

REFERENCE TITLE: mandated health coverage report; legislators

State of Arizona
House of Representatives
Fiftieth Legislature
First Regular Session
2011

HB 2099

Introduced by
Representative Heinz

AN ACT

AMENDING SECTIONS 20-181, 20-182 AND 20-183, ARIZONA REVISED STATUTES;
RELATING TO HEALTH INSURANCE MANDATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-181, Arizona Revised Statutes, is amended to
3 read:

4 20-181. Mandated health coverage; report

5 An organization or individual, **OTHER THAN A LEGISLATOR**, advocating a
6 legislative proposal that would mandate a health coverage or offering of a
7 health coverage by an insurer, hospital, medical, dental or optometric
8 service corporation, health care services organization or any other health
9 care service contractor as a component of individual or group policies shall
10 submit a report pursuant to section 20-183. The report shall assess both the
11 social and financial impacts of such coverage, including the effectiveness of
12 the treatment or service proposed, according to the factors prescribed in
13 section 20-182.

14 Sec. 2. Section 20-182, Arizona Revised Statutes, is amended to read:

15 20-182. Factors for assessing impact; certification of report

16 A. To the extent that information is available, the report prescribed
17 by section 20-181 shall include, but not be limited to, the following:

18 1. The social impact:

19 (a) The extent to which the treatment or service is generally **utilized**
20 **USED** by a significant portion of the population.

21 (b) The extent to which the insurance coverage is already generally
22 available.

23 (c) If coverage is not generally available, the extent to which the
24 lack of coverage results in persons avoiding necessary health care
25 treatments.

26 (d) If the coverage is not generally available, the extent to which
27 the lack of coverage results in unreasonable financial hardship to a patient.

28 (e) The level of public demand for the treatment or service.

29 (f) The level of public demand for insurance coverage of the treatment
30 or service.

31 (g) The level of interest of collective bargaining agents in
32 negotiating privately for inclusion of this coverage in group contracts.

33 2. The financial impact:

34 (a) The extent to which the coverage will increase or decrease the
35 cost of the treatment or service.

36 (b) The extent to which the coverage will increase the appropriate use
37 of the treatment or service.

38 (c) The extent to which the mandated treatment or service will be a
39 substitute for a more expensive treatment or service.

40 (d) The extent to which the coverage will increase or decrease the
41 administrative expenses of insurers and the premium and administrative
42 expenses of policyholders.

43 (e) The impact of this coverage on the total cost of health care.

44 B. An actuary who is a member of the American academy of actuaries
45 shall prepare the financial impact analysis required by subsection A,

1 paragraph 2 of this section and certify that the analysis is consistent with
2 accepted actuarial techniques.

3 C. The report required by section 20-181 shall address the specific
4 language of the proposed mandate. A report on a similar proposal in a
5 different jurisdiction is insufficient and does not meet the requirements of
6 section 20-181.

7 D. An organization, ~~OR~~ **OR** individual ~~or legislator~~ that does not submit
8 a report required by section 20-181 is not subject to any civil sanction or
9 criminal penalty.

10 Sec. 3. Section 20-183, Arizona Revised Statutes, is amended to read:
11 **20-183. Report procedures and deadlines**

12 A person, ~~or~~ **OTHER THAN** a legislator, advocating a legislative proposal
13 pursuant to section 20-181 shall submit a written report explaining the
14 factors prescribed in section 20-182 to the joint legislative audit committee
15 established by section 41-1279. The report must be submitted on or before
16 September 1 before the start of the legislative session for which the
17 legislation is proposed. The joint legislative audit committee shall assign
18 the written report to the appropriate legislative committee of reference
19 established pursuant to section 41-2954. The legislative committee of
20 reference shall hold at least one hearing and take public testimony after
21 receiving the report. The legislative committee of reference shall study the
22 written report and deliver a report of its recommendations to the joint
23 legislative audit committee, the speaker of the house of representatives, the
24 president of the senate, the governor and the director of the department of
25 insurance on or before December 1 of the year in which the report is
26 submitted.