

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

SENATE BILL 1336

AN ACT

AMENDING SECTIONS 36-405 AND 41-3955.01, ARIZONA REVISED STATUTES;
RELATING TO PUBLIC HEALTH AND SAFETY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 36-405, Arizona Revised Statutes, is amended to
3 read:

4 36-405. Powers and duties of the director

5 A. The director shall adopt rules to establish minimum standards
6 and requirements for the construction, modification and licensure of
7 health care institutions necessary to ensure the public health, safety and
8 welfare. The standards and requirements shall relate to the construction,
9 equipment, sanitation, staffing for medical, nursing and personal care
10 services, and recordkeeping pertaining to the administration of medical,
11 nursing, behavioral health and personal care services, in accordance with
12 generally accepted practices of health care. The director shall use the
13 current standards adopted by the joint commission on accreditation of
14 hospitals and the commission on accreditation of the American osteopathic
15 association or those adopted by any recognized accreditation organization
16 approved by the department as guidelines in prescribing minimum standards
17 and requirements under this section.

18 B. The director, by rule, may:

19 1. Classify and subclassify health care institutions according to
20 character, size, range of services provided, medical or dental specialty
21 offered, duration of care and standard of patient care required for the
22 purposes of licensure. Classes of health care institutions may include
23 hospitals, infirmaries, outpatient treatment centers, health screening
24 services centers and residential care facilities, **INCLUDING SECURE**
25 **BEHAVIORAL HEALTH RESIDENTIAL FACILITIES**. Whenever the director
26 reasonably deems distinctions in rules and standards to be appropriate
27 among different classes or subclasses of health care institutions, the
28 director may make such distinctions.

29 2. Prescribe standards for determining a health care institution's
30 substantial compliance with licensure requirements.

31 3. Prescribe the criteria for the licensure inspection process.

32 4. Prescribe standards for the selection of health care-related
33 demonstration projects.

34 5. Establish nonrefundable application and licensing fees for
35 health care institutions, including a grace period and a fee for the late
36 payment of licensing fees, and fees for architectural plans and
37 specifications reviews.

38 6. Establish a process for the department to notify a licensee of
39 the licensee's licensing fee due date.

40 7. Establish a process for a licensee to request a different
41 licensing fee due date, including any limits on the number of requests by
42 the licensee.

1 C. The director, by rule, shall adopt licensing provisions that
2 facilitate the colocation and integration of outpatient treatment centers
3 that provide medical, nursing and health-related services with behavioral
4 health services consistent with article 3.1 of this chapter.

5 D. Ninety percent of the fees collected pursuant to this section
6 shall be deposited, pursuant to sections 35-146 and 35-147, in the health
7 services licensing fund established by section 36-414 and ten percent of
8 the fees collected pursuant to this section shall be deposited, pursuant
9 to sections 35-146 and 35-147, in the state general fund.

10 E. Subsection B, paragraph 5 of this section does not apply to a
11 health care institution operated by a state agency pursuant to state or
12 federal law or to adult foster care residential settings.

13 Sec. 2. Section 41-3955.01, Arizona Revised Statutes, is amended to
14 read:

15 41-3955.01. Seriously mentally ill housing trust fund;
16 purpose; report

17 A. The seriously mentally ill housing trust fund is
18 established. The director of the Arizona health care cost containment
19 system administration shall administer the fund. The fund consists of
20 monies received pursuant to section 44-313 and investment earnings.

21 B. On notice from the director of the Arizona health care cost
22 containment system administration, the state treasurer shall invest and
23 divest monies in the fund as provided by section 35-313, and monies earned
24 from investment shall be credited to the fund.

25 C. **EXCEPT AS PROVIDED IN SUBSECTION D OF THIS SECTION,** fund monies
26 shall be spent on approval of the Arizona health care cost containment
27 system administration solely for housing projects **AND RENTAL ASSISTANCE**
28 for seriously mentally ill persons.

29 **D. FUND MONIES MAY BE SPENT FOR SERIOUSLY MENTALLY ILL PERSONS IN**
30 **THE FOLLOWING SETTINGS:**

31 **1. A COMMUNITY LIVING HOME THAT IS FOR PERSONS WHO HOLD THEIR OWN**
32 **LEASES AND THAT HAS EMBEDDED IN-HOME SUPPORT TO MEET THE INDIVIDUALIZED**
33 **NEEDS OF THE PERSON AND UP TO TWENTY-FOUR HOURS OF SUPPORT AND SUPERVISION**
34 **AS INDICATED BY THE PERSON'S INDIVIDUAL TREATMENT PLAN.**

35 **2. A BEHAVIORAL HEALTH RESIDENTIAL FACILITY THAT:**

36 **(a) IS LICENSED BY THE DEPARTMENT OF HEALTH SERVICES.**

37 **(b) PROVIDES IN-HOUSE WRAPAROUND SERVICES AND SECURE**
38 **TWENTY-FOUR-HOUR ON-SITE SUPPORT, TREATMENT AND SUPERVISION BY STAFF WITH**
39 **BEHAVIORAL HEALTH TRAINING FOR PERSONS WHO HAVE SERIOUS MENTAL ILLNESS OF**
40 **SUFFICIENT SEVERITY AS TO REQUIRE ASSISTANCE TO LIVE IN THE COMMUNITY AND**
41 **WHO ARE SUBJECT TO A PLAN OF CARE THAT IS ORDERED BY A MENTAL HEALTH**
42 **COURT, A MENTAL HEALTH DIVISION OF THE PROBATE COURT, A CRIMINAL COURT AS**
43 **PART OF A PLEA AGREEMENT OR JUDGMENT AND CONVICTION OR A COURT AS PART OF**
44 **GUARDIANSHIP PROCEEDINGS OR THAT IS PART OF A DIVERSION AGREEMENT ENTERED**
45 **INTO WITH A LAW ENFORCEMENT AGENCY.**

