



Bill Number: **HB 2677** _____

Olson _____ Floor Amendment

Reference to: _____

Amendment drafted by: _____

FLOOR AMENDMENT EXPLANATION

Pursuant to CMS approval, allows critical access hospitals to partner with political subdivisions, tribal governments and universities under the jurisdiction of the Arizona Board of Regents to provide monies to AHCCCS in order to qualify for additional federal monies. Any monies received by this state must be distributed as supplemental payments to critical access hospitals and requires AHCCCS to report to JLBC and OSPB prior to expending any monies received for critical access hospitals.

For FYs 2015 and 2016 makes technical corrections to the language regarding prioritization of the allocation of DSH payments and allows MIHS to participate in voluntary DSH payments.

AHCCCS and ADHS may reduce payments up to *an aggregate* of 5% for all health care providers, excluding nursing facility, developmental disability and home and community based health care providers.

Eliminates the 3% hard cap for AHCCCS and provides that ADHS capitation rates may not exceed 1.5% in FYs 2017 and 2018.

Amendment explanation prepared by Ingrid Garvey _____

lcs

3/6/2015

OLSON FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2677
(Reference to printed bill)

1 Page 15, line 34, after the period strike remainder of line

2 Strike lines 35 through 44

3 Page 16, between lines 21 and 22, insert:

4 "U. SUBJECT TO THE APPROVAL OF THE CENTERS FOR MEDICARE AND MEDICAID
5 SERVICES, POLITICAL SUBDIVISIONS OF THIS STATE, TRIBAL GOVERNMENTS AND ANY
6 UNIVERSITY UNDER THE JURISDICTION OF THE ARIZONA BOARD OF REGENTS MAY PROVIDE
7 TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION MONIES IN
8 ADDITION TO ANY STATE GENERAL FUND MONIES APPROPRIATED FOR CRITICAL ACCESS
9 HOSPITALS IN ORDER TO QUALIFY FOR ADDITIONAL FEDERAL MONIES. ANY AMOUNT OF
10 FEDERAL MONIES RECEIVED BY THIS STATE PURSUANT TO THIS SUBSECTION SHALL BE
11 DISTRIBUTED AS SUPPLEMENTAL PAYMENTS TO CRITICAL ACCESS HOSPITALS."

12 Reletter to conform

13 Page 17, line 10, before "Disproportionate" insert "A."

14 Line 37, after the period strike remainder of line

15 Strike lines 38 and 39, insert "IF THE CERTIFICATION PROVIDED IS FOR AN AMOUNT
16 GREATER THAN \$105,945,500, THE ADMINISTRATION SHALL DISTRIBUTE \$4,202,300 TO
17 THE MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT AND SHALL DEPOSIT
18 \$68,328,000 OF THE FEDERAL FUNDS PARTICIPATION IN THE STATE GENERAL FUND.
19 THE ADMINISTRATION MAY MAKE ADDITIONAL DISPROPORTIONATE SHARE HOSPITAL
20 PAYMENTS TO THE MARICOPA COUNTY SPECIAL HEALTH CARE DISTRICT PURSUANT TO
21 SECTION 36-2903.01, SUBSECTION P, ARIZONA REVISED STATUTES, AND SUBSECTION B
22 OF THIS SECTION."

1 Page 18, between lines 19 and 20, insert:

2 "B. AFTER THE DISTRIBUTIONS MADE PURSUANT TO SUBSECTION A OF THIS
3 SECTION, THE ALLOCATIONS OF DISPROPORTIONATE SHARE HOSPITAL PAYMENTS MADE
4 PURSUANT TO SECTION 36-2903.01, SUBSECTION P, ARIZONA REVISED STATUTES, SHALL
5 BE MADE AVAILABLE FIRST TO QUALIFYING PRIVATE HOSPITALS LOCATED OUTSIDE OF
6 THE PHOENIX METROPOLITAN STATISTICAL AREA AND THE TUCSON METROPOLITAN
7 STATISTICAL AREA BEFORE BEING MADE AVAILABLE TO QUALIFYING HOSPITALS WITHIN
8 THE PHOENIX METROPOLITAN STATISTICAL AREA AND THE TUCSON METROPOLITAN
9 STATISTICAL AREA."

10 Page 20, line 31, before "Disproportionate" insert "A."

11 Page 21, line 12, after the period strike remainder of line

12 Strike lines 13 and 14, insert "If the certification provided is for an amount
13 greater than \$113,818,500, the administration shall distribute \$4,202,300 to
14 the Maricopa county special health care district and shall deposit
15 \$74,241,400 of the federal funds participation in the state general fund.
16 The administration may make additional disproportionate share hospital
17 payments to the Maricopa county special health care district pursuant to
18 section 36-2903.01, subsection P, Arizona Revised Statutes, and subsection B
19 of this section."

20 Between lines 39 and 40, insert:

21 "B. After the distributions made pursuant to subsection A of this
22 section, the allocations of disproportionate share hospital payments made
23 pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, shall
24 be made available first to qualifying private hospitals located outside of
25 the Phoenix metropolitan statistical area and the Tucson metropolitan
26 statistical area before being made available to qualifying hospitals within
27 the Phoenix metropolitan statistical area and the Tucson metropolitan
28 statistical area."

29 Page 24, line 38, after "to" insert "an aggregate of"

1 Page 25, line 1, strike "and the department of health services"

2 Between lines 6 and 7, insert:

3 "Sec. 17. Department of health services; health care provider
4 rate reduction

5 A. Notwithstanding any other law, for rates effective October 1, 2015
6 through September 30, 2016, the department of health services may reduce
7 payments up to an aggregate of five percent for all health care providers,
8 excluding nursing facility, developmental disability and home and community
9 based health care providers.

10 B. The department of health services may reduce provider payments by
11 less than the percentage specified under subsection A of this section if
12 adjustments to capitation rates for changes in utilization for the period
13 October 1, 2015 through September 30, 2016 are less than the amounts
14 appropriated in the general appropriation act to the department of health
15 services for a three percent capitation rate increase in fiscal year
16 2015-2016. The fiscal impact of reducing provider payments by less than the
17 percentage specified under subsection A of this section may not exceed the
18 amount by which the appropriation for capitation rates in fiscal year
19 2015-2016 exceeds utilization adjustments.

20 Sec. 18. AHCCCS; voluntary critical access hospital payments;
21 appropriation; fiscal year 2015-2016; notification

22 Any monies received for critical access hospital payments from
23 political subdivisions of this state, tribal governments and any university
24 under the jurisdiction of the Arizona board of regents, and any federal
25 monies used to match those payments, that are received in fiscal year
26 2015-2016 by the Arizona health care cost containment system administration
27 are appropriated to the administration in fiscal year 2015-2016. Before the
28 expenditure of these monies, the administration shall notify the joint
29 legislative budget committee and the governor's office of strategic planning
30 and budgeting of the amount of monies that will be expended under this
31 section."

32 Renumber to conform

1 Page 27, line 5, after the second period insert "AHCCCS;"

2 Line 7, after "exceed" strike remainder of line

3 Line 8, strike "2015-2016 and"

4 Between lines 9 and 10, insert:

5 "Sec. 27. Department of health services; capitation rate
6 increases

7 The department of health services capitation rate increases may not
8 exceed one and one-half percent in fiscal years 2016-2017 and 2017-2018."

9 Renumber to conform

10 Amend title to conform

JUSTIN OLSON

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03/06/2015
7:30 PM
C: mjh