CHAPTER 316

HOUSE BILL 2865

AN ACT

AMENDING SECTION 8-521, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 5.1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-573; AMENDING TITLE 36, CHAPTER 5.1, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-595.03; REPEALING SECTION 36-595.03, ARIZONA REVISED STATUTES; RELATING TO HUMAN SERVICES.

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

Section 1. Section 8-521, Arizona Revised Statutes, is amended to read:

8-521. Independent living program; conditions; eligibility; rules; progress reports; educational case management unit

A. The department or a licensed child welfare agency may establish an independent living program for youths who are the subject of a dependency petition or who are adjudicated dependent and are all of the following:

1. In the custody of the department, a licensed child welfare agency or a tribal child welfare agency.
2. At least seventeen years of age.
3. Employed or full-time students.

B. The independent living program may consist of a residential program of less than twenty-four hours a day supervision for youths under the supervision of the department through a licensed child welfare agency or a foster home under contract with the department. Under the independent living program, the youth is not required to reside at a licensed child welfare agency or foster home.

C. The director or the director's designee shall review and approve any recommendation to the court that a youth in the custody of the department be ordered to an independent living program.

D. For a youth to participate in an independent living program, the court must order such a disposition pursuant to section 8-845.

E. The department of child safety, a licensed child welfare agency or a tribal child welfare agency having custody of the youth shall provide the cost of care as required by section 8-453, subsection A, paragraph 9, subdivision (b), item (iii) for each child YOUTH placed in an independent living program pursuant to this section, except that the monthly amount provided shall not exceed the average monthly cost of purchased services for the child in the three months immediately preceding placement in an independent living program BE LESS THAN $1,200.

F. The department shall adopt rules pursuant to title 41, chapter 6 to carry out this section.

G. The department shall provide quarterly progress reports to the court and to local foster care review boards for each youth participating in the independent living program.

H. The local foster care review boards shall review at least once every six months the case of each youth participating in the independent living program.
I. The department shall establish an educational case management unit within the division consisting of two case managers to develop and coordinate educational case management plans for youths participating in the independent living program and to assist youths in the program to do the following:

1. Graduate from high school.
2. Pass the statewide assessment pursuant to section 15-741.
3. Apply for postsecondary financial assistance.
4. Apply for postsecondary education.

Sec. 2. Title 36, chapter 5.1, article 1, Arizona Revised Statutes, is amended by adding section 36-573, to read:

36-573. Annual report; group home incident reports; contracts


1. THE NUMBER OF INCIDENT REPORTS THAT WERE RECEIVED FROM GROUP HOMES IN THE PRECEDING TWO YEARS:
   (a) CATEGORIZED BY LEVEL OF SEVERITY.
   (b) THAT RESULTED IN ANY TYPE OF CONTRACT SANCTION.
   (c) THAT INVOLVED MEDICATION ERRORS. THE REPORT SHALL INCLUDE THE TOTAL NUMBER OF TIMES MEDICATION WAS DISTRIBUTED TO CLIENTS.
   (d) THAT RESULTED IN CHANGES TO A BEHAVIORAL TREATMENT PLAN.
   (e) THAT REQUIRED ADDITIONAL STAFF TRAINING MANDATED BY THE DIVISION AFTER REVIEW OF THE INCIDENT REPORT.
   (f) THAT INVOLVED LAW ENFORCEMENT.
   (g) AGGREGATED BY SERVICE PROVIDER AND INDIVIDUAL GROUP HOME WITHOUT IDENTIFYING THE SPECIFIC LOCATION OR NAME OF THE HOME.

2. WITH RESPECT TO GROUP HOME CONTRACTS AND EXPENDITURES:
   (a) THE NUMBER OF GROUP HOME CONTRACTS BY SERVICE PROVIDER.
   (b) FOR EACH GROUP HOME CONTRACT, THE ANNUAL AMOUNT THE DIVISION PAID THE SERVICE PROVIDER FOR THE GROUP HOME SERVICES PROVIDED.
   (c) THE COST PER CLIENT BY SERVICE PROVIDER.
   (d) THE NUMBER OF ANY TYPE OF CONTRACT SANCTION BROKEN DOWN BY REASON FOR THE SANCTION.
   (e) THE NUMBER OF SERVICE PROVIDERS FROM WHOM THE DIVISION RECOUPED PAYMENTS FOR GROUP HOME SERVICES IN THE PRECEDING YEAR FOR MEDICAID FRAUD.

3. THE NUMBER OF MEDICAID FRAUD INVESTIGATIONS OF SERVICE PROVIDERS OF GROUP HOME SERVICES.
Sec. 3. Title 36, chapter 5.1, article 3, Arizona Revised Statutes, is amended by adding section 36-595.03, to read:

36-595.03. Developmental disabilities group home monitoring pilot program; clients with complex needs; expedited referral system; reporting requirements; definition

A. The developmental disabilities group home monitoring pilot program is established in the Department. The Department shall oversee the pilot program for three years and contract with the entity that has been designated by this State to operate the protection and advocacy system for persons with developmental disabilities in this State pursuant to the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 United States Code sections 15041 through 15045) to conduct the pilot program.

B. The scope of the pilot program shall require the designated entity, at a minimum, to do all of the following beginning January 1, 2023:

1. Monitor in person the group homes that provide services to clients with complex needs to determine, at a minimum, whether:
   (a) The client with complex needs receives the services identified in the client's person-centered service plan, including medication monitoring and habilitation treatment, as applicable.
   (b) The provision of services identified in the person-centered service plan of the client with complex needs has been effective in addressing the client's complex needs.
   (c) The services have resulted in a reduction in behaviors that interfered with the ability of the client with complex needs to live safely in the community.
   (d) All physical interventions used by the group home staff have complied with the behavioral treatment plan of the client with complex needs and applicable state laws.

2. Investigate quality of care complaints received by the designated entity pursuant to subsection C of this section concerning any group home funded by the Department.

3. Compile a comprehensive report of all observations and outcomes during the preceding year.

C. On or before January 1, 2023, the Department shall establish an expedited referral system to ensure that copies of all quality of care complaints are forwarded to the designated entity for investigation pursuant to this section. The Department shall identify quality of care complaints related to abuse, neglect and client safety as priorities for investigation. If the designated entity substantiates an allegation in a quality of care complaint, the information shall be provided to the Department, which shall share the allegation with the service provider,
AND THE INDEPENDENT OVERSIGHT COMMITTEE ON PERSONS WITH DEVELOPMENTAL DISABILITIES ESTABLISHED BY SECTION 41-3801.

D. THE DEPARTMENT SHALL EDUCATE SERVICE PROVIDERS ON THE REQUIREMENTS OF THE DEVELOPMENTAL DISABILITIES GROUP HOME MONITORING PILOT PROGRAM AND THE ROLE OF THE DESIGNATED ENTITY.


F. FOR THE PURPOSES OF THIS SECTION, "CLIENT WITH COMPLEX NEEDS" MEANS A CLIENT WITH DUAL DISORDERS, INCLUDING PSYCHIATRIC DISORDERS AND DEVELOPMENTAL DISABILITIES, WHO ENGAGES IN BEHAVIORS THAT ARE DISRUPTIVE, SOCIALLY INAPPROPRIATE OR HARMFUL OR DANGEROUS TO SELF OR OTHERS, THAT INTERFERE WITH FUNCTIONING AND QUALITY OF LIFE OR THAT MAY CAUSE DESTRUCTION OF PROPERTY.

Sec. 4. Delayed repeal
Section 36-595.03, Arizona Revised Statutes, as added by this act, is repealed from and after December 31, 2026.

Sec. 5. Department of economic security; drug testing; TANF cash benefits recipients
During fiscal year 2022-2023, the department of economic security shall screen and test each adult recipient who is otherwise eligible for temporary assistance for needy families cash benefits and who the department has reasonable cause to believe engages in the illegal use of controlled substances. Any recipient who tests positive for the use of a controlled substance that was not prescribed for the recipient by a licensed health care provider is ineligible to receive benefits for a period of one year.

APPROVED BY THE GOVERNOR JUNE 28, 2022.