CHAPTER 314

HOUSE BILL 2863

AN ACT

AMENDING TITLE 36, CHAPTER 21, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2175; AMENDING SECTIONS 36-2901 AND 36-2907, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 1, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-177; AMENDING TITLE 41, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-703.01; REPEALING SECTION 41-703.01, ARIZONA REVISED STATUTES; AMENDING LAWS 2020, CHAPTER 54, SECTION 2; AMENDING LAWS 2021, CHAPTER 390, SECTIONS 33, 37, 39, 42 AND 43; AMENDING LAWS 2021, CHAPTER 409, SECTION 23; APPROPRIATING MONIES; RELATING TO HEALTH CARE.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 36, chapter 21, article 1, Arizona Revised Statutes, is amended by adding section 36-2175, to read:

36-2175. Behavioral health care provider loan repayment program; purpose; eligibility; default; use of monies

A. THE BEHAVIORAL HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM IS ESTABLISHED IN THE DEPARTMENT TO PAY OFF PORTIONS OF EDUCATIONAL LOANS TAKEN OUT BY BEHAVIORAL HEALTH CARE PROVIDERS AND NURSES, INCLUDING BEHAVIORAL HEALTH TECHNICIANS, BEHAVIORAL HEALTH NURSE PRACTITIONERS, PSYCHIATRIC NURSE PRACTITIONERS AND LICENSED PRACTICAL NURSES, PHYSICIANS, PSYCHIATRISTS, AND PSYCHOLOGISTS WHO SERVE IN BEHAVIORAL HEALTH FACILITIES, INCLUDING THE ARIZONA STATE HOSPITAL, BEHAVIORAL HEALTH RESIDENTIAL FACILITIES AND SECURE BEHAVIORAL HEALTH RESIDENTIAL FACILITIES.

B. THE DEPARTMENT SHALL PRESCRIBE APPLICATION AND ELIGIBILITY REQUIREMENTS. TO BE ELIGIBLE TO PARTICIPATE IN THE BEHAVIORAL HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM, AN APPLICANT SHALL MEET AT LEAST THE FOLLOWING REQUIREMENTS:

1. HAVE COMPLETED THE FINAL YEAR OF A COURSE OF STUDY OR PROGRAM APPROVED BY RECOGNIZED ACCREDITING AGENCIES FOR HIGHER EDUCATION IN A HEALTH PROFESSION LICENSED PURSUANT TO TITLE 32 OR HOLD AN ACTIVE LICENSE IN A HEALTH PROFESSION LICENSED PURSUANT TO TITLE 32.

2. DEMONSTRATE CURRENT EMPLOYMENT PROVIDING DIRECT PATIENT CARE WITH A PUBLIC OR NONPROFIT ENTITY LOCATED AND PROVIDING SERVICES IN A BEHAVIORAL HEALTH HOSPITAL, A BEHAVIORAL HEALTH RESIDENTIAL FACILITY OR A SECURE BEHAVIORAL HEALTH RESIDENTIAL FACILITY IN THIS STATE.

3. DEMONSTRATE THAT THE CURRENT EMPLOYER IS CONTRACTED WITH THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM TO PROVIDE SERVICES.

4. NOT BE PARTICIPATING IN ANY OTHER LOAN REPAYMENT PROGRAM ESTABLISHED BY THIS ARTICLE.

C. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION, AN APPLICANT WHO IS A PHYSICIAN SHALL HAVE COMPLETED A PROFESSIONAL RESIDENCY OR CERTIFICATION PROGRAM IN BEHAVIORAL HEALTH CARE.

D. A BEHAVIORAL HEALTH CARE PROVIDER OR NURSE WHO PARTICIPATES IN THE BEHAVIORAL HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM SHALL INITIALLY CONTRACT WITH THE DEPARTMENT TO PROVIDE SERVICES PURSUANT TO THIS SECTION FOR AT LEAST TWO YEARS.

E. IN MAKING RECOMMENDATIONS FOR THE BEHAVIORAL HEALTH CARE PROVIDER LOAN REPAYMENT PROGRAM, THE DEPARTMENT SHALL GIVE PRIORITY TO APPLICANTS WHO INTEND TO PRACTICE IN THE ARIZONA STATE HOSPITAL, A BEHAVIORAL HEALTH RESIDENTIAL FACILITY OR A SECURE BEHAVIORAL HEALTH RESIDENTIAL FACILITY IN THIS STATE.
F. All loan repayment contract obligations are subject to the availability of monies and legislative appropriation. The department may cancel or suspend a loan repayment contract based on unavailability of monies for the program. The department is not liable for any claims, actual damages or consequential damages arising out of a cancellation or suspension of a contract.

G. This section does not prevent the department from encumbering an amount that is sufficient to ensure payment of each behavioral health care provider loan for the services rendered during a contract period.

H. The department shall issue program monies to pay behavioral health care provider loans that are limited to the amount of principal, interest and related expenses of educational loans, not to exceed the behavioral health care provider's or nurse's total student loan indebtedness, according to the following schedule:

1. For the first two years of service, a maximum of $50,000.
2. For subsequent years, a maximum of $25,000.

I. A participant in the behavioral health care provider loan repayment program who breaches the loan repayment contract by failing to begin or to complete the obligated services is liable for liquidated damages in an amount equivalent to the amount that would be owed for default as determined and authorized by the department. The department may waive the liquidated damages provisions of this subsection if it determines that death or permanent physical disability accounted for the failure of the participant to fulfill the contract. The department may prescribe additional conditions for default, cancellation, waiver or suspension.

J. Notwithstanding section 41-192, the department may retain legal counsel and commence actions that are necessary to collect loan payments and charges if there is a default or a breach of a contract entered into pursuant to this section.

K. The department may use monies to develop programs such as resident-to-service loan repayment and employer recruitment assistance to increase participation in the behavioral health care provider loan repayment program. The department may use private donations, grants and federal monies to implement, support, promote or maintain the program.

Sec. 2. Section 36-2901, Arizona Revised Statutes, is amended to read:

36-2901. Definitions
In this article, unless the context otherwise requires:
1. "Administration" means the Arizona health care cost containment system administration.
2. "Administrator" means the administrator of the Arizona health care cost containment system.
3. "Contractor" means a person or entity that has a prepaid capitated contract with the administration pursuant to section 36-2904 or chapter 34 of this title to provide health care to members under this article or persons under chapter 34 of this title either directly or through subcontracts with providers.

4. "Department" means the department of economic security.

5. "Director" means the director of the Arizona health care cost containment system administration.

6. "Eligible person" means any person who is:
   (a) Any of the following:
      (i) Defined as mandatorily or optionally eligible pursuant to title XIX of the social security act as authorized by the state plan.
      (ii) Defined in title XIX of the social security act as an eligible pregnant woman OR A WOMAN WHO IS LESS THAN ONE YEAR POSTPARTUM with a family income that does not exceed one hundred fifty percent of the federal poverty guidelines, as a child under the age of six years and whose family income does not exceed one hundred thirty-three percent of the federal poverty guidelines or as children who have not attained nineteen years of age and whose family income does not exceed one hundred thirty-three percent of the federal poverty guidelines.
      (iii) Under twenty-six years of age and who was in the custody of the department of child safety pursuant to title 8, chapter 4 when the person became eighteen years of age.
      (iv) Defined as eligible pursuant to section 36-2901.01.
      (v) Defined as eligible pursuant to section 36-2901.04.
      (vi) Defined as eligible pursuant to section 36-2901.07.
   (b) A full-time officer or employee of this state or of a city, town or school district of this state or other person who is eligible for hospitalization and medical care under title 38, chapter 4, article 4.
   (c) A full-time officer or employee of any county in this state or other persons authorized by the county to participate in county medical care and hospitalization programs if the county in which such officer or employee is employed has authorized participation in the system by resolution of the county board of supervisors.
   (d) An employee of a business within this state.
   (e) A dependent of an officer or employee who is participating in the system.
   (f) Not enrolled in the Arizona long-term care system pursuant to article 2 of this chapter.
   (g) Defined as eligible pursuant to section 1902(a)(10)(A)(ii)(XV) and (XVI) of title XIX of the social security act and who meets the income requirements of section 36-2929.

7. "Graduate medical education" means a program, including an approved fellowship, that prepares a physician for the independent practice of medicine by providing didactic and clinical education in a
medical discipline to a medical student who has completed a recognized undergraduate medical education program.

8. "Malice" means evil intent and outrageous, oppressive or intolerable conduct that creates a substantial risk of tremendous harm to others.

9. "Member" means an eligible person who enrolls in the system.

10. "Modified adjusted gross income" has the same meaning prescribed in 42 United States Code section 1396a(e)(14).

11. "Noncontracting provider" means a person who provides health care to members pursuant to this article but not pursuant to a subcontract with a contractor.

12. "Physician" means a person WHO IS licensed pursuant to title 32, chapter 13 or 17.

13. "Prepaid capitated" means a mode of payment by which a health care contractor directly delivers health care services for the duration of a contract to a maximum specified number of members based on a fixed rate per member notwithstanding:
   (a) The actual number of members who receive care from the contractor.
   (b) The amount of health care services provided to any member.

14. "Primary care physician" means a physician who is a family practitioner, general practitioner, pediatrician, general internist, or obstetrician or gynecologist.

15. "Primary care practitioner" means a nurse practitioner OR CERTIFIED NURSE MIDWIFE WHO IS certified pursuant to title 32, chapter 15 or a physician assistant certified WHO IS LICENSED pursuant to title 32, chapter 25. This paragraph does not expand the scope of practice for nurse practitioners OR CERTIFIED NURSE MIDWIVES as defined pursuant to title 32, chapter 15;— or for physician assistants as defined pursuant to title 32, chapter 25.

16. "Regional behavioral health authority" has the same meaning prescribed in section 36-3401.

17. "Section 1115 waiver" means the research and demonstration waiver granted by the United States department of health and human services.

18. "Special health care district" means a special health care district organized pursuant to title 48, chapter 31.

19. "State plan" has the same meaning prescribed in section 36-2931.

20. "System" means the Arizona health care cost containment system established by this article.
Sec. 3. Section 36-2907, Arizona Revised Statutes, is amended to read:

36-2907. Covered health and medical services; modifications; rules; related delivery of service requirements; definition

A. Subject to the limitations and exclusions specified in this section, contractors shall provide the following medically necessary health and medical services:

1. Inpatient hospital services that are ordinarily furnished by a hospital for the care and treatment of inpatients and that are provided under the direction of a physician or a primary care practitioner. For the purposes of this section, inpatient hospital services exclude services in an institution for tuberculosis or mental diseases unless authorized under an approved section 1115 waiver.

2. Outpatient health services that are ordinarily provided in hospitals, clinics, offices and other health care facilities by licensed health care providers. Outpatient health services include services provided by or under the direction of a physician or a primary care practitioner, including occupational therapy.

3. Other laboratory and X-ray services ordered by a physician or a primary care practitioner.

4. Medications that are ordered on prescription by a physician or a dentist who is licensed pursuant to title 32, chapter 11. Persons who are dually eligible for title XVIII and title XIX services must obtain available medications through a medicare licensed or certified medicare advantage prescription drug plan, a medicare prescription drug plan or any other entity authorized by medicare to provide a medicare part D prescription drug benefit.

5. Medical supplies, durable medical equipment, insulin pumps and prosthetic devices ordered by a physician or a primary care practitioner. Suppliers of durable medical equipment shall provide the administration with complete information about the identity of each person who has an ownership or controlling interest in their business and shall comply with federal bonding requirements in a manner prescribed by the administration.

6. For persons who are at least twenty-one years of age, treatment of medical conditions of the eye, excluding eye examinations for prescriptive lenses and the provision of prescriptive lenses.

7. Early and periodic health screening and diagnostic services as required by section 1905(r) of title XIX of the social security act for members who are under twenty-one years of age.

8. Family planning services that do not include abortion or abortion counseling. If a contractor elects not to provide family planning services, this election does not disqualify the contractor from delivering all other covered health and medical services under this chapter. In that event, the administration may contract directly with
another contractor, including an outpatient surgical center or a noncontracting provider, to deliver family planning services to a member who is enrolled with the contractor that elects not to provide family planning services.

9. Podiatry services that are performed by a podiatrist who is licensed pursuant to title 32, chapter 7 and ordered by a primary care physician or primary care practitioner.


11. Dental services as follows:
   (a) Except as provided in subdivision (b) of this paragraph, for persons who are at least twenty-one years of age, emergency dental care and extractions in an annual amount of not more than $1,000 per member.
   (b) Subject to approval by the centers for medicare and medicaid services, for persons treated at an Indian health service or tribal facility, adult dental services that are eligible for a federal medical assistance percentage of one hundred percent and that are in excess of the limit prescribed in subdivision (a) of this paragraph.

12. Ambulance and nonambulance transportation, except as provided in subsection G of this section.

13. Hospice care.

14. Orthotics, if all of the following apply:
   (a) The use of the orthotic is medically necessary as the preferred treatment option consistent with medicare guidelines.
   (b) The orthotic is less expensive than all other treatment options or surgical procedures to treat the same diagnosed condition.
   (c) The orthotic is ordered by a physician or primary care practitioner.

15. SUBJECT TO APPROVAL BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, MEDICALLY NECESSARY CHIROPRACTIC SERVICES THAT ARE PERFORMED BY A CHIROPRACTOR WHO IS LICENSED PURSUANT TO TITLE 32, CHAPTER 8 AND THAT ARE ORDERED BY A PRIMARY CARE PHYSICIAN OR PRIMARY CARE PRACTITIONER PURSUANT TO RULES ADOPTED BY THE ADMINISTRATION. THE PRIMARY CARE PHYSICIAN OR PRIMARY CARE PRACTITIONER MAY INITIALLY ORDER UP TO TWENTY VISITS ANNUALLY THAT INCLUDE TREATMENT AND MAY REQUEST AUTHORIZATION FOR ADDITIONAL CHIROPRACTIC SERVICES IN THAT SAME YEAR IF ADDITIONAL CHIROPRACTIC SERVICES ARE MEDICALLY NECESSARY.

B. The limitations and exclusions for health and medical services provided under this section are as follows:
   1. Circumcision of newborn males is not a covered health and medical service.
   2. For eligible persons who are at least twenty-one years of age:
      (a) Outpatient health services do not include speech therapy.
(b) Prosthetic devices do not include hearing aids, dentures, bone-anchored hearing aids or cochlear implants. Prosthetic devices, except prosthetic implants, may be limited to $12,500 per contract year.

c) Percussive vests are not covered health and medical services.

d) Durable medical equipment is limited to items covered by medicare.

e) Nonexperimental transplants do not include pancreas-only transplants.

(f) Bariatric surgery procedures, including laparoscopic and open gastric bypass and restrictive procedures, are not covered health and medical services.

C. The system shall pay noncontracting providers only for health and medical services as prescribed in subsection A of this section and as prescribed by rule.

D. The director shall adopt rules necessary to limit, to the extent possible, the scope, duration and amount of services, including maximum limitations for inpatient services that are consistent with federal regulations under title XIX of the social security act (P.L. 89-97; 79 Stat. 344; 42 United States Code section 1396 (1980)). To the extent possible and practicable, these rules shall provide for the prior approval of medically necessary services provided pursuant to this chapter.

E. The director shall make available home health services in lieu of hospitalization pursuant to contracts awarded under this article. For the purposes of this subsection, "home health services" means the provision of nursing services, home health aide services or medical supplies, equipment and appliances that are provided on a part-time or intermittent basis by a licensed home health agency within a member's residence based on the orders of a physician or a primary care practitioner. Home health agencies shall comply with the federal bonding requirements in a manner prescribed by the administration.

F. The director shall adopt rules for the coverage of behavioral health services for persons who are eligible under section 36-2901, paragraph 6, subdivision (a). The administration acting through the regional behavioral health authorities shall establish a diagnostic and evaluation program to which other state agencies shall refer children who are not already enrolled pursuant to this chapter and who may be in need of behavioral health services. In addition to an evaluation, the administration acting through regional behavioral health authorities shall also identify children who may be eligible under section 36-2901, paragraph 6, subdivision (a) or section 36-2931, paragraph 5 and shall refer the children to the appropriate agency responsible for making the final eligibility determination.

G. The director shall adopt rules providing for transportation services and rules providing for copayment by members for transportation for other than emergency purposes. Subject to approval by the centers for
medicare and medicaid services, nonemergency medical transportation shall
not be provided except for stretcher vans and ambulance transportation.
Prior authorization is required for transportation by stretcher van and
for medically necessary ambulance transportation initiated pursuant to a
physician's direction. Prior authorization is not required for medically
necessary ambulance transportation services rendered to members or
eligible persons initiated by dialing telephone number 911 or other
designated emergency response systems.

H. The director may adopt rules to allow the administration, at the
director's discretion, to use a second opinion procedure under which
surgery may not be eligible for coverage pursuant to this chapter without
documentation as to need by at least two physicians or primary care
practitioners.

I. If the director does not receive bids within the amounts
budgeted or if at any time the amount remaining in the Arizona health care
cost containment system fund is insufficient to pay for full contract
services for the remainder of the contract term, the administration, on
notification to system contractors at least thirty days in advance, may
modify the list of services required under subsection A of this section
for persons defined as eligible other than those persons defined pursuant
to section 36-2901, paragraph 6, subdivision (a). The director may also
suspend services or may limit categories of expense for services defined
as optional pursuant to title XIX of the social security act (P.L. 89-97;
79 Stat. 344; 42 United States Code section 1396 (1980)) for persons
defined pursuant to section 36-2901, paragraph 6, subdivision (a). Such
reductions or suspensions do not apply to the continuity of care for
persons already receiving these services.

J. All health and medical services provided under this article
shall be provided in the geographic service area of the member, except:
1. Emergency services and specialty services provided pursuant to
section 36-2908.
2. That the director may allow the delivery of health and medical
services in other than the geographic service area in this state or in an
adjoining state if the director determines that medical practice patterns
justify the delivery of services or a net reduction in transportation
costs can reasonably be expected. Notwithstanding the definition of
physician as prescribed in section 36-2901, if services are procured from
a physician or primary care practitioner in an adjoining state, the
physician or primary care practitioner shall be licensed to practice in
that state pursuant to licensing statutes in that state that are similar
to title 32, chapter 13, 15, 17 or 25 and shall complete a provider
agreement for this state.

K. Covered outpatient services shall be subcontracted by a primary
care physician or primary care practitioner to other licensed health care
providers to the extent practicable for purposes including, but not
limited to, making health care services available to underserved areas, reducing costs of providing medical care and reducing transportation costs.

L. The director shall adopt rules that prescribe the coordination of medical care for persons who are eligible for system services. The rules shall include provisions for transferring patients and medical records and initiating medical care.

M. NOTWITHSTANDING SECTION 36-2901.08, MONIES FROM THE HOSPITAL ASSESSMENT FUND ESTABLISHED BY SECTION 36-2901.09 MAY NOT BE USED TO PROVIDE CHIROPRACTIC SERVICES AS PRESCRIBED IN SUBSECTION A, PARAGRAPH 15 OF THIS SECTION.

M. N. For the purposes of this section, "ambulance" has the same meaning prescribed in section 36-2201.

Sec. 4. Title 41, chapter 1, article 4, Arizona Revised Statutes, is amended by adding section 41-177, to read:

41-177. Arizona health innovation trust fund; purpose; annual report

A. THE ARIZONA HEALTH INNOVATION TRUST FUND IS ESTABLISHED. THE STATE TREASURER SHALL ADMINISTER THE TRUST FUND AS TRUSTEE.

B. THE TRUST FUND IS A PERMANENT ENDOWMENT FUND THAT CONSISTS OF MONIES APPROPRIATED BY THE LEGISLATURE, EARNINGS FROM THE FUND AND GIFTS OR GRANTS DONATED OR GIVEN TO THE FUND.

C. MONIES IN THE TRUST FUND ARE CONTINUOUSLY APPROPRIATED AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

D. THE STATE TREASURER SHALL ACCEPT, SEPARATELY ACCOUNT FOR AND HOLD IN TRUST ANY TRUST FUND MONIES DEPOSITED PURSUANT TO THIS SECTION IN THE STATE TREASURY, WHICH ARE CONSIDERED TO BE TRUST MONIES AS DEFINED IN SECTION 35-310 AND WHICH MAY NOT BE COMMINGLED WITH ANY OTHER MONIES IN THE STATE TREASURY EXCEPT FOR INVESTMENT PURPOSES. THE STATE TREASURER SHALL INVEST AND DIVEST, AS PROVIDED BY SECTIONS 35-313 AND 35-314.03, ANY TRUST FUND MONIES DEPOSITED IN THE STATE TREASURY, AND MONIES EARNED FROM INTEREST AND INVESTMENT INCOME SHALL BE CREDITED TO THE TRUST FUND.

E. THE STATE TREASURER SHALL ANNUALLY ALLOCATE FOUR PERCENT OF THE MONIES IN THE TRUST FUND TO AN ENTITY THAT SATISFIES ALL OF THE FOLLOWING REQUIREMENTS:

1. IS A CHARITABLE ORGANIZATION THAT IS QUALIFIED UNDER SECTION 501(c)(3) OF THE UNITED STATES INTERNAL REVENUE CODE FOR FEDERAL INCOME TAX PURPOSES.

2. PROVIDES ENTREPRENEURIAL EDUCATION, MENTORING AND SUPPORT TO PERSONS IN THE HEALTH INNOVATION AND HEALTH CARE DELIVERY SECTORS IN THIS STATE.

3. PROVIDES WORKFORCE DEVELOPMENT PROGRAMS DESIGNED TO SUPPORT THE TALENT REQUIREMENTS OF EMPLOYERS IN THE HEALTH INNOVATION AND HEALTH CARE DELIVERY SECTORS IN THIS STATE.
4. PROVIDES PROGRAMS THAT SUPPORT THE DEVELOPMENT AND COMMERCIALIZATION OF HEALTH INNOVATION BY BUSINESSES THAT ARE BASED IN THIS STATE AND THAT EMPLOY NOT MORE THAN ONE HUNDRED EMPLOYEES.

5. HAS ENTERED INTO AN ENDOWMENT AGREEMENT WITH THE STATE TREASURER THAT INCLUDES INVESTMENT PROCEDURES, MATURITY TIMELINES AND OTHER REQUIREMENTS ESTABLISHED BY THE STATE TREASURER AND ENTITY REPORTING REQUIREMENTS, WHICH MUST INCLUDE HOW DISTRIBUTIONS FROM THE TRUST FUND ARE USED AND THE SOCIAL AND ECONOMIC IMPACT OF THE USE.


Sec. 5. Title 41, chapter 4, article 1, Arizona Revised Statutes, is amended by adding section 41-703.01, to read:

41-703.01. Competitive grant program; technology solution; patient continuity of care; hospital interconnectivity; annual report; definitions

A. THE DEPARTMENT SHALL ADMINISTER A THREE-YEAR COMPETITIVE GRANT PROGRAM THAT PROVIDES AN INTEROPERABILITY SOFTWARE TECHNOLOGY SOLUTION TO SUPPORT RURAL HOSPITALS, HEALTH CARE PROVIDERS AND URBAN TRAUMA CENTERS TO FURTHER TREATMENT CARE COORDINATION WITH A FOCUS ON REDUCING PUBLIC AND PRIVATE HEALTH CARE COSTS AND UNNECESSARY TRANSPORTATION COSTS. THE DEPARTMENT SHALL AWAR THE FIRST GRANT UNDER THIS PROGRAM NOT LATER THAN DECEMBER 31, 2022.

B. THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM SHALL WORK WITH THE DEPARTMENT TO SUPPLEMENT THE GRANT MONIES BY IDENTIFYING AND APPLYING TO RECEIVE FEDERAL MATCHING MONIES.

C. THE GRANT PROGRAM SHALL ENABLE THE IMPLEMENTATION OF AN INTEROPERABILITY SOFTWARE TECHNOLOGY SOLUTION THAT IS SHARED BY HOSPITALS AND HEALTH CARE PROVIDERS TO BENEFIT PATIENTS BEFORE AND AFTER A PATIENT IS DISCHARGED FROM THE PROVIDER'S CARE.

D. THE SOFTWARE SHALL BE MADE AVAILABLE TO RURAL HOSPITALS, HEALTH CARE PROVIDERS AND URBAN TRAUMA CENTERS THAT WISH TO PARTICIPATE BY ENABLING A HOSPITAL'S ELECTRONIC MEDICAL RECORDS SYSTEM TO INTERFACE WITH OTHER ELECTRONIC MEDICAL RECORDS SYSTEMS AND PROVIDERS TO PROMOTE CONNECTIVITY BETWEEN HOSPITAL SYSTEMS AND FACILITATE INCREASED COMMUNICATION BETWEEN HOSPITAL STAFF AND PROVIDERS THAT USE DIFFERENT OR DISTINCTIVE ONLINE PLATFORMS AND INFORMATION SYSTEMS WHEN TREATING PATIENTS. THE DEPARTMENT SHALL AWARD GRANTS FOR AN INTEROPERABILITY SOFTWARE TECHNOLOGY SOLUTION THAT, AT A MINIMUM:

1. COMPLIES WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT PRIVACY STANDARDS (45 CODE OF FEDERAL REGULATIONS PART 160 AND PART 164, SUBPART E).
2. CAPTURES AND FORWARDS CLINICAL DATA, INCLUDING LABORATORY
RESULTS AND IMAGES, AND PROVIDES SYNCHRONOUS PATIENT CLINICAL DATA TO
HEALTH CARE PROVIDERS REGARDLESS OF GEOGRAPHIC LOCATION.
3. PROVIDES A SYNCHRONOUS DATA EXCHANGE THAT IS NOT BATCHED OR
DELAYED, AT THE POINT THE CLINICAL DATA IS CAPTURED AND AVAILABLE IN THE
HOSPITAL’S ELECTRONIC RECORD SYSTEM.
4. IS CAPABLE OF PROVIDING PROACTIVE ALERTS TO HEALTH CARE
PROVIDERS.
5. ALLOWS BOTH SYNCHRONOUS AND ASYNCHRONOUS COMMUNICATION.
6. HAS PATIENT-CENTRIC COMMUNICATION AND IS TRACKED WITH DATE AND
TIME STAMPING.
7. IS CONNECTED TO THE APPROPRIATE PHYSICIAN RESOURCES.
8. PROVIDES DATA TO UPDATE COST REPORTS TO ENHANCE EMERGENCY TRIAGE
AND TO TREAT AND TRANSPORT PATIENTS.
9. EACH GRANT RECIPIENT SHALL DEMONSTRATE PROOF OF VETERAN
EMPLOYMENT.
10. FOR EACH YEAR OF THE GRANT PROGRAM, EACH GRANT RECIPIENT SHALL
PROVIDE TO THE DEPARTMENT OF ADMINISTRATION A REPORT THAT PROVIDES METRICS
AND QUANTIFIES COST AND TIME SAVINGS FOR USING AN INTEROPERABLE SOFTWARE
SOLUTION IN HEALTH CARE THAT COMPLIES WITH THE HEALTH INSURANCE
PORTABILITY AND ACCOUNTABILITY ACT PRIVACY STANDARDS (45 CODE OF FEDERAL
REGULATIONS PART 160 AND PART 164, SUBPART E). ON OR BEFORE JULY 1 OF
EACH FISCAL YEAR OF THE GRANT PROGRAM, THE DEPARTMENT OF ADMINISTRATION IN
COORDINATION WITH THE ARIZONA HEALTH CARE COSTContainMENT SYSTEM SHALL
PROVIDE TO THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES, THE CHAIRPERSONS OF THE HEALTH AND HUMAN SERVICES
COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES AND THE
DIRECTORS OF THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR’S
OFFICE OF STRATEGIC PLANNING AND BUDGETING A REPORT ON THE ALLOCATION OF
GRANT FUNDING AND A COMPILED ANALYSIS OF THE REPORTS PROVIDED BY THE GRANT
RECIPIENTS.
11. FOR THE PURPOSES OF THIS SECTION:
1. “RURAL” MEAN A COUNTY WITH A POPULATION OF LESS THAN NINE
HUNDRED THOUSAND PERSONS.
2. “VETERAN EMPLOYMENT” MEANS A BUSINESS ORGANIZATION THAT EMPLOYS
AN INDIVIDUAL OR HAS A COMPANY OFFICER WHO SERVED AND WHO WAS HONORABLY
DISCHARGED FROM OR RELEASED UNDER HONORABLE CONDITIONS FROM SERVICE IN THE
ARMED FORCES.
Sec. 6. Delayed repeal
Section 41-703.01, Arizona Revised Statutes, as added by this act,
is repealed from and after June 30, 2026.
Sec. 7. Laws 2020, chapter 54, section 2 is amended to read:

Sec. 2. AHCCCS; disproportionate share payments; fiscal year 2020-2021

A. Disproportionate share payments for fiscal year 2020-2021 made pursuant to section 36-2903.01, subsection O, Arizona Revised Statutes, include:

1. $113,818,500 for a qualifying nonstate operated public hospital. The Maricopa county special health care district shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the Arizona health care cost containment system administration on or before May 1, 2021 for all state plan years as required by the Arizona health care cost containment system section 1115 waiver standard terms and conditions STATE PLAN. The administration shall assist the district in determining the amount of qualifying disproportionate share hospital expenditures. Once the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Maricopa county special health care district, if the certification is equal to or less than $113,818,500 and the administration determines that the revised amount is correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives, shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit the balance of the federal financial participation in the state general fund. If the certification provided is for an amount less than $113,818,500 and the administration determines that the revised amount is not correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives and shall deposit the total amount of the federal financial participation in the state general fund. If the certification provided is for an amount greater than $113,818,500, the administration shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit $75,812,100 of the federal financial participation in the state general fund. The administration may make additional disproportionate share hospital payments to the Maricopa county special health care district pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, and subsection B of this section.

2. $28,474,900 for the Arizona state hospital. The Arizona state hospital shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the administration on or before March 31, 2021. The administration shall assist the Arizona state hospital in determining the amount of qualifying disproportionate share hospital expenditures. Once
the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Arizona state hospital, the administration shall deposit the entire amount of federal financial participation in the state general fund. If the certification provided is for an amount less than $28,474,900, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives and shall deposit the entire amount of federal financial participation in the state general fund. The certified public expense form provided by the Arizona state hospital must contain both the total amount of qualifying disproportionate share hospital expenditures and the amount limited by section 1923(g) of the social security act.

3. $884,800 for private qualifying disproportionate share hospitals. The Arizona health care cost containment system administration shall make payments to hospitals consistent with this appropriation and the terms of the section 1115 waiver STATE PLAN, but payments are limited to those hospitals that either:
   (a) Meet the mandatory definition of disproportionate share qualifying hospitals under section 1923 of the social security act.
   (b) Are located in Yuma county and contain at least three hundred beds.

B. After the distributions made pursuant to subsection A of this section, the allocations of disproportionate share hospital payments made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, shall be made available first IN THE FOLLOWING ORDER to qualifying private hospitals located outside the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying hospitals within the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area: THAT ARE:
   1. LOCATED IN A COUNTY WITH A POPULATION OF FEWER THAN FOUR HUNDRED THOUSAND PERSONS.
   2. LOCATED IN A COUNTY WITH A POPULATION OF AT LEAST FOUR HUNDRED THOUSAND PERSONS BUT FEWER THAN NINE HUNDRED THOUSAND PERSONS.
   3. LOCATED IN A COUNTY WITH A POPULATION OF AT LEAST NINE HUNDRED THOUSAND PERSONS.

Sec. 8. Laws 2021, chapter 390, section 33 is amended to read:
Sec. 33. Delayed repeal
Title 31, chapter 4, Arizona Revised Statutes, is repealed from and after June 30, 2023 DECEMBER 31, 2022.

Sec. 9. Laws 2021, chapter 390, section 37 is amended to read:
Sec. 37. Delayed repeal
Section 36-220, Arizona Revised Statutes, as added by this act, is repealed from and after June 30, 2023 DECEMBER 31, 2022.
Sec. 10. Laws 2021, chapter 390, section 39 is amended to read:

Sec. 39. Delayed repeal
Section 41-3028.11, Arizona Revised Statutes, is repealed from and after June 30, 2023 DECEMBER 31, 2022.

Sec. 11. Laws 2021, chapter 390, section 42 is amended to read:
Sec. 42. Transfer of jurisdiction of psychiatric security review board powers and duties
A. Beginning from and after June 30, 2023 DECEMBER 31, 2022, the superior court shall have exclusive supervisory jurisdiction over all persons who are under the supervision of the psychiatric security review board on January 1, 2023.
B. The superior court is vested with the powers and duties of the psychiatric security review board as they existed before January 1, 2023 to carry out the provisions of title 13, chapter 38, article 14.

Sec. 12. Laws 2021, chapter 390, section 43 is amended to read:
Sec. 43. Effective date
The following sections are effective from and after June 30, 2023 DECEMBER 31, 2022:
1. Section 12-820.02, Arizona Revised Statutes, as amended by this act LAWS 2021, CHAPTER 390.
2. Section 13-502, Arizona Revised Statutes, as amended by section 5 of this act LAWS 2021, CHAPTER 390.
3. Section 13-3991, Arizona Revised Statutes, as amended by section 10 of this act LAWS 2021, CHAPTER 390.
4. Section 13-3992, Arizona Revised Statutes, as amended by section 12 of this act LAWS 2021, CHAPTER 390.
5. Section 13-3994, Arizona Revised Statutes, as amended by section 15 of this act LAWS 2021, CHAPTER 390.
6. Section 13-3995, Arizona Revised Statutes, as amended by section 17 of this act LAWS 2021, CHAPTER 390.
7. Section 13-3996, Arizona Revised Statutes, as amended by section 19 of this act LAWS 2021, CHAPTER 390.
8. Section 13-3997, Arizona Revised Statutes, as amended by section 21 of this act LAWS 2021, CHAPTER 390.
9. Section 13-3998, Arizona Revised Statutes, as amended by section 23 of this act LAWS 2021, CHAPTER 390.
10. Section 13-3999, Arizona Revised Statutes, as amended by section 25 of this act LAWS 2021, CHAPTER 390.
11. Section 13-4000, Arizona Revised Statutes, as amended by section 27 of this act LAWS 2021, CHAPTER 390.
Sec. 13. Laws 2021, chapter 409, section 23 is amended to read:

Sec. 23. AHCCCS; disproportionate share payments; fiscal year 2021-2022

A. Disproportionate share payments for fiscal year 2021-2022 made pursuant to section 36-2903.01, subsection O, Arizona Revised Statutes, include:

1. $113,818,500 for a qualifying nonstate operated public hospital. The Maricopa county special health care district shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the Arizona health care cost containment system administration on or before May 1, 2022 for all state plan years as required by the Arizona health care cost containment system state plan standard terms and conditions. The administration shall assist the district in determining the amount of qualifying disproportionate share hospital expenditures. Once the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Maricopa county special health care district, if the certification is equal to or less than $113,818,500 and the administration determines that the revised amount is correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives, shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit the balance of the federal financial participation in the state general fund. If the certification provided is for an amount less than $113,818,500 and the administration determines that the revised amount is not correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives, and shall deposit the total amount of the federal financial participation in the state general fund. If the certification provided is for an amount greater than $113,818,500, the administration shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit $75,482,000 of the federal financial participation in the state general fund. The administration may make additional disproportionate share hospital payments to the Maricopa county special health care district pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, and subsection B of this section.

2. $28,474,900 for the Arizona state hospital. The Arizona state hospital shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the administration on or before March 31, 2022. The administration shall assist the Arizona state hospital in determining the amount of qualifying disproportionate share hospital expenditures. Once
the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Arizona state hospital, the administration shall deposit the entire amount of federal financial participation in the state general fund. If the certification provided is for an amount less than $28,474,900, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives and shall deposit the entire amount of federal financial participation in the state general fund. The certified public expense form provided by the Arizona state hospital must contain both the total amount of qualifying disproportionate share hospital expenditures and the amount limited by section 1923(g) of the social security act.

3. $884,800 for private qualifying disproportionate share hospitals. The Arizona health care cost containment system administration shall make payments to hospitals consistent with this appropriation and the terms of the state plan, but payments are limited to those hospitals that either:
   (a) Meet the mandatory definition of disproportionate share qualifying hospitals under section 1923 of the social security act.
   (b) Are located in Yuma county and contain at least three hundred beds.

B. After the distributions made pursuant to subsection A of this section, the allocations of disproportionate share hospital payments made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, shall be made available first IN THE FOLLOWING ORDER to qualifying private hospitals located outside the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area before being made available to qualifying hospitals within the Phoenix metropolitan statistical area and the Tucson metropolitan statistical area. THAT ARE:

1. LOCATED IN A COUNTY WITH A POPULATION OF FEWER THAN FOUR HUNDRED THOUSAND PERSONS.
2. LOCATED IN A COUNTY WITH A POPULATION OF AT LEAST FOUR HUNDRED THOUSAND PERSONS BUT FEWER THAN NINE HUNDRED THOUSAND PERSONS.
3. LOCATED IN A COUNTY WITH A POPULATION OF AT LEAST NINE HUNDRED THOUSAND PERSONS.

Sec. 14. ALTCS; county contributions; fiscal year 2022-2023
A. Notwithstanding section 11-292, Arizona Revised Statutes, county contributions for the Arizona long-term care system for fiscal year 2022-2023 are as follows:

1. Apache $ 860,500
2. Cochise $ 6,320,300
3. Coconino $ 2,583,200
4. Gila $ 2,855,600
5. Graham $ 1,258,800
6. Greenlee $ 0
7. La Paz $653,700
8. Maricopa $229,265,800
9. Mohave $10,473,800
10. Navajo $3,561,400
11. Pima $54,350,500
12. Pinal $17,427,100
13. Santa Cruz $2,775,000
14. Yavapai $9,429,000
15. Yuma $10,883,000

B. If the overall cost for the Arizona long-term care system exceeds the amount specified in the general appropriations act for fiscal year 2022-2023, the state treasurer shall collect from the counties the difference between the amount specified in subsection A of this section and the counties' share of the state's actual contribution. The counties' share of the state's contribution must comply with any federal maintenance of effort requirements. The director of the Arizona health care cost containment system administration shall notify the state treasurer of the counties' share of the state's contribution and report the amount to the director of the joint legislative budget committee. The state treasurer shall withhold from any other monies payable to a county from whatever state funding source is available an amount necessary to fulfill that county's requirement specified in this subsection. The state treasurer may not withhold distributions from the Arizona highway user revenue fund pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes. The state treasurer shall deposit the amounts withheld pursuant to this subsection and amounts paid pursuant to subsection A of this section in the long-term care system fund established by section 36-2913, Arizona Revised Statutes.

Sec. 15. AHCCCS: disproportionate share payments; fiscal year 2022-2023

A. Disproportionate share payments for fiscal year 2022-2023 made pursuant to section 36-2903.01, subsection O, Arizona Revised Statutes, include:

1. $113,818,500 for a qualifying nonstate operated public hospital. The Maricopa county special health care district shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the Arizona health care cost containment system administration on or before May 1, 2023 for all state plan years as required by the Arizona health care cost containment system state plan. The administration shall assist the district in determining the amount of qualifying disproportionate share hospital expenditures. Once the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Maricopa county special health care district, if the certification is equal to or less than $113,818,500 and the
administration determines that the revised amount is correct pursuant to
the methodology used by the administration pursuant to section 36-2903.01,
Arizona Revised Statutes, the administration shall notify the governor,
the president of the senate and the speaker of the house of
representatives, shall distribute $4,202,300 to the Maricopa county
special health care district and shall deposit the balance of the federal
financial participation in the state general fund. If the certification
provided is for an amount less than $113,818,500 and the administration
determines that the revised amount is not correct pursuant to the
methodology used by the administration pursuant to section 36-2903.01,
Arizona Revised Statutes, the administration shall notify the governor,
the president of the senate and the speaker of the house of
representatives and shall deposit the total amount of the federal
financial participation in the state general fund. If the certification
provided is for an amount greater than $113,818,500, the administration
shall distribute $4,202,300 to the Maricopa county special health care
district and shall deposit $74,696,800 of the federal financial
participation in the state general fund. The administration may make
additional disproportionate share hospital payments to the Maricopa county
special health care district pursuant to section 36-2903.01, subsection P,
Arizona Revised Statutes, and subsection B of this section.

2. $28,474,900 for the Arizona state hospital. The Arizona state
hospital shall provide a certified public expense form for the amount of
qualifying disproportionate share hospital expenditures made on behalf of
this state to the administration on or before March 31, 2023. The
administration shall assist the Arizona state hospital in determining the
amount of qualifying disproportionate share hospital expenditures. Once
the administration files a claim with the federal government and receives
federal financial participation based on the amount certified by the
Arizona state hospital, the administration shall deposit the entire amount
of federal financial participation in the state general fund. If the
certification provided is for an amount less than $28,474,900, the
administration shall notify the governor, the president of the senate and
the speaker of the house of representatives and shall deposit the entire
amount of federal financial participation in the state general fund. The
certified public expense form provided by the Arizona state hospital must
contain both the total amount of qualifying disproportionate share
hospital expenditures and the amount limited by section 1923(g) of the
social security act.

3. $884,800 for private qualifying disproportionate share
hospitals. The Arizona health care cost containment system administration
shall make payments to hospitals consistent with this appropriation and
the terms of the state plan, but payments are limited to those hospitals
that either:
(a) Meet the mandatory definition of disproportionate share qualifying hospitals under section 1923 of the social security act.
(b) Are located in Yuma county and contain at least three hundred beds.

B. After the distributions made pursuant to subsection A of this section, the allocations of disproportionate share hospital payments made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, shall be made available in the following order to qualifying private hospitals that are:
1. Located in a county with a population of fewer than four hundred thousand persons.
2. Located in a county with a population of at least four hundred thousand persons but fewer than nine hundred thousand persons.
3. Located in a county with a population of at least nine hundred thousand persons.

Sec. 16. AHCCCS transfer; counties; federal monies; fiscal year 2022-2023
On or before December 31, 2023, notwithstanding any other law, for fiscal year 2022-2023 the Arizona health care cost containment system administration shall transfer to the counties the portion, if any, as may be necessary to comply with section 10201(c)(6) of the patient protection and affordable care act (P.L. 111-148), regarding the counties' proportional share of this state's contribution.

Sec. 17. County acute care contributions; fiscal year 2022-2023; intent
A. Notwithstanding section 11-292, Arizona Revised Statutes, for fiscal year 2022-2023 for the provision of hospitalization and medical care, the counties shall contribute the following amounts:
1. Apache $268,800
2. Cochise $2,214,800
3. Coconino $742,900
4. Gila $1,413,200
5. Graham $536,200
6. Greenlee $190,700
7. La Paz $212,100
8. Maricopa $16,887,200
9. Mohave $1,237,700
10. Navajo $310,800
11. Pima $14,951,800
12. Pinal $2,715,600
13. Santa Cruz $482,800
14. Yavapai $1,427,800
15. Yuma $1,325,100
B. If a county does not provide funding as specified in subsection A of this section, the state treasurer shall subtract the amount owed by the county to the Arizona health care cost containment system fund and the long-term care system fund established by section 36-2913, Arizona Revised Statutes, from any payments required to be made by the state treasurer to that county pursuant to section 42-5029, subsection D, paragraph 2, Arizona Revised Statutes, plus interest on that amount pursuant to section 44-1201, Arizona Revised Statutes, retroactive to the first day the funding was due. If the monies the state treasurer withholds are insufficient to meet that county's funding requirements as specified in subsection A of this section, the state treasurer shall withhold from any other monies payable to that county from whatever state funding source is available an amount necessary to fulfill that county's requirement. The state treasurer may not withhold distributions from the Arizona highway user revenue fund pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes.

C. Payment of an amount equal to one-twelfth of the total amount determined pursuant to subsection A of this section shall be made to the state treasurer on or before the fifth day of each month. On request from the director of the Arizona health care cost containment system administration, the state treasurer shall require that up to three months' payments be made in advance, if necessary.

D. The state treasurer shall deposit the amounts paid pursuant to subsection C of this section and amounts withheld pursuant to subsection B of this section in the Arizona health care cost containment system fund and the long-term care system fund established by section 36-2913, Arizona Revised Statutes.

E. If payments made pursuant to subsection C of this section exceed the amount required to meet the costs incurred by the Arizona health care cost containment system for the hospitalization and medical care of those persons defined as an eligible person pursuant to section 36-2901, paragraph 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, as amended by this act, the director of the Arizona health care cost containment system administration may instruct the state treasurer either to reduce remaining payments to be paid pursuant to this section by a specified amount or to provide to the counties specified amounts from the Arizona health care cost containment system fund and the long-term care system fund established by section 36-2913, Arizona Revised Statutes.

F. The legislature intends that the Maricopa county contribution pursuant to subsection A of this section be reduced in each subsequent year according to the changes in the GDP price deflator. For the purposes of this subsection, "GDP price deflator" has the same meaning prescribed in section 41-563, Arizona Revised Statutes.
Sec. 18. **Accelerated nursing programs; distribution; annual report; delayed repeal**

A. Of the amount appropriated in the general appropriations act in fiscal year 2022-2023 for accelerated nursing programs, the department of health services shall distribute $6,000,000 to a private university with a health sciences campus located in Phoenix, Arizona that offers a twelve-month accelerated nursing program. Monies distributed to the university shall be used for capital costs associated with adding a new cohort of accelerated nursing students.

B. Of the amount appropriated in the general appropriations act in fiscal year 2022-2023 for accelerated nursing programs, the department of health services shall distribute $44,000,000 to public and private universities and community colleges located in this state that offer accelerated nursing programs for the purpose of expanding program capacity. Priority shall be given to universities and community colleges that offer twelve-month accelerated nursing programs, but accelerated nursing programs up to eighteen months in length are also eligible. Each university that receives monies must demonstrate that all of the following occurs:

1. At least eighty percent of the monies received are used for the costs of providing scholarships and not more than twenty percent of the monies received are used for administrative expenses, including the costs of hiring faculty and purchasing equipment necessary to expand the accelerated nursing program. Monies may not be used for capital expansion costs.

2. Students receiving scholarships are enrolled in an accelerated nursing program that takes not more than eighteen months to complete.

3. Students receiving scholarships are required to enter into a contract to practice nursing in this state for at least four years after completing an accelerated nursing degree. The contract shall stipulate that if a student does not successfully complete an accelerated nursing program in good academic standing or does not fulfill the service commitment outlined in the contract, the student shall reimburse the university for all scholarship costs.

4. Any scholarship reimbursements received by the university will be used to provide scholarship awards to accelerated nursing students enrolled in newly added accelerated nursing program seats.

5. Scholarships awarded to accelerated nursing students are provided after all other financial gifts, aid or grants received by the student and do not exceed the actual cost of tuition and fees.

6. Monies received to provide scholarships do not supplant other institutional financial aid sources.

C. On or before September 1 of each year, each university that receives monies pursuant to subsection B of this section shall submit a report on the number of students who have received a scholarship.
number of nurses who are currently completing the four-year service
commitment and the number of students who have reimbursed the university
to the department of health services. On or before October 1 of each
year, the department of health services shall compile the information and
transmit a report to the joint legislative budget committee and the
governor’s office of strategic planning and budgeting that includes the
total funding distributions by each university.

D. This section is repealed from and after December 31, 2030.

Sec. 19. Proposition 204 administration; exclusion; county
expenditure limitations

County contributions for the administrative costs of implementing
sections 36-2901.01 and 36-2901.04, Arizona Revised Statutes, that are
made pursuant to section 11-292, subsection O, Arizona Revised Statutes,
are excluded from the county expenditure limitations.

Sec. 20. Competency restoration; exclusion; county
expenditure limitations

County contributions made pursuant to section 13-4512, Arizona
Revised Statutes, are excluded from the county expenditure limitations.

Sec. 21. AHCCCS; risk contingency rate setting

Notwithstanding any other law, for the contract year beginning
October 1, 2022 and ending September 30, 2023, the Arizona health care
cost containment system administration may continue the risk contingency
rate setting for all managed care organizations and the funding for all
managed care organizations administrative funding levels that were imposed
for the contract year beginning October 1, 2010 and ending
September 30, 2011.

Sec. 22. Health services lottery monies fund; use; fiscal
year 2022-2023

Notwithstanding sections 5-572 and 36-108.01, Arizona Revised
Statutes, monies in the health services lottery monies fund established by
section 36-108.01, Arizona Revised Statutes, may be used for the purposes
specified in the fiscal year 2022-2023 general appropriations act.

Sec. 23. Arizona health care cost containment system
administration; rulemaking exemption; hospital
assessment

Notwithstanding any other law, for the purposes of implementing the
hospital assessment pursuant to section 36-2999.72, Arizona Revised
Statutes, the Arizona health care cost containment system administration
is exempt from the rulemaking requirements in title 41, chapter 6, Arizona
Revised Statutes, for one year after the effective date of this section,
except that the administration must provide notice and an opportunity for
public comment at least thirty days before establishing or implementing
the administration of the hospital assessment.
Sec. 24. **Chiropractic services; AHCCCS; report; delayed repeal**

A. Subject to approval by the centers for medicare and medicaid services, the Arizona health care cost containment system administration and its contractors may provide medically necessary chiropractic services authorized by section 36-2907, subsection A, paragraph 15, Arizona Revised Statutes, as added by this act.  

B. The Arizona health care cost containment system administration shall:

1. Prescribe the qualifying conditions under which the chiropractic services prescribed in section 36-2907, subsection A, paragraph 15, Arizona Revised Statutes, as added by this act, may be used.  

2. Prescribe provider qualifications for chiropractic services.  


C. On or before January 21, 2027, the Arizona health care cost containment system administration shall submit a report of its findings regarding the provision of chiropractic services to the governor, the president of the senate and the speaker of the house of representatives and shall provide a copy of the report to the secretary of state.  

D. This section is repealed from and after June 30, 2027.  

Sec. 25. **Department of health services; rulemaking exemption; air ambulance service**

Notwithstanding any other law, for the purposes of addressing air ambulance service medical staffing pursuant to title 36, chapter 21.1, article 1, Arizona Revised Statutes, the department of health services is exempt from the rulemaking requirements of title 41, chapter 6, Arizona Revised Statutes, for fiscal year 2022-2023.

Sec. 26. **Legislative intent; implementation of program**

The legislature intends that for fiscal year 2022-2023 the Arizona health care cost containment system administration implement a program within the available appropriation.

Sec. 27. **Conditional enactment; notice**

A. Section 36-2901, Arizona Revised Statutes, as amended by this act, does not become effective unless on or before July 1, 2023 the centers for medicare and medicaid services authorizes the Arizona health care cost containment system administration to either redetermine the eligibility of members who are less than one year postpartum and are under one hundred thirty-three percent of the federal poverty level or use another methodology that enables the administration to provide coverage for eligible postpartum women pursuant to section 36-2901, Arizona Revised Statutes, as amended by this act, within the existing appropriation.
B. The director of the Arizona health care cost containment system shall notify the director of the Arizona legislative council in writing on or before July 1, 2023 either:

1. Of the date on which the condition was met.
2. That the condition was not met.

APPROVED BY THE GOVERNOR JUNE 28, 2022.