

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

HOUSE BILL 2089

AN ACT

AMENDING SECTIONS 36-260 AND 36-262, ARIZONA REVISED STATUTES; REPEALING SECTIONS 36-261, 36-263 AND 36-264, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 2, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING A NEW SECTION 36-261; AMENDING SECTIONS 36-797.43 AND 36-797.44, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2905.09; AMENDING SECTION 43-1088, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 36-260, Arizona Revised Statutes, is amended to
3 read:
4 36-260. Definitions
5 In this article, unless the context otherwise requires:
6 ~~1. "Administration" means the Arizona health care cost containment~~
7 ~~system administration.~~
8 ~~2.~~ 1. "CHILDREN WHO ARE chronically ill or physically disabled
9 ~~children~~" means children who are under twenty-one years of age and whose
10 primary diagnosis is a severe physical condition that may require ongoing,
11 medical or surgical intervention.
12 ~~3. "Director" means the director of the Arizona health care cost~~
13 ~~containment system administration.~~
14 2. "DEPARTMENT" MEANS THE DEPARTMENT OF HEALTH SERVICES.
15 Sec. 2. Repeal
16 Sections 36-261, 36-263 and 36-264, Arizona Revised Statutes, are
17 repealed.
18 Sec. 3. Title 36, chapter 2, article 3, Arizona Revised Statutes, is
19 amended by adding a new section 36-261, to read:
20 36-261. Children who are chronically ill or physically
21 disabled; program
22 BASED ON THE AVAILABILITY OF MONIES, THE DEPARTMENT SHALL ESTABLISH AND
23 ADMINISTER A PROGRAM FOR CHILDREN WHO ARE CHRONICALLY ILL OR PHYSICALLY
24 DISABLED OR WHO ARE SUFFERING FROM CONDITIONS THAT LEAD TO A CHRONIC ILLNESS
25 OR PHYSICAL DISABILITIES. THE PROGRAM SHALL PROVIDE FOR:
26 1. THE DEVELOPMENT, EXTENSION AND IMPROVEMENT OF SERVICES FOR LOCATING
27 THESE CHILDREN.
28 2. EVALUATION OF NEEDS.
29 3. GATHERING STATISTICAL INFORMATION.
30 4. A STATEWIDE INFORMATION AND REFERRAL SERVICE FOR CHILDREN WHO ARE
31 CHRONICALLY ILL OR PHYSICALLY DISABLED TO LINK THOSE CHILDREN AND THEIR
32 FAMILIES WITH LOCAL SERVICE PROVIDERS.
33 Sec. 4. Section 36-262, Arizona Revised Statutes, is amended to read:
34 36-262. Central statewide information and referral service for
35 children who are chronically ill or physically
36 disabled
37 A. The purposes of the information and referral service for CHILDREN
38 WHO ARE chronically ill or physically disabled ~~children~~ as prescribed
39 pursuant to this article are to:
40 1. Establish a roster of agencies providing medical, educational,
41 financial, social and transportation services to CHILDREN WHO ARE chronically
42 ill or physically disabled ~~children~~.
43 2. Develop or use an existing statewide, ~~computerized~~ information and
44 referral service that provides information on services for CHILDREN WHO ARE
45 chronically ill or physically disabled ~~children~~.

1 B. This section does not require any person or public or private
2 agency or other entity to participate in the information and referral
3 service.

4 Sec. 5. Section 36-797.43, Arizona Revised Statutes, is amended to
5 read:

6 36-797.43. Care and treatment of children with sickle cell
7 anemia; reimbursement

8 A. SUBJECT TO AVAILABLE FUNDING, the ~~Arizona health care cost~~
9 ~~containment system administration, through the children's rehabilitative~~
10 ~~services;~~ DEPARTMENT OF HEALTH SERVICES may develop and operate, either
11 directly or by contracting with public or private providers, programs for the
12 diagnosis, care and treatment of children suffering from sickle cell anemia.

13 ~~B. The programs developed and operated pursuant to this section are~~
14 ~~part of the children's rehabilitative services provided by the administration~~
15 ~~pursuant to section 36-261.~~

16 ~~C.~~ B. The parent or other responsible person, agency or third-party
17 payor shall reimburse the ~~administration~~ DEPARTMENT for part or all of the
18 costs of services rendered to a child pursuant to this section according to a
19 scale of rates and charges established by the ~~administration~~ DEPARTMENT and
20 based on the cost of services provided and the ability of the parent or
21 responsible person to pay for these services.

22 Sec. 6. Section 36-797.44, Arizona Revised Statutes, is amended to
23 read:

24 36-797.44. Care and treatment of adults with sickle cell
25 anemia; reimbursement

26 A. SUBJECT TO AVAILABLE FUNDING, the ~~Arizona health care cost~~
27 ~~containment system administration, through the children's rehabilitative~~
28 ~~services;~~ DEPARTMENT OF HEALTH SERVICES may develop and operate, either
29 directly or by contracting with public or private providers, programs for the
30 diagnosis, care and treatment of adults suffering from sickle cell anemia.

31 B. The adult or other responsible person, agency or third-party payor
32 shall reimburse the ~~administration~~ DEPARTMENT for part or all of the costs of
33 services rendered to an adult pursuant to this section according to a scale
34 of rates and charges established by the ~~administration~~ DEPARTMENT and based
35 on the cost of services provided and the ability of the adult or other
36 responsible person to pay for these services.

37 Sec. 7. Title 36, chapter 29, article 1, Arizona Revised Statutes, is
38 amended by adding section 36-2905.09, to read:

39 36-2905.09. Children's rehabilitative services program; program
40 termination; definition

41 A. THE ADMINISTRATION SHALL:

42 1. ESTABLISH A CHILDREN'S REHABILITATIVE SERVICES PROGRAM FOR CHILDREN
43 WHO ARE CHRONICALLY ILL OR PHYSICALLY DISABLED AND SHALL DEVELOP, IMPLEMENT,
44 MONITOR, SUPERVISE, CONTROL AND ESTABLISH POLICIES FOR THAT PROGRAM.

45 2. DEVELOP AND IMPLEMENT POLICIES TO DETERMINE MEDICAL ELIGIBILITY FOR
46 THE CHILDREN'S REHABILITATIVE SERVICES PROGRAM.

1 3. DEVELOP AND IMPLEMENT ALL RULES AND POLICIES FOR THE OPERATION OF
2 THE CHILDREN'S REHABILITATIVE SERVICES PROGRAM.

3 4. ESTABLISH AND ADMINISTER A PROGRAM OF SERVICE FOR CHILDREN, AND FOR
4 INDIVIDUALS DETERMINED TO BE ELIGIBLE BEFORE THEY REACH TWENTY-ONE YEARS OF
5 AGE, WHO ARE CHRONICALLY ILL OR PHYSICALLY DISABLED OR WHO ARE SUFFERING FROM
6 CONDITIONS THAT LEAD TO A CHRONIC ILLNESS OR A PHYSICAL DISABILITY AND ARE IN
7 ACTIVE TREATMENT. THE PROGRAM SHALL PROVIDE FOR:

8 (a) MEDICAL, SURGICAL, CORRECTIVE AND OTHER SERVICES AND CARE.

9 (b) THE RECEIPT AND EXPENDITURE OF MONIES MADE AVAILABLE TO THE
10 ADMINISTRATION FOR SERVICES TO CHILDREN WHO ARE CHRONICALLY ILL OR PHYSICALLY
11 DISABLED BY THE FEDERAL GOVERNMENT, THIS STATE OR ITS POLITICAL SUBDIVISIONS
12 OR FROM OTHER SOURCES, EXCLUDING MONIES RECEIVED FROM PARENTS OR GUARDIANS
13 FOR THE CARE OF CHILDREN.

14 (c) MAKING NECESSARY EXPENDITURES PURSUANT TO THE REQUIREMENTS OF THIS
15 SECTION.

16 (d) ESTABLISHING AND MAINTAINING SAFEGUARDS RELATING TO THE
17 CONFIDENTIALITY OF MEDICAL RECORDS.

18 (e) ACCEPTANCE AND USE OF FEDERAL MONIES FOR CHILDREN'S REHABILITATIVE
19 SERVICES AT THE DISCRETION OF THE ADMINISTRATION AND SUBJECT TO ANY
20 LIMITATIONS IMPOSED BY THE ANNUAL STATE APPROPRIATIONS.

21 (f) ANY OTHER ACTIVITIES THE ADMINISTRATION DETERMINES ARE NECESSARY
22 FOR THE EFFECTIVE OPERATION OF THE PROGRAM.

23 B. PURSUANT TO THE REQUIREMENTS OF SECTION 36-2903, THE DIRECTOR SHALL
24 PREPARE AND ISSUE A PUBLIC REQUEST FOR PROPOSALS, INCLUDING A PROPOSED
25 CONTRACT FORMAT, AT LEAST ONCE EVERY FIVE YEARS TO CONTRACT FOR THE CARE AND
26 TREATMENT OF CHILDREN WHO ARE CHRONICALLY ILL OR PHYSICALLY DISABLED.

27 C. THE TOTAL AMOUNT OF STATE MONIES THAT THE ADMINISTRATION MAY SPEND
28 IN ANY FISCAL YEAR FOR CHILDREN'S REHABILITATIVE SERVICES MAY NOT EXCEED THE
29 AMOUNT APPROPRIATED OR AUTHORIZED BY SECTION 35-173 FOR THAT PURPOSE. THIS
30 SUBSECTION DOES NOT IMPOSE A DUTY ON AN OFFICER, AGENT OR EMPLOYEE OF THIS
31 STATE TO DISCHARGE A RESPONSIBILITY OR TO CREATE ANY RIGHT IN A PERSON OR
32 GROUP IF THE DISCHARGE OR RIGHT WOULD REQUIRE AN EXPENDITURE OF STATE MONIES
33 IN EXCESS OF THE EXPENDITURE AUTHORIZED BY LEGISLATIVE APPROPRIATION FOR THAT
34 SPECIFIC PURPOSE.

35 D. PURSUANT TO THE REQUIREMENTS OF SECTION 36-2923, THE ADMINISTRATION
36 SHALL COORDINATE BENEFITS PROVIDED PURSUANT TO THIS SECTION SO THAT ANY COSTS
37 PAYABLE BY THE ADMINISTRATION ARE COSTS AVOIDED OR RECOVERED FROM ANY
38 AVAILABLE PROVIDER OF FIRST-PARTY HEALTH INSURANCE BENEFITS. THE
39 ADMINISTRATION SHALL ACT AS PAYOR OF LAST RESORT UNLESS SPECIFICALLY REQUIRED
40 BY FEDERAL LAW.

41 E. THE PROGRAM ESTABLISHED BY THIS SECTION ENDS ON JULY 1, 2023
42 PURSUANT TO SECTION 41-3102.

43 F. FOR THE PURPOSES OF THIS SECTION, "CHILDREN WHO ARE CHRONICALLY ILL
44 OR PHYSICALLY DISABLED" MEANS CHILDREN WHO ARE MEDICALLY ELIGIBLE FOR THE
45 CHILDREN'S REHABILITATIVE SERVICES PROGRAM AND WHO REQUIRE COVERED MEDICAL,

1 SURGICAL OR THERAPEUTIC SERVICES FOR COVERED CONDITIONS THAT ARE MEDICALLY
2 DISABLING OR POTENTIALLY DISABLING, AS PRESCRIBED BY THE ADMINISTRATION.

3 Sec. 8. Section 43-1088, Arizona Revised Statutes, is amended to read:

4 43-1088. Credit for contribution to qualifying charitable
5 organizations; definitions

6 A. A credit is allowed against the taxes imposed by this title for
7 voluntary cash contributions by the taxpayer or on the taxpayer's behalf
8 pursuant to section 43-401, subsection G during the taxable year to a
9 qualifying charitable organization not to exceed:

10 1. Two hundred dollars in any taxable year for a single individual or
11 a head of household.

12 2. Four hundred dollars in any taxable year for a married couple
13 filing a joint return.

14 B. A husband and wife who file separate returns for a taxable year in
15 which they could have filed a joint return may each claim only one-half of
16 the tax credit that would have been allowed for a joint return.

17 C. If the allowable tax credit exceeds the taxes otherwise due under
18 this title on the claimant's income, or if there are no taxes due under this
19 title, the taxpayer may carry forward the amount of the claim not used to
20 offset the taxes under this title for not more than five consecutive taxable
21 years' income tax liability.

22 D. The credit allowed by this section:

23 1. Is allowed only if the taxpayer itemizes deductions pursuant to
24 section 43-1042 for the taxable year.

25 2. Is in lieu of a deduction pursuant to section 170 of the internal
26 revenue code and taken for state tax purposes.

27 E. Taxpayers taking a credit authorized by this section shall provide
28 the name of the qualifying charitable organization and the amount of the
29 contribution to the department of revenue on forms provided by the
30 department.

31 F. A qualifying charitable organization shall provide the department
32 of revenue with a written certification that it meets all criteria to be
33 considered a qualifying charitable organization. The organization shall also
34 notify the department of any changes that may affect the qualifications under
35 this section.

36 G. The charitable organization's written certification must be signed
37 by an officer of the organization under penalty of perjury. The written
38 certification must include the following:

39 1. Verification of the organization's status under section 501(c)(3)
40 of the internal revenue code or verification that the organization is a
41 designated community action agency that receives community services block
42 grant program monies pursuant to 42 United States Code section 9901.

43 2. Financial data indicating the organization's budget for the
44 organization's prior operating year and the amount of that budget spent on
45 services to residents of this state who either:

46 (a) Receive temporary assistance for needy families benefits.

1 (b) Are low income residents of this state.

2 (c) Are CHILDREN WHO ARE chronically ill or physically disabled
3 children.

4 3. A statement that the organization plans to continue spending at
5 least fifty per cent of its budget on services to residents of this state who
6 receive temporary assistance for needy families benefits, who are low income
7 residents of this state or who are CHILDREN WHO ARE chronically ill or
8 physically disabled children.

9 4. A statement that the organization does not provide, pay for or
10 provide coverage of abortions and does not financially support any other
11 entity that provides, pays for or provides coverage of abortions.

12 H. The department shall review each written certification and
13 determine whether the organization meets all the criteria to be considered a
14 qualifying charitable organization and notify the organization of its
15 determination. The department may also periodically request recertification
16 from the organization. The department shall compile and make available to
17 the public a list of the qualifying charitable organizations.

18 I. For the purposes of this section:

19 1. "CHILDREN WHO ARE chronically ill or physically disabled children"
20 has the same meaning prescribed in section 36-260.

21 2. "Low income residents" means persons whose household income is less
22 than one hundred fifty per cent of the federal poverty level.

23 3. "Qualifying charitable organization" means a charitable
24 organization that is exempt from federal income taxation under section
25 501(c)(3) of the internal revenue code or is a designated community action
26 agency that receives community services block grant program monies pursuant
27 to 42 United States Code section 9901. The organization must spend at least
28 fifty per cent of its budget on services to residents of this state who
29 receive temporary assistance for needy families benefits or low income
30 residents of this state and their households or to CHILDREN WHO ARE
31 chronically ill or physically disabled children AND who are residents of this
32 state. Taxpayers choosing to make donations through an umbrella charitable
33 organization that collects donations on behalf of member charities shall
34 designate that the donation be directed to a member charitable organization
35 that would qualify under this section on a stand-alone basis. Qualifying
36 charitable organization does not include any entity that provides, pays for
37 or provides coverage of abortions or that financially supports any other
38 entity that provides, pays for or provides coverage of abortions.

39 4. "Services" means cash assistance, medical care, child care,
40 food, clothing, shelter, job placement and job training services or
41 any other assistance that is reasonably necessary to meet immediate
42 basic needs and that is provided and used in this state.