Committee on Health

DATE: March 27, 2001
TIME: 1:30 p.m.
ROOM: SHR 2

CHAIRMAN: Senator Gerard
VICE CHAIRMAN: Senator Nichols
ANALYST: Jason Bezozo
COMMITTEE SECRETARY: Carol Dager
INTERN: Meghann Brennan
ASSISTANT ANALYST: Kathy Seeglitz

ATTENDANCE

BILLS

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GOVERNOR’S APPOINTMENTS

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Committee on Health
March 27, 2001
Chairman Gerard called the meeting to order at 1:38 p.m., and attendance was taken.

Attendees Sign-In Sheet (Attachment A)

APPROVAL OF MINUTES

Without objection, the minutes of January 23, 2001 were approved.

CONSIDERATION OF BILLS

HB 2629 – appropriations; seriously mentally ill – DO PASS

HB 2629 appropriates an additional $50 million in FY 2001-2002 and $100 million in FY 2002-2003 from the state general fund to the Department of Health Services (DHS) to provide behavioral health services to persons with a serious mental illness.

Representative Carolyn Allen, bill sponsor, indicated that this bill keeps a commitment to the seriously mentally ill (SMI) in Arizona. She asked for passage of the bill so that no matter what happens in the budget process this commitment can be kept to the most vulnerable citizens. She asked that they do not hold these citizens hostage for later cuts in funding. This bill appropriates $150 million with increases in federal capitation and implement of Proposition 204 and will allow the state to comply with the requirements of the laws that this legislature passed. She noted that Arnold vs. Sam has put in writing that with this bill the State should be able to put this case behind within three years. As a result of a good faith efforts, the children’s case may soon be settled. DHS has requested a onetime extension on rulemaking given the greater possibility that Arnold vs. Sam will go away following this funding.

Representative Allen stated that several people have suggested that $50 million should be cut from this bill; however, she strongly opposes doing that. It is the amount that, when coupled with the increases from Proposition 204 funding, will satisfy the requirements of the state law for the amount of treatment needed for the SMI. These requirements were developed by an independent study, signed by the courts, the plaintiffs, and DHS. It was also adopted by the joint ad hoc study committee on behavioral health services.

Senator Cirillo asked what assumption does the $150 million make about the number of SMI that will be transferred under Proposition 204 funding. Representative Allen replied that she could not answer that question. Senator Cirillo questioned if there is a possibility that some of the monies were coming from tobacco tax revenue. Representative Allen responded that it is possible.
Senator Gerard stated that the monies are not coming from tobacco tax revenues,. and some of the SMI will qualify under Proposition 204.

Senator Cirillo commented that he is not sure which is more dangerous, leaving it in the budget or leaving it in the box. He said that he would be more comfortable fighting for it in the budget. Representative Allen replied that she sees no problem with keeping them both going.

Jim Bush, Chairman, Mental Health Taskforce, stated that they held hearings over the summer and took information as to the needs of the SMI. Since that taskforce has completed its reports, he has heard, from time to time, comments from officials in the Legislature that what they are asking for is a “Cadillac” program. He emphasized that there was not one person from state government who appeared before that taskforce that ever said this is a “Cadillac” program. They did not have the nerve to say that. No one said that they cannot use the money. They have testimony from DHS, Department of Commerce (DOC), from providers and everyone agreed that the money was needed and the money asked for was not to fund a “Cadillac” program. The statewide estimate is $528 million. That estimate came from a person who was appointed by the plaintiff and defendant (Maricopa County and the State of Arizona), who submitted a report that categorized the SMIs into six categories depending upon their functional ability. They estimated the number of people in each category and the services that would be needed in each category and what it would cost. No one quarreled with those estimates. DHS and the taskforce endorsed the program. He said it is a mistake for someone to believe or suggest that these people do not need these services. He mentioned that in 1950, the population of the state hospital was 1,500 people. The ratio of entry of the population was approximately 200 to 100,000. If the state had that same ratio of entry today, there would be 9,800 people in the hospital. Today there are about 290. He noted that the state is building a new hospital with a capacity of 200 to 300. Those people who are not there who could be, some are in county jail, others are on the street, and some have no place to live. This money can be used and it is needed. In current advancements in medication offer an opportunity for some of these people to lead productive lives, others will never be, but at least it is a step in the right direction. He urged the passage of this bill.

Senator Nichols congratulated Mr. Bush on his continued work with mental health. He said that he has seen an enormous change in the last few years and attributes part of that to Mr. Bush’s efforts. The fact that the state is building a new hospital, and the fact that they did set aside $70 million for mental health shows that tremendous strides have been made.

Senator Nichols moved HB 2629 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-1. (Attachment 1)
Chairman Gerard noted the following were present in support of the bill: Donna Redford, Director, Arizona Bridge to Independent Living (ABIL); Laurie Lange, Arizona Hospital and Healthcare Association (AZHHA); Monica Attridge, Behavioral Health Coalition of Southern Arizona; Barbara Burkholder, Executive Director, Arizona Public Health Association; David Miller, CEO, Arizona Council of Human Service Providers; Timothy Schmaltz, Director of Program Development, Foundation for Senior Living; Al Fosse, Concerned Citizen; Donald Vance, Coordinator, Capital City Taskforce, American Association of Retired Persons (AARP); Joel Goldenberg, Member Capital City Taskforce, AARP; Gretchen Penner, Director of Special Programs for Adults, Pinal Gila Behavioral Health Association; David Landrith, Vice President, Arizona Medical Association; Joe Abate, Attorney, Arizona Council of Human Service Providers, Arizona Osteopathic Medical Association, Arizona Psychiatric Society; Julie Scott, Community Outreach Manager, Mental Health Association of Arizona; Cheryl Collier, Executive Director, Mental Health Association of Arizona; Rochell Wells, Student Intern, National Association of Social Workers, Arizona Chapter; Richard White, St. Patrick’s/East Valley Interfaith; Tom Donovan, Arizona Interfaith; and Bonny Sloane, East Valley Interfaith.

**HB 2194 – community health centers – DISCUSSION/HELD**

Meghann Brennan, Senate Health Committee Intern, explained that HB 2194 appropriates $2.5 million annually from the tobacco tax and health care fund medically needy account to DHS for a community mental health program. The eight-line Gerard amendment dated 03/26/01 at 3:17 p.m. (Attachment B) reduces the appropriation to $500,000 in each of the years and changes the community mental health program to a pilot program.

Senator Solomon asked how creating another pot of money for mental health services through the community health centers is going to work with everything else they have committed to. Ms. Brennan replied that it is her understanding that only two of the community health centers in the state currently offer any mental health services.

**Kevin Moran, Consultant, Arizona Association of Community Health Centers,** explained that the telemedicine project is available for some mental health services. The legislation is a product of a movement in philosophy in health care, that movement is a notion of integration of a single location, bringing behavioral health and traditional medical health providers into a greater cooperation even on site.

Senator Solomon stated that she is curious how the community health centers intend to get the practitioners that currently will not practice in those areas. Mr. Moran replied that the question of recruitment and retention in many of the rural areas has been with them since he started representing the association ten years.
ago. It is a great challenge. Telemedicine may be a more viable approach for many rural centers.

Chairman Gerard noted the following were present in support of the bill: Julie Scott, Community Outreach Manager, Mental Health Association of Arizona; Cheryl Collier, Executive Director, Mental Health Association of Arizona; Rochell Wells, Student Intern, National Association of Social Workers, Arizona Chapter; Donald Vance, Coordinator, Capital City Taskforce, AARP; Joel Goldenberg, Member Capital City Taskforce, AARP; David Landrith, Vice President, Arizona Medical Association; and Joe Abate, Attorney, Arizona Council of Human Service Providers, Arizona Osteopathic Medical Association, Arizona Psychiatric Society.

Chairman Gerard noted that the following were present in opposition of the bill: Suzy Staghas, Citizen; and Ginny Leason, Citizens Commission on Human Rights.

HB 2192 – appropriation; Alzheimer’s disease research (now: appropriations; disease research) – DO PASS AMENDED

Kathy Seeqglitz, Senate Health Committee Assistant Analyst, explained that HB 2192 appropriates $2 million in FY 2001-2002 from the state general fund to DHS for Alzheimer’s and Parkinson’s disease research. She noted that $1 million is for grants to universities, hospitals, and research centers in Arizona for Alzheimer’s research recruitment and retention efforts, and $1 million goes to the Arizona Disease Control Research Commission for Parkinson’s disease research. It requires recipients to commission an audit, conduct an evaluation of expenditures, and submit a report. The bill prohibits the use of appropriated research monies on research using human fetal tissues, cells, or organs obtained from a living or dead embryo or fetus during or after an induced abortion. There are two amendments offered to this bill. The first is a ten-line Gerard amendment dated 03/26/01 at 1:44 p.m. changes the appropriation to $2 million in each of the next two fiscal years and it contains a technical change to clarify Alzheimer’s grant recipients are allowed to use the money for research. The bill is written so that research recruitment and retention efforts are the purpose of the grants and monies can be used for research if not used for recruitment and retention. The second is a four-line Gerard amendment dated 03/26/01 at 1:49 p.m. contains a technical change.

Dr. Eric Reiman, Scientific Director, Arizona Alzheimer’s Disease Research Center, explained that Alzheimer’s disease is the most common form of memory and thinking problems in older people that affect approximately 10% of those over the age of 65, and 50% of those over the age of 85. It robs individuals of their memory, judgment in reasoning, language skills, ability to recognize their loved ones, and ability to perform routine tasks. In its most severe stage, individuals are totally confused, bedridden, unable to control their bladder or bowel habits, nor feed themselves. It is the fourth leading cause of death in the United States. It is much more difficult on the affected family members who are often left physically exhausted, with 50% of the primary care givers
becoming clinically depressed. It also is expensive. Because the population continues to grow older, he noted that by the time his children become senior citizens, there will be four times as many individuals afflicted with this disorder. He stressed that it is a financial catastrophe waiting to happen for the state and country. In 50 years, in Arizona alone, there will be over 250,000 affected with this disorder and will be costing over three quarters of a trillion dollars for the country. It currently costs about $47,000 a year to care for an affected person. It emphasized that it takes a tremendous financial and humane toll on the caregivers.

Dr. Reiman noted that the good news is that in the last few years, researchers have made remarkable progress in the effort to understand treatment and the potential to prevent the disorder. Researchers have begun to characterize the cascade of molecular events that lead to the microscopic abnormalities that a person sees at the end of life, each of which provides a target against what drug companies can name their treatments. They have identified genes and the products for those genes that account for more than half of all Alzheimer’s cases, again providing a target against where scientist can aim their treatments. There are some promising treatments that might delay the onset of Alzheimer’s disease, some of which were first proposed by Arizona researchers, such as anti-inflammatory medications, cholesterol-lowering agents, and Vitamin E. He pointed out that if the onset is delayed by only five years, the number of new cases is cut in half. He emphasized that they are about to see some exciting new treatments that can get at the height of this disorder, such as a plaque busters that eliminate those microscopic abnormalities, as well as a potential Alzheimer’s vaccine. He stressed that even if someone develops a way to prevent Alzheimer’s disease today, it could still take many years to determine if the thousands of treated people develop symptoms. Researchers have begun to tract the progression of Alzheimer’s many years before the onset of symptoms. They might then discover a way to identify treatments that prevent the disorder in about 100 individuals in one to two years, hopefully saving a generation along the way.

Dr. Reiman indicated that a couple of years ago, the state provided support to establish a statewide laboratory without walls consisting of seven state research organizations, the University of Arizona, Arizona State University, Sun Health Research Institute, Barrow Neurological Institute, Mayo Clinic, Good Samaritan Regional Medical Center, and the Harrington Research Center. They tried to capitalize all complementary resources and brain imagining computer sciences, the behavioral and clinical neurosciences and neuropathology research to begin to address questions in a more powerful way together than any one researcher in a particular discipline or institution can do for themselves. They were able to do some things that they are very excited about. They have been able to characterize some of the molecular events and risk factors that account for the disorder to develop new methods for the identification of new treatments and a powerful new way to identify treatments and prevention therapies. He said that they have an international body of external reviewers, well-recognized names, who visit Arizona’s center each year. Currently, they have reviewed their forty research projects, more than half of which involved collaboration among multiple disciplines, 90% among multiple disciplines and 50% multiple institutions. They have commended science and talked about opportunities
to leverage these dollars. They suggested that statewide investment could be a model for other states to follow in which the state provides a dollar that is matched by participating institutions. They have urged them to triple or quadruple that investment to really leverage their resources to make the impact they have in mind.

Dr. Reiman emphasized that in the last few years, researchers have created a scientific roadmap that can now be followed to lead to a world without Alzheimer’s and while they are not sure what obstacles they might find along the way, they feel confident that this scientific road will run right through Arizona. He urged the support for additional funds for Alzheimer’s research. He mentioned that attached to this bill is also a request for a talented group of researchers in Parkinson’s disease.

Senator Nichols moved HB 2192 be returned with a DO PASS recommendation.

Senator Nichols moved the ten-line Gerard amendment dated 03/26/01, 1:44 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment C)

Senator Nichols moved the four-line Gerard amendment to the amendment dated 03/26/01, 1:49 p.m. be ADOPTED. The amendment was WITHDRAWN. (Attachment D)

Senator Nichols moved HB 2192 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 7-0-1. (Attachment 2)

Chairman Gerard noted the following were present in support of the bill: Monica Attridge, Behavioral Health Coalition of Southern Arizona; Timothy Schmaltz, Director of Program Development, Foundation for Senior Living; Al Fosse, Concerned Citizen; Donald Vance, Coordinator, Capital City Taskforce, AARP; Joel Goldenberg, Member Capital City Taskforce, AARP; Richard White, St. Patrick’s/East Valley Interfaith; Lupe Solis; Ruth M. Cohen, Concerned Citizen; Lila J. Freitag, Alzheimer’s Research, Governor’s Advisory Council on Aging; John Theobald II, CEO, Harrington Research Center; Dawn Schroeder, Executive Director, ADCRC; Gayle Kittle, Registered Nurse, Muhammad Ali Parkinson Research Center; Sylvia A. Stevens, Advocate; Don Isaacson, Legislative Counsel, St. Joseph’s Hospital, Arizona Association of Homes and Housing for the Aging; Sandra Kairis, Citizen; Shane Wikfors, Executive Director, Arizona Right to Life; Judy Bernas, Association Director, Public Affairs, University of Arizona (UA) Health Sciences Center; Gene VandenBosch, Director of Policy, Arizona Association of Homes and Housing for the Aging; David Jerman, Administrative Director, Arizona Alzheimer’s Research Center; Kathleen Pagels, Director of Public Policy,
Alzheimer’s Association; Juanita E. Sarten, Concerned Citizen; Carolyn McClure, Concerned Citizen; and David W. Carey, Citizen.

**HB 2459 – transfer of monies; health centers (now: medically underserved areas; capital, appropriation) – DO PASS**

Ms. Brennan explained that HB 2459 appropriates $2.5 million in FYs 2001-2002 and 2002-2003 from the state general fund to DHS for capital project grants to public and nonprofit entities that provide health care and dental services. The five-line Gerard amendment dated 03/26/01 at 3:06 p.m. reduces the appropriation from $2.5 million to $500,000 in each of the fiscal years. The amendment also reduces the language that deals with the maximum amount of individual grants.

**Representative Miranda, bill sponsor,** mentioned that this is a good program which has proven effective in the past. There have been 19 different projects through Arizona funded by this program. In FY 2000, there were eight projects that were not funded. He pointed out some things that the committee might want to consider with the advent of Proposition 204, the capacity of these health centers are going to be expanded. Also, to expand telemedicine, there needs to be facilities, both in rural and urban areas.

Senator Gerard asked if he knew what criteria was used as to which projects received funding. Representative Miranda replied that he did not know, but perhaps DHS could answer that question.

**Patricia Traggle, DHS,** explained that they give preference to those entities located in medically underserved areas throughout the state. She noted that they are sensitive to the fact that there are some grant writers that are much more sophisticated than others, so they try to look beyond the quality of the document presented and look more at the content of the proposal. She pointed out that they have had requests for mobile clinics in remote areas that allows for some creativity for the community to respond to what is needed.

Senator Cirillo noted that one of the provisions is that DHS give preference to applicants that use telemedicine in rural areas.

**Senator Nichols moved HB 2459 be returned with a DO PASS recommendation.**

**Senator Nichols moved the five-line Gerard amendment dated 03/26/01, 3:06 p.m. be ADOPTED. The amendment was WITHDRAWN. (Attachment E)**
The motion CARRIED with a roll call vote of 7-0-1. (Attachment 3)

Chairman Gerard noted the following were present in support of the bill: Donald Vance, Coordinator, Capital City Taskforce, AARP; Joel Goldenberg, Member Capital City Taskforce, AARP; Judy Bernas, Association Director, Public Affairs, UA Health Sciences Center; David Landrith, Vice President, Arizona Medical Association; and Kevin Moran, Consultant, Arizona Association of Community Health Centers.

HB 2412 – allopathic board of medical examiners – DISCUSSION/HELD

Jason Bezozo, Senate Assistant Research Director, explained that HB 2412 makes numerous changes to the statutes governing the Allopathic Board of Medical Examiners (Board) relating to the authorities of the executive director and review committees, the definition of “unprofessional conduct,” physician profile web site information, inactive licenses, emergency disciplinary action and civil penalties. This bill also replaces “sexual intimacies” with “sexual conduct” under the definition for unprofessional conduct. Sexual intimacies was not defined, therefore the Board has requested this new language under the new definition. Sexual conduct with a patient within one year after the last consultation constitutes unprofessional conduct unless the patient was the physician’s spouse or was in a relationship with the physician immediately preceding the physician/patient relationship. As well, the bill prohibits a physician from requesting an inactive license if the physician is under investigation or the Board has initiated a disciplinary action against that physician.

Mr. Bezozo noted that the six-page Gerard amendment dated 03/26/01 at 2:30 p.m. (Attachment F) adds language from several Senate bills. Specifically, SB 1208 that specifies a malpractice insurer is not responsible for providing certain information relating to a medical malpractice action to the Board. This information includes expert witness depositions, a transcript of witness court testimony, and a written evaluation of the case by an expert witness. The legislation also required the Board to pay for certain costs which are not included in this amendment. Under the bill, the definition of sexual conduct with a patient prohibits from one year after the last physician/patient consultation with some exceptions. The amendment reduces the period of time from one year to six months. The amendment also exempts prescriptions that are written to prepare a patient for a medical examination from the prohibition on prescribing medications before conducting a medical examination. In addition, the amendment includes language from SB 1306 which prohibits the Board from issuing a license to certain applicants due to a pending action against their licenses and other jurisdictions. The amendment also allows the Board to initiate an investigation against a licensee if another jurisdiction has taken action against that licensee.

Mr. Bezozo further explained that the amendment also contains provisions from SB 1199, which requires the Board to provide certain investigative information to a physician or the physician’s attorney at least ten days before the formal interview at the physician’s
request. The information provided to the physician or the physician’s attorney includes any review conducted by a consultant, any patient records obtained from other healthcare providers, the results of any evaluations or tests of the doctor, or any other factual information the Board will use in making its determination. As well, the amendment prohibits the Board from disclosing the name of the person who files the complaint if that person requests anonymity. The amendment also prohibits the physician and the physician’s attorney from releasing information and it specifies that the information cannot be used in any proceeding or action except at the formal interview and any administrative proceeding or appeals related to the formal interview. In addition, the amendment also allows the Board to charge a physician or the physician’s attorney up to 50 cents per page for copies of the investigate information.

Mr. Bezozo pointed out that the amendment to HB 2412 also requires the review committee to consist of a minimum of three board members, one of who must be a public member. Lastly, the amendment contains language from SB 1310 which requires the Board to consider previous nondisciplinary actions against the licensee when determining disciplinary actions.

David Landrith, Vice President, Arizona Medical Association, mentioned that there are a couple of items in the new amendment that they feel strongly about. On page one of the amendment, lines 34 and 35, dealing with the diagnostic radiology issue, that needs to stay regardless of what happens with the amendment. He said that they were also the ones who encouraged the six-month instead of the 12-month period. Many states have adopted this approach and it is recommended by the American Medical Association (AMA) as well. Most of the states that have adopted this legislation are using the six-month timeframe.

Dominick Spatafora, Legislative Liaison, BOMEX, stated that he spent four hours going over the amendment and feels that the amendment reflects all the Senate engrossed versions as well as all the amendments passed out the House of Representatives. The Board does support it except for two little technical changes, which will be fixed on the floor.

Senator Gerard suggested that she will hold the bill and ensure the amendment is fixed.

Chairman Gerard noted the following were present in support of the bill: M. Joyce Geyser, Arizona Radiological Society; and Mike Low, MICA.

HB 2063 – naturopathic board – DO PASS AMENDED/STRIKE EVERYTHING

Barbara Guenther, Senate Family Services Committee Analyst, explained that HB 2063 has a six-page Gerard strike-everything amendment dated 03/23/01 at 11:18 a.m. that restricts voluntary placement of children and requires the Department of Economic Security (DES) to provide services specified in a
case plan that is formulated within ten days of placement. There is a four-line Hartley amendment dated 03/26/01 at 10:26 a.m. that states that the department must ensure that the services are provided and must ensure safety of a child after their return.

Senator Gerard commented that not only is this a standard no one can meet it is potentially a standard that can land the State in court. She questioned if the language using “ensure” is used in other Child Protective Services (CPS) requirements in taking care of children. Ms. Guenther replied that the statutory language regarding dependency talks about the services that are necessary to provide to the family, child and the case planning process. It does not require the department to “ensure” the safety of a child. It does require the department to provide certain services in accordance to the case plan that is likely to reduce the risk of harm to the child.

Senator Gerard noted that this amendment would hold the department to a higher standard. Ms. Guenther replied that is correct.

Senator Solomon questioned who brought this bill. Senator Gerard replied that it is her idea from serving on the Marcus House Shelter Board. She listened to the executive director tell her about children who were on voluntary placements that she felt came from more serious situations and should not have been on a voluntary placement. She said that she was also concerned about when they were sent back to their families or put in placements with family members, how the family members were not prepared or offered services to help them deal with children who often had serious problems. It was from that position and hearing the frustration that she started thinking about what to do with this problem. She noted the Ms. Rosenberg put together a meeting to structure the bill.

Senator Solomon asked if there was any objection in the Family Services Committee from DES in regards to the language. Ms. Guenther replied that there was not. Senator Solomon pointed out that she did not remember anyone stating that this was not a standard that the department could not meet.

Senator Gerard called a recess at 3:07 p.m.

Senator Gerard reconvened the meeting at 3:15 p.m.

Senator Cirillo moved HB 2063 be returned with a DO PASS recommendation.
Senator Cirillo moved the six-page Gerard strike-everything amendment dated 03/23/01, 11:18 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment G)

Senator Hellon moved the four-line Hartley amendment was WITHDRAWN. (Attachment H)

Senator Hellon moved HB 2063 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 6-0-2. (Attachment 4)

Chairman Gerard noted the following were present in support of the bill: David Miller, CEO, Arizona Council of Human Service Providers; Beth Rosenberg, Senior Program Associate, Children’s Action Alliance; Bonnie Cohn, Director, Marcus House Children’s Shelter; Chris Fickas, Director, Child Crisis Center, East Valley; Anna Arnold, Assistant Director, DES; and Christine Clouse, Executive Director, West Valley Child Crisis Center, Inc.

HB 2484 – high-performing schools (now: behavioral health systems; reporting) – DISCUSSION/HELD

Ms. Brennan explained that HB 2484 requires DHS to develop a mechanism for measuring the performance of the Division of Behavioral Health Services (DBHS) in the areas of clinical quality, availability of services, and quality of service as rated by the patient or the patient’s family. The 15-line Gerard amendment dated 03/26/01 at 2:56 p.m. (Attachment I) adds an additional area to measure the performance of the quality of Regional Behavioral Health Authority (RBHA) services as rated by RBHA subcontractors. It also adds provisions of a Senate Bill that was heard earlier that requires the Auditor General to conduct a survey of the behavioral health system to eliminate duplicative reporting requirements. Ms. Brennan pointed out that all the information needed for the reporting requirements is already being provided to them in a variety of different measures.

Ruthanne Wahlheim, Director of Performance Improvement, Pinal Gila Behavioral Health Association, noted that they have been working with RBHA and Representative Huppenthal in developing a pilot program to measure client and provider satisfaction, as well as community satisfaction. She stated that they have been doing the project for about four or five years and they have found that it is beneficial. There has been some good feedback from the clients and providers and feel that it has helped them initiate some performance improvement activities that have actually heightened their awareness to the clients’ needs.
Representative Huppenthal, bill sponsor, noted that when he asked for some reports, he received quite a stack. He said that he would prefer to have a few key measures of quality, quantity, and productivity. He mentioned that the current reporting is providing a tremendous load on the providers. He suggested that he only wants to review those few key measures and allow the rest of the data to dissipate.

HB 2595 – education 2000; revisions (now: disease control research commission; grants) – DO PASS AMENDED

Ms. Brennan explained that HB 2595 expands the uses of health research fund monies to include research for non-tobacco related diseases. The four-line Gerard amendment dated 03/26/01 at 3:29 p.m. makes technical changes.

Senator Nichols moved HB 2595 be returned with a DO PASS recommendation.

Senator Nichols moved the four-line Gerard amendment dated 03/26/01, 3:29 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment J)

Senator Guenther moved HB 2595 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 5-1-2. (Attachment 5)

Chairman Gerard noted that Dawn Schroeder, Executive Director, ADCRC, was present in support of the bill.

HB 2607 – prescription medication; coverage (now: coverage; prescription; medication) – DO PASS

Ms. Seeglitz explained that HB 2607 establishes, subject to the availability of monies, a prescription medication subsidy pilot program under AHCCCS for certain eligible persons. The bill appropriates $8.8 million over the biennium from the state general fund to AHCCCS for the program.

Representative Deb Gullett, bill sponsor, noted that this bill is a prescription drug plan modeled after one that is working successfully in Indiana. There were several factors that weighed heavily on how the program was designed. The state feels that the federal government is going to do something. President Bush
has announced his intentions to double Medicare over ten years. A bipartisan prescription drug plan from the federal government will most likely be implemented in 2003 and certainly by 2004. She said that they did not want to interfere with what the federal government might do, therefore, this is a two-year pilot program with a provision to immediately phase it out should the feds act more quickly than is expected. In recognizing the state budget limitations, if additional money becomes available, this program can be easily expanded to include more needy people, both seniors and disabled Medicare recipients and include the three large counties that currently have HMOs. She indicated that everyone has heard the horror stories of seniors with debilitating catastrophic problems such as Alzheimer’s, Parkinson, or diabetes, who are having to make terrible choices of going without needed essentials in order to pay for their prescriptions. She said they are trying to help the people with the greatest need.

Donald Vance, Coordinator, Capital City Taskforce, AARP, testified that they support this bill because it is a significant amount of money that is going to go to people who have the greatest need. He said that there are some technical issues such as going back to the first of the year and tell people that they have to find all their drug receipts and get themselves eligible when perhaps there will not be a bill until October. He said that he feels the concept of the bill is important. This is a bill that the state is contributing to substantially. With this type of bill, people are still going to be paying approximately two-thirds of the cost of the drugs even with the state assistance.

Senator Nichols said that it is necessary to combine the three elements, the rebate discount program, a rural assistance program, and the catastrophic rural assistance program. He asked if with those three elements, the state would be moving in the right direction. Mr. Vance replied that they do not see any conflict in the three bills. If they should be able to get through the process, they will amount to some small but meaningful support for those needy people.

Senator Nichols moved HB 2607 be returned with a DO PASS recommendation.

The motion CARRIED with a roll call vote of 7-0-1. (Attachment 6)

Chairman Gerard noted the following were present in support of the bill: Joel Goldenberg, Member Capital City Taskforce, AARP; Donna Redford, Director, ABIL; Gene VandenBosch, Director of Policy, Arizona Association of Homes and Housing for the Aging; David W. Carey, Citizen; Joe Abate, Attorney, Pharmaceutical Research and Manufacturers of America; Kathy Boyle, Executive Director, Arizona Pharmacy Association; Lila J. Freitag, Alzheimer’s Research, Governor’s Advisory Council on Aging; Marjorie Mead, National Organization for Women; Mary Griffith, Legislative Chair, Arizona Nurses Association; Michelle A. Ahlmer, Executive director, Arizona Retailers Association; and Amy Hyman, Legislative Liaison, Governor’s Council on Developmental Disabilities.
Mr. Bezozo explained that HB 2016 repeals the crimes of sodomy, cohabitation and lewd and lascivious acts and narrows the circumstances under which a prosecution for adultery may be brought.

Senator Cirillo moved HB 2016 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 7-0-1. (Attachment 7)

Chairman Gerard noted that Kathie Gummere, Executive Director, Arizona Human Rights Fund, was present in support of the bill.

There being no further business, the meeting was adjourned at 3:53 p.m.

Respectfully submitted,

Carol Dager
Committee Secretary

(Tapes and attachments on file in the Secretary of the Senate’s Office/Resource Center, Room 115.)