Chapter 338

House Bill 2551

An Act

Amending Section 36-2982, Arizona Revised Statutes; Relating to the Children’s Health Insurance Program.

(Text of Bill Begins on Next Page)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 36-2982, Arizona Revised Statutes, is amended to read:

36-2982. Children's health insurance program; administration; nonentitlement; enrollment; eligibility

A. The children's health insurance program is established for children who are eligible pursuant to section 36-2981, paragraph 6. The administration shall administer the program. All covered services shall be provided by health plans that have contracts with the administration pursuant to section 36-2906, by a qualifying plan or by either tribal facilities or the Indian health service for Native Americans who are eligible for the program and who elect to receive services through the Indian health service or a tribal facility.

B. This article does not create a legal entitlement for any applicant or member who is eligible for the program.

C. The director shall take all steps necessary to implement the administrative structure for the program and to begin delivering services to persons within sixty days after approval of the state plan by the United States department of health and human services.

D. The administration shall perform eligibility determinations for persons applying for eligibility and annual redeterminations for continued eligibility pursuant to this article. SUBJECT TO THE APPROVAL OF THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND PURSUANT TO 42 UNITED STATES CODE SECTION 1396a(e)(12) AND 42 CODE OF FEDERAL REGULATIONS SECTIONS 435.926 AND 457.342, THE ADMINISTRATION SHALL ALLOW A MEMBER WHO IS DETERMINED ELIGIBLE PURSUANT TO THIS SECTION TO REMAIN ELIGIBLE FOR BENEFITS UNDER THIS ARTICLE FOR A PERIOD OF TWELVE MONTHS, UNLESS THE MEMBER EXCEEDS THE AGE OF ELIGIBILITY DURING THAT TWELVE-MONTH PERIOD.

E. The administration shall adopt rules for the collection of copayments from members whose income does not exceed one hundred fifty percent of the federal poverty level and for the collection of copayments and premiums from members whose income exceeds one hundred fifty percent of the federal poverty level. The director shall adopt rules for disenrolling a member if the member does not pay the premium required pursuant to this section. The director shall adopt rules to prescribe the circumstances under which the administration shall grant a hardship exemption to the disenrollment requirements of this subsection for a member who is no longer able to pay the premium.

F. Before enrollment, a member, or if the member is a minor, that member's parent or legal guardian, shall select an available health plan in the member's geographic service area or a qualifying health plan offered in the county, and may select a primary care physician or primary care practitioner from among the available physicians and practitioners participating with the contractor in which the member is enrolled. The contractors shall only reimburse costs of services or related services...
provided by or under referral from a primary care physician or primary care practitioner participating in the contract in which the member is enrolled, except for emergency services that shall be reimbursed pursuant to section 36-2987. The director shall establish requirements as to the minimum time period that a member is assigned to specific contractors.

G. Eligibility for the program is creditable coverage as defined in section 20-1379.

H. Notwithstanding section 36-2983, the administration may purchase for a member employer-sponsored group health insurance with state and federal monies available pursuant to this article, subject to any restrictions imposed by the centers for medicare and medicaid services. This subsection does not apply to members who are eligible for health benefits coverage under a state health benefits plan based on a family member's employment with a public agency in this state.

APPROVED BY THE GOVERNOR JULY 5, 2022.