a.m.

Chairman Carter called the meeting to order at 10:05 a.m. and attendance was noted by the secretary.

Members Present

Mrs. Brophy McGee
Mrs. Gonzales
Mr. Lovas
Mr. Meyer
Ms. Steele
Ms. Townsend
Mr. Boyer, Vice-Chairman
Mrs. Carter, Chairman

Members Absent

None

Committee Action

HB2066 – DP (8-0-0-0)
HB2089 – DP (8-0-0-0)
HB2090 – DP (8-0-0-0)

PRESENTATION

Dr. Eric Reiman, Arizona Alzheimer's Consortium, stated Alzheimer's disease is an unacceptable problem that takes a devastating toll on patients and an overwhelming toll on family caregivers. By the time today's young adults become senior citizens, it is projected to take an overwhelming financial toll on everyone. This disorder affects one out of eight people over the age of 65 and close to one-half of individuals over the age of 85. It accounts for about 70 percent of people who develop dementia, a disabling impairment in memory and thinking abilities. The good news is that more progress is being made in the scientific study of Alzheimer's than any common brain disease, and Arizona is at the forefront of Alzheimer's disease research.

He related that the Consortium has received generous support from the state, seven participating institutions (University of Arizona, Arizona State University, Translational Genomics Research Institute, Barrow Neurological Institute, Mayo Clinic Arizona, Banner Sun Health Research Institute and Banner Alzheimer's Institute) and the National Institute on Aging (NIA) since late 1998. Researchers have made pioneering contributions in understanding genetic and non-genetic risk factors, which has led to new clues about ways to possibly reduce the risk of Alzheimer's

disease, and discovered key molecular mechanisms that are now being targeted by investigational treatments. He said, however, even if there was a promising way to reduce the risk of Alzheimer's disease today or an investigational treatment that can stop Alzheimer's disease, it would take too many healthy volunteers, too much money and too many years to conduct prevention trials, waiting for enough people who are receiving a placebo to develop thinking and memory problems to see if the treatment will work.

Dr. Reiman related that the Alzheimer's Prevention Initiative was announced by the United States Department of Health and Human Services and the Director of NIA as a cornerstone in the national fight to address Alzheimer's disease. The Consortium is conducting its first prevention trial in cognitively normal people who, based on their age and genetic background, are likely to develop Alzheimer's symptoms at the average age of 45. The study was designed in a way that if it is successful, it will provide the mechanism for everyone to conduct two-year prevention trials. Approximately $16 million in funding was received from the NIA, $15 million in Consortium philanthropic funds, and more than $100 million from the drug company, Genentech, to support this effort. There is another prevention trial in the works. As a result of this effort, a number of different organizations are planning prevention trials that would not have been done otherwise. This has gotten a lot of attention in the last year through the lay and the scientific media around the world.

He said the Consortium is looking at an anti-amyloid treatment that interferes with accumulation of protein that 70 percent of researchers believe plays a critical role in the early development of Alzheimer's disease. If the treatment works, an effective treatment for Alzheimer's disease will be available to people who carry this rare gene and it will rapidly become available to the general population. If the treatment fails to work, it will guide other researchers in the field to target other elements of the disease. He expressed gratitude for the support the state has provided over the years.

Chairman Carter thanked Dr. Reiman for sharing the great work the Consortium is doing. She indicated that she wants to make the Committee aware of important work that is being done in Arizona in the health care field, specifically focusing on the economic impact on Arizona.

Mrs. Brophy McGee asked Dr. Reiman's philosophy in terms of actually finding a cure and putting the Consortium out of business. Dr. Reiman responded that he believes the Consortium needs to have a sense of urgency and create a way to put the company out of business. He oversees the Banner Alzheimer's Institute, which has a fundraising program that raised $15 million, mostly generated from foundations and philanthropists outside Arizona and outside the country. Every dollar is spent because the donors want the Consortium to put itself out of business. New ways of working together to address problems will be required, as well as new partnerships between academia to develop faster ways, for instance, to study brain changes that occur before the development of symptoms. He said he had the privilege a few years ago of speaking to a joint session of the Florida Legislature that was interested in creating a statewide model similar to Arizona's. The secret to the Consortium's success is that there is a heightened sense in Arizona of scientific desperation, which is the best maker of collaboration for busy researchers.

Dr. Reiman related that one of the biggest challenges to patients is knowing how to navigate the range of non-medical needs, such as finding the right elder law attorney, financial planner, how

to bathe their loved one or get some rest while their loved one is wandering. If it can be shown that non-medical needs can be addressed and patients can be kept out of hospitals and emergency rooms, it will be possible to show a savings, which will become a national standard of care.

Chairman Carter said she is glad Dr. Reiman brought up the conversation with the Florida Legislature, which is a state Arizona often looks to, but Florida is looking to Arizona in this case. Dr. Reiman stated other states that have tried to exemplify the model include New York, California, Missouri and Texas.

In response to a query, Dr. Reimer spoke about the brain and body program at the Banner Sun Health Research Institute. The intent of the program is to attempt to detect and track changes before people ever develop symptoms so interventions can be developed and used when they will have the most profound effect. There is also an opportunity to relate what is happening in the brain to other parts of the body.

Chairman Carter noted that there will be an open house on February 5, 2013 at the Banner Alzheimer's Institute Imaging Center, to which the Members are invited.

Dr. Reimer stated that the Consortium received NIA funding to provide a statewide resource that promotes research, not only in Alzheimer's, but in other areas using imaging resources. He added that he would be thrilled to have the Members attend the open house.

CONSIDERATION OF BILLS

HB2066 – definitions; archaic language; removal – DO PASS

Vice-Chairman Boyer moved that HB2066 do pass.

Ryan Sullivan, Majority Assistant Research Analyst, explained that HB2066 deletes the archaic definition of *mentally ill person* in statute and makes technical and conforming changes (Attachment 1).

Chairman Carter, sponsor, said this bill was requested by a constituent to remove archaic language in statute. It is timely, given recent tragic events. Also, in developing policy solutions to address the mentally ill, it is necessary to ensure there are specific legal and professional definitions in statute. The definition is being removed from this title, but there is a definition for *seriously mentally ill* in Arizona Revised Statutes (A.R.S.) § 36-550.

Jill Hogan, Peer and Family Coalition, representing self, spoke in favor of HB2066. She said this definition was presented to the Coalition last spring and the Members unanimously agreed that it should be addressed, so a subcommittee was established, which she chaired. She explained that a peer is a person with a mental illness, which is a biological and neurological illness, not a character flaw or personality weakness. Recovery is possible today with the right treatment and supports, but there is much stigma about mental illness, which makes people afraid to seek help. If individuals do not seek treatment, they end up suffering in silence, which is when things can go extremely wrong.

Ms. Hogan stated that one in four adults and one in five children are affected by mental illness in their lifetime. People diagnosed with schizophrenia are often very intelligent and those with bipolar disorder tend to be very creative. She is living proof that recovery works. Her symptoms of mental illness are not always gone and sometimes her brain does not work the way she wants it to, but that is not her choice. It is even worse when people with mental illness are stigmatized. She submitted that this is the perfect time for legislators to support this bill with issues going on with the gun laws.

Krista Long, Arizona Peer and Family Coalition, representing self, testified in favor of HB2066. She stated that her 18-year-old son began having issues when he was four years old and he has had many labels. The label she prefers is intelligent, sweet, empathetic, and that he can hold a conversation about Legos, cars, etc., but what he often hears from society is that he is stupid, less productive and not a member of society. The language used to describe *mentally ill person* is part of that, which is what the Coalition is asking to be changed. There are significant challenges in the way that people talk about mental health, which is biologically and neurologically based, but people still use it as a derogatory term. She added that it was surprising to see *idiot* included in the current definition.

Vice-Chairman Boyer announced the names of those who signed up in support of HB2066 but did not speak:
Jim Dunn, Executive Director/Chief Executive Officer, National Alliance on Mental Illness Arizona
Carol McDermott, representing self
Sue Davis, National Alliance on Mental Illness
Bonnie Danowski, Valley Interfaith Project, representing self
Deepa Chawla, Arizona Peer and Family Organization
Vicki Johnson, Arizona Peer and Family Coalition
Toni Markgraf, representing self
Sherry Candelaria, representing self
Marsha Adams, representing self
Marilyn Racer, representing self
Shawnna Williams, representing self
Manny Serna, representing self
Max Dine, representing self

Vice-Chairman Boyer announced the names of those who signed up as neutral on HB2066 but did not speak:
Colby Bower, Director of Government Relations, Arizona Department of Health Services

Question was called on the motion that HB2066 do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 2).

HB2089 – AHCCCS; chronically ill children – DO PASS

Vice-Chairman Boyer moved that HB2089 do pass.

Ingrid Garvey, Senior Majority Research Analyst, explained that HB2089 updates the Arizona Revised Statutes (A.R.S.) related to the transfer of the Children's Rehabilitative Services (CRS)

program from the Arizona Department of Health Services (ADHS) to the Arizona Health Care Cost Containment System (AHCCCS) (Attachment 3).

Mrs. Brophy McGee, sponsor, stated that this is an agency bill from AHCCCS to codify an action that has already been taken.

Jennifer Carrusetta, Chief Legislative Liaison, Arizona Health Care Cost Containment System (AHCCCS), testified that the CRS program was established in 1929 to provide health care to children with specific health conditions that require specialized care. It has been historically administered by ADHS and enrollment was composed of a Medicaid population and a state-only program. The state-only program was eliminated as part of the budget reductions in 2010 and, in an attempt to increase efficiency, administration of the program was transferred to AHCCCS in 2011 budget legislation. There were some technical drafting issues that occurred when the bill was passed, which AHCCCS and ADHS resolved through an intergovernmental agreement (IGA). This bill provides language to match the IGA. There are no policy changes in the bill and there will be no changes in AHCCCS services or providers.

Vice-Chairman Boyer announced the names of those who signed up in support of HB2089 but did not speak:
Colby Bower, Director of Government Relations, Arizona Department of Health Services
Deb Gullett, Arizona Association of Health Plans
Helena Whitney, Director, Government Relations & Legislative Affairs, University of Arizona Health Network
Sue Braga, Executive Director, Arizona Chapter of the American Academy of Pediatrics
Tara Plese, Arizona Association of Community Health Centers; Arizona Alliance for Community Health Centers
John MacDonald, Maricopa Integrated Healthcare System
Bryan Milward, Government Relations Specialist, University of Arizona Health Network
Amanda Weaver, Executive Director, Arizona Osteopathic Medical Association
Jeff Sandquist, Arizona Hospital and Healthcare Association
Heather Bernacki Wilkey, Director, Government Affairs, John C. Lincoln Health Network
Michael Fronske, Director of Governmental Affairs, Maricopa Integrated Health System
David Landrith, Vice President of Policy & Political Affairs, Arizona Medical Association
Rory Hays, Lobbyist, Arizona Nurses Association
Jason Bezozo, Senior Program Director, Government Relations, Banner Health
Brian Hummell, Arizona Director, Government Relations, American Cancer Society; Cancer Action Network
Susan Cannata, Arizona Academy of Family Physicians
Jake Logan, Vice President, UnitedHealth Group; Arizona Physicians IPA

Question was called on the motion that HB2089 do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 4).

HB2090 – AHCCCS; peace officers – DO PASS

Vice-Chairman Boyer moved that HB2090 do pass.

Maritza Heras, Majority Intern, explained that HB2090 permits the Director or a designee of the Arizona Health Care Cost Containment System (AHCCCS) to employ peace officers to investigate fraud, abuse and criminal conduct involving the system (Attachment 5).

Mrs. Brophy McGee, sponsor, stated that this an agency bill from AHCCCS. Statutory authority is needed for the AHCCCS Office of Inspector General to employ peace officers (retired police officers) to investigate allegations of member fraud.

Jennifer Carusetta, Chief Legislative Liaison, Arizona Health Care Cost Containment System (AHCCCS), said the Office of Inspector General employs 68 full-time staff, 36 of whom investigate fraud within the Medicaid program, collect overpayments and enforce state and federal laws. A number of individuals from law enforcement would like to work at AHCCCS, many of whom obtained peace officer status through the Peace Officer Standards and Training Board (POST), but AHCCCS does not have statutory authority to hire peace officers per se, which this bill will allow. It does not change the scope or mission of the Office of the Inspector General, but will enhance AHCCCS' current investigative authority.

Vice-Chairman Boyer assumed the Chair.

Mrs. Brophy McGee asked Ms. Carusetta to discuss the work in developing this legislation. Ms. Carusetta advised that this idea was presented by the Office of Inspector General about a year ago. In deciding to pursue legislation, AHCCCS reached out to POST to make certain AHCCCS has the tools that are needed and is capable of taking on this responsibility. The Department of Public Safety (DPS) was also made aware of this legislation. HB2090 gives AHCCCS another "tool in the toolbox."

Chairman Carter resumed the Chair.

Vice-Chairman Boyer announced the names of those who signed up in support of HB2090 but did not speak:
Deb Gullett, Arizona Association of Health Plans
Helena Whitney, Director, Government Relations & Legislative Affairs, University of Arizona Health Network
Tara Plese, Arizona Association of Community Health Centers; Arizona Alliance for Community Health Centers
John MacDonald, Maricopa Integrated Healthcare System
Bryan Milward, Government Relations Specialist, University of Arizona Health Network
Amanda Weaver, Executive Director, Arizona Osteopathic Medical Association
Jeff Sandquist, Arizona Hospital and Healthcare Association
Heather Bernacki Wilkey, Director, Government Affairs, John C. Lincoln Health Network
Michael Fronske, Director of Governmental Affairs, Maricopa Integrated Health System
David Landrith, Vice President of Policy & Political Affairs, Arizona Medical Association
Rory Hays, Lobbyist, Arizona Nurses Association
Gibson McKay, University of Arizona Health Network
Doug Hofmann, Arizona Police Association
Susan Cannata, Arizona Academy of Family Physicians
Jake Logan, Vice President, UnitedHealth Group; Arizona Physicians IPA

Question was called on the motion that HB2090 do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 6).

Without objection, the meeting adjourned at 10:49 a.m.

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Linda Taylor, Committee Secretary
January 29, 2013

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at http://www.azleg.gov)