Chairman Carter called the meeting to order at 9:17 a.m. and attendance was noted by the secretary.

**Members Present**

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

**Members Absent**

None

**Committee Action**

- SB1124 – DPA (8-0-0-0)
- SB1136 – DPA (8-0-0-0)
- SB1225 – DP (8-0-0-0)
- SB1276 – NOT ASSIGNED
- SB1309 – DP (7-0-0-1)
- SB1337 – DP (6-2-0-0)
- SB1345 – DPA (5-0-0-3)
- SB1362 – DP FAILED (1-7-0-0)
- SB1380 – DP (6-1-0-1)
- SB1404 – DPA (5-3-0-0)
- SCM1009 – DP (5-3-0-0)

**PRESENTATION**

The presentation regarding Mayo Clinic and Arizona State University: Collaboration and Innovation Benefitting Arizona, was not made due to a scheduling conflict.

Chairman Carter introduced Dr. Stacey Meier, an optometrist, who was present with the Arizona Optometric Association, and Stephanie Burton, Teach For America alumni and teacher.

Chairman Carter noted that this is likely the final meeting of the session and thanked staff for its work.

**CONSIDERATION OF BILLS**

- **SB1362 – optometrists; pharmaceutical agents – DO PASS- FAILED**

  Vice-Chairman Boyer moved that SB1362 do pass.
Ingrid Garvey, Majority Research Analyst, explained that SB1362 revises and updates the optometry statute as it relates to the use of pharmaceutical agents (Attachment 1).

Senator Nancy Barto, sponsor, asked for the Members' support of SB1362. In response to a question, she related that it is not necessary for a vote to be taken by the Committee of Reference (COR) in the sunrise process; it is only necessary for the process to occur. This bill asks less than the sunrise application based on the discussion by Members of the COR. It is a reasonable compromise in light of concerns that were raised.

Don Isaacson, Lobbyist, Arizona Optometric Association, in support of SB1362, related that this bill began as a sunrise application to the COR for open authority for optometrists similar to what exists for podiatrists, dentists and other prescribing authorities in Arizona. Concerns were raised about the scope of practice in the sunrise hearing and, at the last minute, an alternative was discussed. The matter was tabled and referred to a stakeholder process. A bill was introduced in the Senate reflecting those discussions with three substantive pharmaceutical items, as well as injectibles. The subject of injectibles drew criticism and was removed. The bill now adds three classes of oral pharmaceuticals and three cleanup items to the oral scope that optometrists already have that is taught and tested. The majority of states already recognize the ability of optometrists to use these three oral pharmaceuticals.

When asked why optometrists can prescribe these medications at Veterans' Administration (VA) hospitals but not in the state, Mr. Isaacson indicated that the federal system is not subject to state restrictions. Optometrists who graduate in the United States graduate from accredited doctoral level programs and take national boards at the highest level, which is what the federal government recognizes.

Trish Hart, Lobbyist, Arizona Ophthalmological Society, opposed SB1362. She acknowledged that optometrists play an important role in providing primary eye care to the citizens of Arizona. In many cases, optometrists and ophthalmologists work in the same office and routinely refer patients to one another; however, this legislation expands the scope of practice for optometrists far outside the role of primary eye care they are trained for in optometry school and will place patients at risk (Attachment 2). She asked the Members to vote against this expansion of scope.

Dr. Mike Kozlowski, representing self, in support of SB1362, related that he is an optometrist and professor who teaches ocular pharmacology and other classes at the Arizona College of Optometry. This legislation does not request an expansion in the scope of practice but an expansion of the scope of tools optometrists use to provide primary eye care. These tools are available to optometrists in most other states and optometrists do not want to lag behind in the quality of primary eye care that can be provided in Arizona. He urged the Members to give optometrists the tools that are needed to provide proper eye care in partnership with ophthalmologists and physicians.

Dr. James Meador, ophthalmologist, representing self, spoke in opposition to SB1362. He submitted that the main problem is the education difference between optometrists and ophthalmologists. Optometrists want to be primary eye care providers without the appropriate training.
Pam Potter, Chair, Pharmacology, Arizona College of Osteopathic Medicine, Midwestern University, spoke in favor of SB1362. She related that training is provided to optometrists in pharmacology, the adverse effects of these drugs and the use of these drugs. She responded to questions about the hours of training provided to ophthalmologists and optometrists.

Dr. Charles Schaffer, ophthalmologist, representing self, spoke in opposition to SB1362. He commented that the issue is patient safety. These drugs are steroids that have side effects, some of which are potentially life threatening, and people are often on other medications, which can worsen the problem. Inappropriate use of antibiotics across all disciplines is a major concern in terms of increasing antibiotic resistance. His in-depth knowledge of these medications prevents him from prescribing the drugs except in concert with a person certified in a primary care specialty.

Dr. Annette Hanian, optometrist; Legislative Chairperson, Arizona Optometric Association, in favor of SB1362, stated that dentists receive about 60 hours of education and have unrestricted scope to practice dentistry; optometrists receive 90 hours of education and have a very limited treatment area. After the 110 hours medical doctors or doctors of osteopathy receive in their first four years of education, they are able to prescribe any medication to any patient treating the entire body. Optometrists receive only 20 hours less and treat a very narrow area.

In response to questions, Dr. Hanian related an incident in which she called five ophthalmologists in Scottsdale to see a patient with a painful, urgent situation with no success. If she had the ability to give the patient the medication that was needed, she would have been able to ease the woman's pain before eventually finding an ophthalmologist in another city. She acknowledged that these medications can be prescribed by optometrists in other states. Regarding removal of the statutory requirement to refer a patient with complications, she stated that the current language is complicated and confusing and optometrists could end up mistreating someone or not treating to the standard of care because the statute allows 14 days before referral to other specialists.

Chairman Carter, in response to a question about how other states handle scope of practice issues, noted that each state has an individual process.

John Mangum, Lobbyist, Arizona Ophthalmological Society, opposed SB1362. He directed the Members' attention to Tab 4 of the handout (Attachment 2) relating to educational training and reviewed the differences in optometry and ophthalmology residencies. Tab 6 contains an outline of use of the medications and 23 states prohibit the use of oral steroids. In response to a question about the map under Tab 6 and concern that eye care needs are unmet in rural Arizona by ophthalmologists, Mr. Mangum indicated that it is not more than 50 to 100 miles to an ophthalmologist's office from any place in Arizona, noting that the map does not address availability of services on reservations. Referring to Dr. Hanian's situation with the patient in pain, he submitted that most, if not all, people who need that kind of treatment quickly are able to obtain it.

Dr. Michael Pernula, representing self, opposed SB1362. He stated he is currently in his third post-graduate year in residency training in ophthalmology at the University of Arizona. Regarding the differences in training, from the perspective of a resident, he sees a higher volume
of pathology, patients and can treat the body as a whole, which separates the training of ophthalmologists from that of optometrists.

Chairman Carter referred to a handout relating to the sunrise review process outlined in statute for requests for expansion of scope of practice (Attachment 3) and related that the optometrist's scope of practice application was more robust than SB1362. A last-minute stakeholder meeting took place prior to the COR meeting on the sunrise application where there was some negotiation about what it would include, which was distributed hours before the COR. After engaging in debate, she was asked by the legislative representative for optometrists to hold the bill, at which time she stated that a formal motion will not be made unless a Member of the Committee wishes to do so. She publicly committed to a stakeholder process that included Vice-Chairman Boyer. The stakeholder process took place but she never expected or intended that an expansion of practice bill would move forward without the consent of the COR even though it passed out of the Senate. The Rules attorneys in both Houses indicated that as long as there is a hearing, a formal recommendation is not needed to introduce legislation. If she had suspected this would happen, she would not have placed the application on the original COR agenda.

Mr. Isaacson, at the request of Vice-Chairman Boyer, returned to the podium and stated that the purpose of the sunrise committee is to disclose and generate a discussion, and there is no formal binding or legal argument that prevents a bill from being introduced. This bill has had an extensive hearing. He respectfully disagreed with Chairman Carter, submitting that the terms of the statute were met, which only calls for a recommendation; the recommendation of the sunrise committee was to table the matter and refer it to a stakeholder process, which he looked forward to taking place in anticipation of a bill being introduced this session. Even if there had not been a sunrise application, a Member could introduce a bill regarding scope of practice and have the bill advance.

Vice-Chairman Boyer said he was also under the impression that the stakeholder process would take place before this legislative session which is why he reached out to ophthalmologists and optometrists to set up a meeting as quickly as possible. He was frustrated because no one from the ophthalmology industry showed up; Dr. Meador later told him that he was told not to attend.

Discussion continued relating to the sunrise process after which Vice-Chairman Boyer indicated that he would like to meet with stakeholders to discuss the policy even if it means a COR hearing will take place next year.

Discussion ensued about the fact that no one from the ophthalmology industry showed up at the stakeholder meeting.

Chairman Carter asked why the language requiring referral to an ophthalmologist is stricken in the Senate Engrossed version of the bill.

Mr. Isaacson responded that the language is overly prescriptive and not found in any other prescribing profession in Arizona. It is replaced by the language on lines 10 to 13, prescribe oral pharmaceuticals for the treatment of diseases of the eye, which is limiting.
Dr. Kozlowski returned to the podium and stated that it is difficult to codify how every illness should be treated and when a referral is needed, which is what doctors are trained to know in optometry school.

Names of those who signed up in favor of SB1362 but did not speak:
Stacey Meier, representing self
Christine Sorenson, representing self
Robert Esposito, representing self
Todd Geiler, representing self
Mike Hanley, representing self
Dawn Heffelfinger, representing self
John Markham, representing self
Tim McAuliffe, representing self
Beth Deemer, representing self
Matthew Sullivan, representing self
Monica Diamos, representing self
Jeff Bergeson, representing self
Jill Caporelli, representing self
Scott Mullane, representing self
Tania Sobchuk, representing self
Troy Ford, representing self
John Fornara, representing self
Nick Loshuta, representing self
Jennifer Samuel, representing self
V. Craig Stuart, representing self
Serge Wright, representing self
Patrick Barry, representing self
Curtis Dechant, representing self
Bob Mulgrew, representing self
Bart Pemberton, representing self
Cheryl Schmitt, representing self
Chuck Edmonds, representing self
Marla Husz, representing self
Chad Carlsson, representing self
Roger Ethington, representing self
Jack Hostetler, representing self
Tom Wilson, representing self
Jonathan Wold, representing self
Paul WooI, representing self
Tom Determan, representing self
Stephen Spencer, representing self
Lilien Vogl, representing self
Lincoln Daynes, representing self
Neha Amin-Lacorte, representing self
Marc Bloomenstein, representing self
Dawn Clary, representing self
Lindsey Clyde, representing self
Richard Glonek, representing self
Caroline Griego, representing self
Ken Johnson, representing self
Justin Kohls, representing self
Michelle Kohls, representing self
Jan McVey, representing self
Chris Parot, representing self
Shannon Steinhauser, representing self
Tim Hanian, representing self
Logan Ragan, representing self
Frank Akers, representing self
Leslie Falcon, representing self
Megan VanOver, representing self
John Chrisagis, representing self
Tom Czyz, representing self
George Sanchez, representing self
Steven Burns, representing self
Aleta Gong, representing self
Larry Holle, representing self
Don Jarnagin, representing self
Brian Mach, representing self
Bob Maynard, representing self
Robert Harper, representing self
Cynthia Harper, representing self
John Rinehart, representing self
Gilbert Gong, representing self
Roger Juarez, representing self
Gary Morgan, representing self
Tom Babu, representing self
Vasvi Babu, representing self
Stuart Bark, representing self
Gaill Bass-Dercheid, representing self
Chad Burton, representing self
Stephen Cohen, representing self
Debbie Duong, representing self
Stuart Greenberg, representing self
Gary Greene, representing self
Lori Grover, representing self
Joshua Baker, representing self
Sunny Sanders, representing self
Doyle Holle, representing self
Maury Kessler, representing self
Tami Lang, representing self
Susan Reckell, representing self
William Schiff, representing self
Diana Wykes, representing self
Michael Lamb, representing self
Christina Olivetti, representing self
James Abbott, representing self
Alicia McCallen, representing self
David Rockwell, representing self
Amy Czyz, representing self
Christopher Marmo, representing self
Joel Ackerman, representing self
Camille Chung, representing self
Eric Clyde, representing self
David Coulson, representing self
Jim Frank, representing self
Richard Kalina, representing self
Ricci Rios, representing self
Robert Pinkert, representing self
Beth Pyle-Smith, representing self
Rand Siekert, representing self
Cathy Hollenbach, representing self
Jonathan Bundy, representing self
Norman Moore, representing Arizona Optometric Association

Names of those who signed up in opposition to SB1362 but did not speak:
Susan Cannata, Lobbyist, Arizona Society of the American College of Osteopathic Family Physicians; Arizona Academy of Family Physicians
Rebecca Nevedale, Arizona Chapter, American Academy of Pediatrics
Amanda Weaver, Lobbyist, Arizona Osteopathic Medical Association
David Landrith, Lobbyist, Arizona Medical Association
Richard Bitner, Lobbyist, Arizona Chapter, American College of Emergency Physicians
Daniel Briceland, representing self

**Question was called on the motion that SB1362 do pass. The motion failed by a roll call vote of 1-7-0-0 (Attachment 4).**

**SB1124 – controlled substances prescription monitoring program – DO PASS AMENDED**

Vice-Chairman Boyer moved that SB1124 do pass.

Vice-Chairman Boyer moved that the Meyer 11-line amendment to SB1124 dated 03/12/14 (Attachment 5) be adopted.

Ryan Sullivan, Majority Research Assistant Analyst, explained that SB1124 allows the Arizona State Board of Pharmacy to release data from the Controlled Substances Prescription Monitoring Program (CSPMP) to a delegate who is authorized by the prescriber or dispenser (Attachment 6). The Meyer 11-line amendment to SB1124 dated 03/12/14 (Attachment 5) adds language defining a delegate in regard to this section.

Senator Kelli Ward, sponsor, stated that this bill allows prescribers and pharmacists to delegate to utilize the controlled substance database to help control the problem of prescription drug abuse and misuse in Arizona. She added that she supports the Meyer amendment, which she has been working on with the Governor's Office, as well as the Arizona Health Care Cost Containment System (AHCCCS).
Vice-Chairman Boyer announced the names of those who signed up as neutral on SB1124 but did not speak:
Jennifer Carusetta, Chief Legislative Liaison, Arizona Health Care Cost Containment System

Mr. Meyer explained that the Meyer 11-line amendment to SB1124 dated 03/12/14 (Attachment 5) defines delegate so the identity is known within an office or hospital system.

Names of persons who signed up in support of SB1124 but did not speak:
Susan Cannata, Lobbyist, Arizona Academy of Family Physicians
David Landrith, Lobbyist, Arizona Medical Association
Richard Bitner, Lobbyist, Arizona Chapter, American College of Emergency Physicians
Tara Plese, Lobbyist, Arizona Alliance for Community Health Centers
Amanda Weaver, Lobbyist, Arizona Osteopathic Medical Association
Janet Underwood, Lobbyist, Arizona Retailers Association
Jeff Gray, Lobbyist, Arizona Pharmacy Alliance

**Question was called on the motion that the Meyer 11-line amendment to SB1124 dated 03/12/14 (Attachment 5) be adopted. The motion carried.**

**Vice-Chairman Boyer moved that SB1124 as amended do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 7).**

**SB1337 – foreign prescription orders – DO PASS**

Vice-Chairman Boyer moved that SB1337 do pass.

Ryan Sullivan, Majority Research Assistant Analyst, explained that SB1337 allows a pharmacist or an intern under a pharmacist's supervision to fill a prescription, with the exception of controlled substances, issued by a medical practitioner licensed in a foreign country (Attachment 8).

Senator Kelli Ward, sponsor, indicated that SB1337 was requested by the Goldwater Institute. Prescriptions from Mexico and Canada can be filled in Arizona; this bill allows pharmacists to fill prescriptions from anywhere in the world.

Mr. Meyer asked how it will be confirmed that people from other countries have the appropriate training to prescribe medications, specifically narcotics, and that the medication is appropriately prescribed for the disease.

Senator Ward responded that the bill does not allow narcotics or controlled substance prescriptions to be filled. It will be up to the pharmacist to decide if the prescription appears to be appropriate. If there is a question, the pharmacist can check the Drug Enforcement Administration database, the state licensure database, etc. There is always the potential for abuse by anyone seeking to do so, but the intent is to help people with chronic diseases like asthma, diabetes, high blood pressure, etc., who need prescriptions filled. Pharmacists are professional and will not fill a prescription if they are suspicious or uneasy.
Jeff Gray, Lobbyist, Arizona Pharmacy Alliance, neutral on SB1337, submitted that this is a good "tool in the toolbox" for people to have. It will likely not be used on a large-scale basis but in situations where foreign tourists in the state need a prescription filled. Since it is not mandatory, pharmacists have the flexibility to do this on a case-by-case basis. In response to questions, he stated that if there is a situation with a prescription from China, for example, the pharmacist can contact the regulatory authority in that country to see if the individual is a legal prescriber.

Mr. Meyer asked if the pharmacist will be at risk if a prescription for amoxicillin, for example, is filled and the individual taking the medication goes into anaphylactic shock.

Mr. Gray said because it is not mandatory, he does not believe pharmacists will fill a prescription if there is an issue.

Names of persons who signed up in support of SB1337 but did not speak:
Christina Corieri, representing self

Question was called on the motion that SB1337 do pass. The motion carried by a roll call vote of 6-2-0-0 (Attachment 9).

SB1404 – direct care plans; insurance; exemption – DO PASS AMENDED

Vice-Chairman Boyer moved that SB1404 do pass.

Vice-Chairman Boyer moved that the Carter two-page amendment to SB1404 dated 03/18/14 (Attachment 10) be adopted.

Ingrid Garvey, Majority Research Analyst, explained that SB1404 asserts that a direct primary care provider plan does not constitute the transaction of insurance or a health care services organization and is not subject to regulation by the Arizona Department of Insurance (DOI), providing the plan does not assume financial risk or agree to indemnify for services provided by a third party (Attachment 11). The Carter two-page amendment to SB1404 dated 03/18/14 (Attachment 10) contains the following provisions:

- Removes the provisions for the provider plan and the disclaimer provision from the insurance statutes and moves those into Title 44, which governs regulations concerning businesses
- Specifies that the direct primary care provider plan may arrange for health care for enrollees
- Requires the provider plan to be in writing and a copy provided to the enrollee
- Requires the provider plan to describe the specific provider access and services that will be provided, the enrollee payment obligation and terms of cancellation
- Outlines provisions to be included in the written disclaimer
- Prohibits a primary care provider from submitting a claim for payment from a health care insurer or the insurer's contractor or subcontractor
- Adds additional definitions
Senator Kelli Ward, sponsor, related that this bill was requested by two doctors in Show Low who provide access to high-quality, cost-effective health care for people in the area who are unable, despite the Affordable Care Act, to afford insurance. The residents pay a fee to receive direct primary care from these physicians and there have been no complaints about the services received. This is a great way to preserve patient choice, physician choice and freedom in the health care system. She added that she supports the Carter amendment, which has been worked on with DOI, the Governor's Office and Chairman Carter.

Dr. Scott Hastings, representing self, in support of SB1404, said during the past 10 years as a family doctor, he has seen the pain of people not able to afford health care. He and other well-trained family doctors have the ability to manage about 85 percent of all medical problems presented to their clinic, so they launched a direct pay program that allows for a monthly fee to be collected from each family. In exchange, the doctors provide 24/7 on-call coverage and any services that are done in their office. In response to a question, he said this bill is necessary because a letter was received from DOI stating that the doctors need to change the structure or the practice will be shut down because it is perceived as an insurance company.

In response to further questions, Dr. Hastings clarified that the current fee for patients under the age of 40 is $69 per month, $89 per month for patients over 40 and $159 per month for families. The contract outlines that this is not insurance and help is provided to arrange for cash price specialty care, for example, a patient needed an appendectomy so the doctors called a surgeon at a surgical center and obtained a reasonable price for the procedure. It is recommended that patients obtain a high-deductible plan for catastrophic situations, but the idea is to get away from insurance covering everything.

Dr. Hastings responded to further questions about consumer protections, the option of providing services for payment in cash, the potential for other doctors to offer this service and comparison to concierge services. He clarified that the practice also takes insurance as well as Medicaid and Medicare.

Chairman Carter asked what happens if there is a financial concern with the structure. Dr. Hastings said the bill indicates that will be addressed by whoever manages contracts under Title 44.

Senator Ward said the amendment states that complaints will be handled like those from the Better Business Bureau when someone is looking for recommendations, and the insurance statute is referenced to clarify that this is not insurance but a way to provide access to high-quality health care for anyone, especially underserved populations, who cannot afford what is available in the insurance market.

Dr. Hastings stated that the contract is about five pages in length. Constituents in Tucson wanted to do a similar model and met with DOI, which had many concerns and considered it a health management organization (HMO), so the doctors did not proceed further. He said their model is different from an HMO because the doctors do not claim to cover brain surgery or anything similar; it only covers anything that can be done in the office.

Andrew Carlson, Legislative Liaison, Arizona Department of Insurance, related that DOI has not seen the contract from Dr. Hastings's company and cannot make a determination as to what it
constitutes; a copy was requested. As to the letter sent to Dr. Hastings' group, DOI was looking at how it was being presented to the consumer on the website, which is when a determination was made that it could possibly be an unlicensed HMO, but the letter was not a cease and desist order. It was merely an inquiry explaining the statute in light of the website and asking for a response as to why it is not an HMO plan. DOI met with the group and a discussion was held about HMO regulation, what is entailed, the services offered and how to "tweak" the business structure so it is not subject to HMO regulations. A determination has not been made as to whether the group is violating Title 20, insurance statutes, which will probably not be resolved soon because DOI needs more information. Also, staff is busy with Affordable Care Act procedures and is unable to dedicate as much time as normal to something like this. Secondary to the concern about how to distinguish this group from an HMO is consumer protection. With the amendment, it is taken out of DOI's purview and HMO consumer protections are not included in SB1404.

Dr. Hastings returned to the podium and responded to further questions about the services provided. He added that the doctors are required to have malpractice insurance, they are board-certified, monitored by the state board and must be licensed.

Chairman Carter stated that she is only concerned about the financial structure.

Names of persons who signed up in support of SB1404 but did not speak:
Jason Lamb, representing self
Christina Corieri, representing self

Names of persons who signed up in opposition to SB1404 but did not speak:
Pat VanMaanen, representing self

Question was called on the motion that the Carter two-page amendment to SB1404 dated 03/18/14 (Attachment 10) be adopted. The motion carried.

Vice-Chairman Boyer moved that SB1404 as amended do pass. The motion carried by a roll call vote of 5-3-0-0 (Attachment 12).

SCM1009 – medicare enrollment requirement; physicians; repeal – DO PASS

Vice-Chairman Boyer moved that SCM1009 do pass.

Sophia Horn, Majority Research Intern, explained that SCM1009 is a memorial that requests the federal government of the United States of America repeal the requirement that physicians with a National Provider Identifier (NPI) enroll in or opt out of Medicare as a condition for payment of claims under federal health care programs (Attachment 13).

Senator Kelli Ward, sponsor, indicated that this memorial stemmed from potential legislation asking that hospitals not prohibit physicians who do not participate or accept Medicare assignment from practicing in their hospitals. There are unintended consequences to that so she worked with the hospitals, Banner in particular, on this memorial to urge Congress not to force the Provider Enrollment, Chain and Ownership System (PECOS) rules, which state that doctors
must have an NPI number, be enrolled as a Medicare assignee and accept whatever Medicare pays them in order to practice in hospitals.

Vice-Chairman Boyer assumed the Chair.

In response to a question, Ms. Garvey indicated that the cost to send a memorial to Congress has not been quantified because it is part of business at the Legislature.

Chairman Carter resumed the Chair.

Senator Ward submitted that because the states form the federal government, the states need to have a way to officially communicate with the federal government about things done at the federal level, in order to better serve constituents in Arizona.

Names of persons who signed up in opposition to SCM1009 but did not speak:
Pat VanMaanen, representing self

**Question was called on the motion that SCM1009 do pass. The motion carried by a roll call vote of 5-3-0-0 (Attachment 14).**

**SB1136 – acupuncture board of examiners – DO PASS AMENDED**

Vice-Chairman Boyer moved that SB1136 do pass.

Vice-Chairman Boyer moved that the Carter seven-line amendment to SB1136 dated 03/12/14 (Attachment 15) be adopted.

Sophia Horn, Majority Research Intern, explained that SB1136 makes various changes to statutes surrounding the Acupuncture Board of Examiners and licensure requirements (Attachment 16). The Carter seven-line amendment to SB1136 dated 03/12/14 (Attachment 15) changes the fingerprinting requirement, effective July 1, 2016, from a fingerprint clearance card to a criminal records check and makes technical and conforming changes.

Senator Nancy Barto, sponsor, related that SB 1136 makes changes to the Arizona Acupuncture Board of Examiners.

Pete Gonzalez, Lobbyist, Arizona Acupuncture Board of Examiners, spoke in favor of SB1136 and the amendment. He said this legislation is the result of a study conducted by the Board over the last few years in terms of updating rules, laws, etc.

Names of persons who signed up as neutral on SB1136 but did not speak:
Dennis Seavers, Executive Director, Arizona Board of Fingerprinting

**Question was called on the motion that the Carter seven-line amendment to SB1136 dated 03/12/14 (Attachment 15) be adopted. The motion carried.**

Vice-Chairman Boyer moved that SB1136 as amended do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 17).
SB1225 – mammography results; report to patient – DO PASS

Vice-Chairman Boyer moved that SB1225 do pass.

Sophia Horn, Majority Research Intern, explained that SB1225 mandates that beginning October 1, 2014, if a patient is categorized by a health care institution or health care facility that performs mammography examinations as having heterogeneously dense breasts or extremely dense breasts on the breast imaging reporting and data system, the institution or facility must include an outlined notice in the summary of the mammography report (Attachment 18).

Senator Nancy Barto, sponsor, advised that SB1225 is an important women's right-to-know piece of legislation regarding women undergoing mammography. It will save lives in Arizona because women often believe everything is fine because they are not given information that would help determine whether or not to have further testing that could reveal breast cancer.

Dr. Nicole Saphier, radiologist, representing self, in support of SB1225, provided a packet of information (Attachment 19). She stated that one of the most important effects of increased breast density is a decrease in mammographic sensitivity for detecting cancer because cancers are also white on a mammography just like normal breast tissue. This bill seeks to promote discussion between women with dense breasts and their physician regarding their individual risk assessment and the advisability of supplemental screening to increase cancer detection.

Robin Karpf, representing self, in favor of SB1225, said she is currently undergoing chemotherapy for Stage 3 breast cancer. Her annual mammogram in December 2012 was clear, but in October 2013, a two-and-half centimeter tumor and nine cancerous lymph nodes were found by ultrasound. This legislation has passed in 15 states and was introduced in 14 more since the beginning of 2014; she hopes it will pass in Arizona.

Paty De La Rosa-Acosta, representing self, spoke in support of SB1225. She stated that a mammogram in January 2011 was normal, but a sonogram on July 15 of that same year was not. She was diagnosed with Stage 3 breast cancer and underwent a bilateral mastectomy, chemotherapy and radiation. She regrets that the cancer was missed because of her breast tissue; if it had been caught earlier she would not have had to go through as many hardships. Women with dense breast tissue should have the opportunity to have a sonogram or additional screening as part of their well woman care. She urged the Members to pass the bill.

Names of persons who signed up in favor of SB1225 but did not speak:
Patrick Millerd, representing self
Colleen McDonald, representing self
Julia Bruck, representing self
Gloria Turner-Fox, representing self
Deborah Houk, representing self
John Karpf, representing self
Suzanne Berger, representing self
Ron Lincoln, representing self
Alice Lincoln, representing self
Paul Saphier, representing self
Question was called on the motion that SB1225 do pass. The motion carried by a roll call vote of 8-0-0-0 (Attachment 20).

SB1309 – court-ordered services; dependent children – DO PASS

Vice-Chairman Boyer moved that SB1309 do pass.

Sophia Horn, Majority Research Intern, explained that SB1309 permits the court to provide supplemental services to those provided by the Arizona Department of Economic Security (ADES) if the services have no cost and allows the presiding judge of superior court to enter into an agreement for the use of juvenile shelters or treatment facilities (Attachment 21).

Senator Nancy Barto, sponsor, stated that SB1309 was brought to her by the courts to solve some problems and codify current practice.

Amy Love, Legislative Liaison, Arizona Judicial Council, in favor of SB1309, addressed the following provisions:

- Services to families that lead to more reunifications and better outcomes are not always provided by ADES due to budget constraints so Maricopa County funds the Cradle to Crayons (C2C) program, a drug treatment court model that has been used in other jurisdictions, which has a trauma counselor on site. This bill codifies the memorandum of understanding between the court and ADES Child Protective Services (CPS) at the recommendation of the Attorney General.
- The bill allows the court to appoint community coordinators who follow up with parties involved in court hearings to ensure that court orders for services are provided.
- Detention facilities are available in Yavapai and Pima counties that are not needed because juvenile detention numbers are decreasing. Dependency numbers are increasing so the courts would like permission for the presiding judicial officer in each county to have the facilities retrofitted in order to provide shelter for children. The CPS Oversight Committee heard testimony that there are so many children in care they are sleeping on the floor in CPS offices.

In response to questions, Ms. Love advised that the county pays for the community coordinators and the C2C program, which also receives funds from federal grants. She discussed a request in the court's budget for funding relating to Foster Care Review Board staff and the role of community coordinators.

Mrs. Brophy McGee remarked that the C2C program is one of the model programs being considered in terms of partnerships that can be formed that are cost effective as well as effective in outcomes. She encouraged the Members to visit the facility.

Question was called on the motion that SB1309 do pass. The motion carried by a roll call vote of 7-0-0-1 (Attachment 22).
SB1345 – board of physician assistants – DO PASS AMENDED

Vice-Chairman Boyer moved that SB1345 do pass.

Vice-Chairman Boyer moved that the Carter 21-line amendment to SB1345 dated 03/17/14 (Attachment 23) be adopted.

Sophia Horn, Majority Research Intern, explained that SB1345 establishes the Joint Executive Committee and makes various changes to statutes related to the Arizona Regulatory Board of Physician Assistants and licensure (Attachment 24). The Carter 21-line amendment to SB1345 dated 03/17/14 (Attachment 23) changes the title of the committee from the Joint Executive Committee to the Committee on Executive Director Selection and Retention and allows the committee to elect a chairperson and vice-chairperson but no more than once a year. The amendment also requires the Executive Committees of the Arizona Medical Board (AMB) and the Arizona Regulatory Board of Physician Assistants to meet twice a year to discuss matters of mutual concern and interest.

Senator Nancy Barto, sponsor, stated that this is an all-encompassing bill regarding the workings of the Arizona Regulatory Board of Physician Assistants, which was brought forward as the result of an ombudsman's report investigating the AMB's licensing deficiencies over the last few years. The report also brought to light some deficiencies by the Arizona Regulatory Board of Physician Assistants, so changes are being made to allow for more communication and transparency between the two boards and the public in regard to executive director dismissals and retention, as well as matters in general.

Geoffrey Hoffa, physician assistant; Chair, Arizona Regulatory Board of Physician Assistants, representing self, in support of SB1345, related his background. He testified that this legislation is the product of many stakeholder meetings. He thanked Senator Barto for not only attempting to rectify any deficiencies as far as the quasi-judicial function of regulating the physician assistant population in Arizona, but also for listening to issues. He asked the Members to support the bill.

Stuart Goodman, representing Arizona Medical Board, stated that he changed the Board's position from opposed to neutral after changes were made in the Senate.

Question was called on the motion that the Carter 21-line amendment to SB1345 dated 03/17/14 (Attachment 23) be adopted. The motion carried.

Mr. Lovas moved that SB1345 as amended do pass. The motion carried by a roll call vote of 5-0-0-3 (Attachment 25).

SB1380 – Arizona medical board; licensees; fingerprinting – DO PASS

Vice-Chairman Boyer moved that SB1380 do pass.

Ingrid Garvey, Majority Research Analyst, explained that SB1380 makes a variety of changes to the statutes for the Arizona Medical Board (AMB) (Attachment 26).
Senator Nancy Barto, sponsor, commented that the genesis of this bill is the outcome of the ombudsman's investigation, which showed what is going on in the Licensing Department at AMB. Many stakeholder meetings were held and this is the result; SB1380 will increase transparency, information and communication between the AMB, the administrator and the public. The bill makes changes so the AMB can function in a way that protects the public and ensures physicians who want to practice in Arizona can do so legally and safely. In response to questions, Senator Barto advised that 2,043 physicians were licensed inappropriately according to the ombudsman's report and $855,000 will be appropriated from their fund to review those cases. She addressed the time frame for processing license applications and the requirement to include additional information in the AMB annual report.

Stuart Goodman, representing Arizona Medical Board, in favor of SB1380, stated that the bill is focused on implementing the ombudsman's recommendations. There are approximately 780 pending applications, of which over 500 are deficient, meaning the AMB is waiting for input from the physician or an outside source. AMB has a certain number of days to act on an application, but the time stops and starts based on whether the appropriate information was obtained; when they are waiting for further information, that time is not counted. A new assistant attorney general has come on board and there is a new executive director, C. Lloyd Vest II. A long-term commitment began this week to look at the AMB licensing processes, rules and statutes to determine how to meet the needs of the community and maintain public safety and confidence. He anticipated that after a lengthy review, working with stakeholders, hospitals and anyone else of interest, comprehensive legislation will be offered next session.

Chairman Carter stated that the backlog in pending applications is a serious concern. Arizona is severely understaffed by physicians, not only in urban areas, but definitely in rural areas. She has been hearing comments and receiving emails about physicians and surgeons going to other states where it is possible to open a practice much quicker. She asked how the backlog will be addressed.

Mr. Goodman stated that AMB is following all current rules and statutes. Part of the issue with the backlog has not been staffing but the stopping and starting of guidance from various offices, which has been eased. There is now a common understanding of what is needed by the ombudsman and the Auditor General, which allows the staff to work in a smoother fashion. That is the short-term solution. Long-term is the comprehensive review under the new management team to look at best practices across the country to revise licensing in Arizona while balancing efficiency with public safety, which cannot be done overnight, and will require changes in rules, statutes and buy-in from stakeholders.

Mrs. Brophy McGee surmised that Mr. Goodman is asking for a reprieve from the Legislature, but submitted that there is a crisis that will only worsen if nothing is done. She proposed that something be done before next session to codify in statute the items that can be done to speed up AMB processes. She is concerned about the fact that Arizona is losing doctors when there is already a shortage.

C. Lloyd Vest II, Executive Director, Arizona Medical Board, neutral on SB1380, indicated that he understands and shares the Members' frustration and concern. He is from the board in Kentucky, which has 630 applications, so he is not sure how significant AMB's number is, which
will be looked into. The important thing is ensuring the applications are processed. The problem has been that the licensing staff was joined by Auditor General staff and legal advisors who needed to approve an acceptable license application package. The opinion changed a number of times resulting in applications being moved back. AMB is now at a point where the licensing process can be separated from the Auditor General's process.

He stated that as of March 17, 2014, AMB had 787 applications; of those, 557 were not ready for review pending required information, which left a backlog of approximately 230. There are 94 applications completed and ready for final approval. The Licensing Department established a process to expedite the applications and people are working overtime; 122 applications are in the process. Looking ahead, the intent is to automate the system to allow online applications and put processes in place to reduce the amount of staff time required for inputting data and responding to questions. Applicants will receive automatic notification and have access to their application package at any time to see what is needed to complete the application to move it forward.

Senator Barto conveyed ideas the AMB provided to speed up the current licensing process and endorsed a comprehensive review of the process going forward after stakeholder meetings with Mr. Vest and the AMB.

Names of persons who signed up in support of SB1380 but did not speak:
David Landrith, Lobbyist, Arizona Medical Association
Susan Cannata, Lobbyist, Arizona Society of the American College of Osteopathic Family Physicians; Arizona Academy of Family Physicians

Names of persons who signed up as neutral on SB1380 but did not speak:
Barbara Fanning, Lobbyist, Arizona Hospital and Healthcare Association

Question was called on the motion that SB1380 do pass. The motion carried by a roll call vote of 6-1-0-1 (Attachment 27).

SB1276 – HIV-related testing; consent; confidentiality; exceptions – NOT ASSIGNED

Without objection, the meeting adjourned at 1:29 p.m.

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Linda Taylor, Committee Secretary
May 13, 2014

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