CHAPTER 409
SENATE BILL 1824

AN ACT

AMENDING TITLE 8, CHAPTER 4, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 8-512.02; AMENDING TITLE 20, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 20-126; AMENDING TITLE 23, CHAPTER 2, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 23-206; AMENDING SECTION 30-654, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 1, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTIONS 36-147 AND 36-148; AMENDING SECTIONS 36-446.02, 36-446.04, 36-557, 36-591, 36-592, 36-594 AND 36-672, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 6, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4.2; AMENDING SECTIONS 36-694, 36-694.01 AND 36-1201, ARIZONA REVISED STATUTES; AMENDING TITLE 36, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 31; REPEALING SECTION 41-3021.11, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 27, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3022.26; AMENDING SECTION 46-452.02, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO HEALTH BUDGET RECONCILIATION.

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

Section 1. Title 8, chapter 4, article 4, Arizona Revised Statutes, is amended by adding section 8-512.02, to read:

8-512.02. Comprehensive health plan expenditure authority fund; reversion

A. The department shall establish and maintain a comprehensive health plan expenditure authority fund, which is a separate fund to distinguish the department's revenues and the department's expenditures pursuant to section 8-512 from other programs that are funded and administered by the department. The fund shall be used to pay administrative and program costs associated with providing comprehensive medical care, dental care and behavioral health services pursuant to section 8-512. The comprehensive health plan expenditure authority fund consists of:

1. Monies paid by the Arizona health care cost containment system administration pursuant to the contract.
2. Amounts paid by third-party payors.
3. Gifts, donations and grants from any source.
4. Interest on monies deposited in the comprehensive health plan expenditure authority fund.

B. All monies from capitated payments in the comprehensive health plan expenditure authority fund that are unexpended and unencumbered at the end of the fiscal year revert to the state general fund on or before June 30 of the following fiscal year. The transfer amount may be adjusted to pay nonmedicaid claims incurred by the department.

Sec. 2. Title 20, chapter 1, article 1, Arizona Revised Statutes, is amended by adding section 20-126, to read:

20-126. Department; annual medical loss ratio report; posting; definition

A. On or before March 31 of each year, the department shall prepare an annual report on the medical loss ratio for each dental insurer doing business in this state. In calculating the medical loss ratio, the department shall use data submitted by dental insurers in existing required regulatory filings, including all of the following:

1. Adjusted incurred annual dental claims in this state.
2. Annual dental insurance premiums earned in this state.
3. Annual incurred federal and state taxes, licensing fees and regulatory fees on dental premiums in this state.

B. The department shall post the calculated annual medical loss ratio for each dental insurer on the department's website.

C. For the purposes of this section, "dental insurer" means a dental service corporation pursuant to chapter 4, article 3 of this title, health care services organization pursuant to chapter 4, article 9 of this title, disability insurer pursuant to chapter 6, article 4 of this title
OR GROUP OR BLANKET DISABILITY INSURER PURSUANT TO CHAPTER 6, ARTICLE 5 OF
THIS TITLE THAT OFFERS, ISSUES OR RENEWS A CONTRACT, EVIDENCE OF COVERAGE
OR POLICY COVERING DENTAL SERVICES.

Sec. 3. Title 23, chapter 2, article 1, Arizona Revised Statutes, is amended by adding section 23-206, to read:

23-206. Employers; accommodations required

IF AN EMPLOYER RECEIVES NOTICE FROM AN EMPLOYEE THAT THE EMPLOYEE'S
SINCERELY HELD RELIGIOUS BELIEFS, PRACTICES OR OBSERVANCES PREVENT THE
EMPLOYEE FROM TAKING THE COVID-19 VACCINATION, THE EMPLOYER SHALL PROVIDE
A REASONABLE ACCOMMODATION UNLESS THE ACCOMMODATION WOULD POSE AN UNDUE
HARDSHIP AND MORE THAN A DE MINIMUS COST TO THE OPERATION OF THE
EMPLOYER'S BUSINESS.

Sec. 4. Section 30-654, Arizona Revised Statutes, is amended to read:

30-654. Powers and duties of the department

A. The department may:

1. Accept grants or other contributions from the federal government
or other sources, public or private, to be used by the department to carry
out any of the purposes of this chapter.

2. Do all things necessary, within the limitations of this chapter,
to carry out the powers and duties of the department.

3. Conduct an information program, including:

   (a) Providing information on the control and regulation of sources
of radiation and related health and safety matters, on request, to members
of the legislature, the executive offices, state departments and agencies
and county and municipal governments.

   (b) Providing such published information, audiovisual
presentations, exhibits and speakers on the control and regulation of
sources of radiation and related health and safety matters to the state's
educational system at all educational levels as may be arranged.

   (c) Furnishing to citizen groups, on request, speakers and such
audiovisual presentations or published materials on the control and
regulation of sources of radiation and related health and safety matters
as may be available.

   (d) Conducting, sponsoring or cosponsoring and actively
participating in the professional meetings, symposia, workshops, forums
and other group informational activities concerned with the control and
regulation of sources of radiation and related health and safety matters
when representation from this state at such meetings is determined to be
important by the department.

B. The department shall:

1. Regulate the use, storage and disposal of sources of radiation.
2. Establish procedures for purposes of selecting any proposed permanent disposal site located within this state for low-level radioactive waste.

3. Coordinate with the department of transportation and the corporation commission in regulating the transportation of sources of radiation.

4. Assume primary responsibility for and provide necessary technical assistance to handle any incidents, accidents and emergencies involving radiation or sources of radiation occurring within this state.

5. Adopt rules deemed necessary to administer this chapter in accordance with title 41, chapter 6.

6. Adopt uniform radiation protection and radiation dose standards to be as nearly as possible in conformity with, and in no case inconsistent with, the standards contained in the regulations of the United States nuclear regulatory commission and the standards of the United States public health service. In the adoption of the standards, the department shall consider the total occupational radiation exposure of individuals, including that from sources that are not regulated by the department.

7. Adopt rules for personnel monitoring under the close supervision of technically competent people in order to determine compliance with safety rules adopted under this chapter.

8. Adopt a uniform system of labels, signs and symbols and the posting of the labels, signs and symbols to be affixed to radioactive products, especially those transferred from person to person.

9. By rule, require adequate training and experience of persons using sources of radiation with respect to the hazards of excessive exposure to radiation in order to protect health and safety.

10. Adopt standards for the storage of radioactive material and for security against unauthorized removal.

11. Adopt standards for the disposal of radioactive materials into the air, water and sewers and burial in the soil in accordance with 10 Code of Federal Regulations part 20.

12. Adopt rules that are applicable to the shipment of radioactive materials in conformity with and compatible with those established by the United States nuclear regulatory commission, the department of transportation, the United States department of the treasury and the United States postal service.

13. In individual cases, impose additional requirements to protect health and safety or grant necessary exemptions that will not jeopardize health or safety, or both.

14. Make recommendations to the governor and furnish such technical advice as required on matters relating to the utilization and regulation of sources of radiation.
15. Conduct or cause to be conducted off-site radiological environmental monitoring of the air, water and soil surrounding any fixed nuclear facility, any uranium milling and tailing site and any uranium leaching operation, and maintain and report the data or results obtained by the monitoring as deemed appropriate by the department.

16. Develop and utilize information resources concerning radiation and radioactive sources.

17. Prescribe by rule a schedule of fees to be charged to categories of licensees and registrants of radiation sources, including academic, medical, industrial, waste, distribution and imaging categories. The fees shall cover a significant portion of the reasonable costs associated with processing the application for license or registration, renewal or amendment of the license or registration and the costs of inspecting the licensee or registrant activities and facilities, including the cost to the department of employing clerical help, consultants and persons possessing technical expertise and using analytical instrumentation and information processing systems.

18. Adopt rules establishing radiological standards, personnel standards and quality assurance programs to ensure the accuracy and safety of screening and diagnostic mammography.

C. The department shall deposit, pursuant to sections 35-146 and 35-147, the first $300,000 in fees collected each fiscal year pursuant to subsection B, paragraph 17 of this section and section 32-2805 in the state general fund. The department shall deposit, pursuant to sections 35-146 and 35-147, ninety percent of the remaining monies received from fees collected pursuant to subsection B, paragraph 17 of this section and section 32-2805 in the health services licensing fund established by section 36-414 and ten percent of the remaining monies received from fees collected pursuant to subsection B, paragraph 17 of this section and section 32-2805 in the state general fund.

Sec. 5. Title 36, chapter 1, article 2, Arizona Revised Statutes, is amended by adding sections 36-147 and 36-148, to read:

36-147. Annual expenditure report; medical marijuana fund; justice reinvestment fund

ON OR BEFORE JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AN EXPENDITURE REPORT FOR THE PRECEDING FISCAL YEAR ON MONIES TRANSFERRED TO THE DEPARTMENT FROM THE MEDICAL MARIJUANA FUND PURSUANT TO SECTION 36-2817 AND MONIES TRANSFERRED TO THE DEPARTMENT FROM THE JUSTICE REINVESTMENT FUND PURSUANT TO SECTION 36-2863. THE REPORT SHALL INCLUDE EXPENDITURES BY PROGRAM AND A LIST OF GRANTS DISTRIBUTED BY THE DEPARTMENT. THE DEPARTMENT SHALL INDICATE WHEN ALL MONIES FROM TRANSFERS MADE PURSUANT TO SECTION 36-2817 HAVE BEEN SPENT.
36-148. Annual distribution report; smart and safe Arizona fund


Sec. 6. Section 36-446.02, Arizona Revised Statutes, is amended to read:

36-446.02. Board of examiners; terms; meetings; quorum; effect of vacancies; compensation

A. The board of examiners of nursing care institution administrators and assisted living facility managers is established consisting of eleven members appointed by the governor.

B. The board shall include:

1. One administrator who holds an active license issued pursuant to this article.
2. One manager who holds an active license issued pursuant to this article.
3. One administrator of a nonprofit or faith-based skilled nursing facility.
4. One administrator of a proprietary skilled nursing facility.
5. Two managers of an assisted living center as defined in section 36-401.
6. One manager of an assisted living home as defined in section 36-401.
7. Two public members who are not affiliated with a nursing care institution or an assisted living facility.

B. ONE PUBLIC MEMBER WHO REPRESENTS AN ORGANIZATION THAT ADVOCATES FOR THE ELDERLY.

9. ONE PERSON WHO IS A FAMILY MEMBER OF A RESIDENT IN EITHER A SKILLED NURSING FACILITY OR AN ASSISTED LIVING FACILITY AT THE TIME THE PERSON IS APPOINTED TO THE BOARD.

C. Board members who are not affiliated with a nursing care institution or an assisted living facility shall not have a direct financial interest in nursing care institutions or assisted living facilities.

D. A board member shall not serve on any other board relating to long-term care during the member’s term with the board.
E. The term of a board member automatically ends when that member no longer meets the qualifications for appointment to the board. The board shall notify the governor of the board vacancy.

F. Board members who are not affiliated with a nursing care institution or an assisted living facility shall be appointed for two-year terms. Board members who are the administrator of a nursing care institution or the manager of an assisted living facility shall be appointed for three-year terms.

G. A board member shall not serve for more than two consecutive terms.

H. The board shall meet at least twice a year.

I. A majority of the board members constitutes a quorum.

J. Board members are eligible to receive compensation as determined pursuant to section 38-611 for each day actually spent performing their duties under this chapter.

K. A board member who is absent from three consecutive regular meetings or who fails to attend more than fifty percent of board meetings over the course of one calendar year vacates the board member's position. The board shall notify the governor of the vacancy.

Sec. 7. Section 36-446.04, Arizona Revised Statutes, is amended to read:

36-446.04. Qualifications; period of validity; exemption

A. The board shall issue a license as a nursing care institution administrator pursuant to its rules to any person who meets the following qualifications:

1. Is of good character.

2. Has satisfactorily completed a course of instruction and training approved by the board that:

   (a) Is designed and sufficiently administered to give the applicant knowledge of the proper needs to be served by nursing care institutions.

   (b) Includes a thorough background in the laws and rules governing the operation of nursing care institutions and the protection of the interests of the patients in nursing care institutions.

   (c) Includes thorough training in elements of good health care facilities administration.

3. Has passed an examination administered by the board designed to test for competency in the subject matter referred to in this subsection.

4. Has met one of the following fingerprinting requirements:

   (a) Has a valid fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1.

   (b) Has provided proof of the submission of an application for a fingerprint clearance card. An applicant who has been denied a fingerprint clearance card must also provide proof that the applicant
qualifies for a good cause exception hearing pursuant to section 41-619.55.

B. A person who is licensed pursuant to this section must maintain a valid fingerprint clearance card during the valid period of the person's license.

C. The board shall issue a certificate as an assisted living facility manager pursuant to its rules to a person who meets the following qualifications:
   1. Is of good character.
   2. Has satisfactorily completed a course of instruction and training approved by the board that:
      (a) Is designed and sufficiently administered to give the applicant knowledge of the proper needs to be served by an assisted living facility.
      (b) Includes a thorough background in the laws governing the operation of assisted living facilities and the protection of the interests of the patients in assisted living facilities.
      (c) Includes thorough training in elements of assisted living facility administration.
   3. Has passed an examination administered by the board that is designed to test for competency in the subject matter prescribed in this subsection.
   4. Provides documentation satisfactory to the board that the applicant has completed two thousand eighty hours of paid work experience in a health related field within the preceding five years as prescribed by board rule.
   5. Has met one of the following fingerprinting requirements:
      (a) Has a valid fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1.
      (b) Has provided proof of the submission of an application for a fingerprint clearance card. An applicant who has been denied a fingerprint clearance card must also provide proof that the applicant qualifies for a good cause exception hearing pursuant to section 41-619.55.

D. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, BEGINNING JULY 1, 2021, ALL NEW LICENSES AND CERTIFICATIONS ISSUED BY THE BOARD MUST BE APPROVED BY BOTH THE BOARD AND THE DEPARTMENT OF HEALTH SERVICES.

E. A person who is certified pursuant to this section must maintain a valid fingerprint clearance card during the valid period of the person's certificate.

F. In lieu of the requirements contained in subsection A, paragraph 2 or subsection C, paragraph 2, an applicant may present satisfactory evidence to the board of sufficient education and training in the areas listed in that paragraph.
F. G. A license is nontransferable and remains in effect until the following June 30 of an even numbered year, at which time the license may be renewed if the licensee otherwise complies with this article and unless the license has been surrendered, suspended or revoked.

G. H. A certificate is nontransferable and remains in effect until the following June 30 of an odd numbered year, at which time the certificate may be renewed if the certificate holder otherwise complies with this article and the certificate has not been surrendered, suspended or revoked.

H. I. This section does not apply to managers of adult foster care homes as defined in section 36-401.

Sec. 8. Section 36-557, Arizona Revised Statutes, is amended to read:

36-557. Community developmental disability services; service providers

A. The department may use state and federal monies THAT ARE appropriated or otherwise available to it for this purpose to assist in the establishment ESTABLISHING and maintenance of MAINTAINING local developmental disability services by public or private nonprofit or profit agencies. The monies may be expended as professional fees for service, in contracts for advancement or reimbursement or in another appropriate manner and may be used for any purpose necessary to the provision of PROVIDE local developmental disability services. The monies may not be used for departmental salaries, care of persons with developmental disabilities by the department or any other purpose within the department, but may be used for consultation to the department in the interest of local programs.

B. A local public or private nonprofit or profit agency providing or intending to provide community developmental disability services and desiring to contract with the department for the furnishing of TO FURNISH these services shall submit a program plan and budget to the department on the forms and in the manner required by the department. If the program meets departmental standards and is consistent with the state plan of the department and the individualized service program plan of the client, the department, notwithstanding the provisions of title 41, chapter 23, relating to procurement and including services pursuant to section 36-2943, may contract with that agency for required services on terms the department requires. The contracts shall provide that the provider of services is subject to a continuing program evaluation by the department through progress reports, expenditure reports, program audits or other appropriate evaluation techniques to assure ENSURE that the provider of service is in continued compliance with the terms of the contract and the department’s community developmental disability service standards and requirements.
C. Contracts between the department and a school district or districts are subject to approval by the department of education.

D. This article does not make the department or the state responsible for funding programs beyond the limits of legislative appropriation for the programs. This article does not require a SERVICE provider to provide unreimbursed services to the department or its clients.

E. Contracts to provide community developmental disability services shall require that:
   1. The contractor is obligated to operate a program or service in strict accordance with the standards adopted for that program or service by the department.
   2. If state funding is provided for a particular program the contractor, to the extent of positions available that are being purchased by the department, shall provide services to a client with a developmental disability who has been evaluated and placed by the department.
   3. All contractors must carry liability insurance in amounts approved by the risk management division of the department of administration and file proof of insurance with the risk management division. The director may waive that requirement on a case-by-case basis on a finding that insurance for the program or service is not practicably available at affordable rates and that it is necessary that the program or service be provided by the contractor.
   4. All clients enrolled in programs have all the same specified rights as they would have if enrolled in a program operated directly by the state.
   5. Except for emergency placement pursuant to section 36-560, subsection N, payment shall not be made based on program services provided to a client if a placement evaluation has not been made, and no individual program has been prepared and when, based on that placement evaluation, no recommendation has been made to enroll the client in the particular program service.

F. This article does not require a contracted agency to provide unreimbursed services to the department or a client of the department.

G. Contracts for the TO purchase of residential care services other than those community residential settings licensed pursuant to this chapter, in addition to other general requirements applicable to purchase of care contractors, shall:
   1. Provide for mandatory inspection by the department every two years for facilities other than group homes.
   2. Provide for mandatory monitoring by the department for health, safety, contractual and programmatic standards at least every six months, unless the department has granted deemed status to the service provider or the service provider received a score of at least ninety-five percent on
the most recent monitoring visit. If the department has granted deemed status or awarded the service provider with a score of at least ninety-five percent on the most recent monitoring visit, THE DEPARTMENT shall monitor that SERVICE provider once each year. On A determination by the department that there is reasonable cause to believe a service provider is not adhering to the department's programmatic or contractual requirements, the department and any duly designated employee or agent of the department may enter on and into the premises at any reasonable time for the purpose of determining the SERVICE PROVIDER'S state of compliance with the DEPARTMENT'S programmatic or contractual requirements of the department.

3. Provide for mandatory investigation by the department in response to complaints within ten working days, except that in those instances that pose a danger to the client, the department shall conduct the investigation immediately. Health and safety complaints related to group homes shall be referred to the department of health services on receipt. The department of health services shall share all incident reports related to health and safety with the division of developmental disabilities.

4. Except for group homes licensed by the department of health services, specify the health and safety and sanitation codes and other codes or standards applicable to the facility or to the operation of the facility by the contractor other than group homes.

5. Provide for mandatory periodic reports to be filed by the provider contractor with the department with respect to the operation of the facility.

6. Provide that the facility and the books and records of the facility and of the provider are subject to inspection at any time by employees of the department or designees of the department.

7. Provide that parents and guardians of persons with developmental disabilities residing at the facility, members of the developmental disabilities advisory council, and members of other recognized and ongoing advocacy groups for persons with developmental disabilities may inspect the facility at reasonable times.

H. Contracts for the purchase of residential care services shall require a community residential setting to be licensed pursuant to this chapter other than group homes licensed by the department of health services.

I. Contracts for the purchase of day program or employment services, in addition to the other general requirements applicable to the purchase of client services, must provide for mandatory monitoring by the department for health, safety, contractual, programmatic and quality assurance standards at least once every six months, unless the department has granted deemed status to the service provider. If the department has
granted deemed status to the service provider, the department shall monitor that SERVICE provider once each year. The department and any duly designated employee or agent of the department may enter on or into the service provider's premises at any reasonable time for the purpose of determining the SERVICE PROVIDER'S state of compliance with the department's programmatic, contractual and quality assurance requirements.

J. The division shall ensure that all contracted developmental disabilities service providers rendering services pursuant to this chapter are reimbursed in accordance with title XIX of the social security act.

K. Contracts for client services issued by the department shall include language outlining the provisions for a grievance and appeal procedure. The director shall provide notice to SERVICE providers not less than thirty days before the issuance of an amendment to a qualified vendor agreement. The decision of the director regarding qualified vendor agreement amendments may be appealed pursuant to title 41, chapter 6, article 10. The grievance process applicable to these contracts shall comply with title XIX requirements.

L. As a condition of contracts with any developmental disabilities service provider, the director shall require terms that conform with state and federal laws, title XIX statutes and regulations and quality standards. The director shall further require contract terms that ensure performance by the provider of the provisions of each contract executed pursuant to this article.

M. The division shall establish a rate structure that ensures an equitable funding basis for private nonprofit or for-profit FOR-PROFIT agencies for services pursuant to subsection B of this section and section 36-2943. In each fiscal year, the division shall review and adjust the rate structure based on section 36-2959. A rate book shall be published and updated by the division to announce the rate structure that shall be incorporated by reference in contracts for client services.

N. The division shall disclose to a service provider in the individual program plan, and in all meetings resulting from a response to a vendor call, any historical and behavioral information necessary for the SERVICE provider to be able to anticipate the client's future behaviors and needs, including summary information from the program review committee, unusual incident reports reviewed by the independent oversight committee and behavioral treatment plans. The division shall redact the client's identification from this information.

O. Service providers are authorized to engage in the following activities in accordance with a client's individual program plan:
   1. Administer medications, including assisting with the client's self-administration of medications.
   2. Log, store, remove and dispose of medications.
   3. Maintain medications and protocols for direct care.
4. Serve as the client's representative payee if requested by the client or the client's guardian and approved by the payer.

P. The department may adopt rules establishing procedures for engaging in the activities listed in subsection O of this section.

Q. To protect the health and safety of a client, a SERVICE provider must notify the division within twenty-four hours if an emergency situation exists in which the SERVICE provider is unable to meet the health or safety needs of the client.

R. On notification of an emergency situation, the department shall hold an individual program plan meeting within fifteen days after notification to recommend any changes, including whether there is a need for temporary additional staffing to provide appropriate care for a client, and develop a plan within thirty days after notification to resolve the situation.

S. SERVICE PROVIDERS SHALL DEVELOP AND IMPLEMENT POLICIES AND PROCEDURES REGARDING THE COMMUNICATION TO RESPONSIBLE PERSONS OF A SERIOUS INCIDENT AFFECTING A CLIENT WHO IS LIVING IN A COMMUNITY RESIDENTIAL SETTING WITHIN TWENTY-FOUR HOURS AFTER THE SERIOUS INCIDENT OCCURS.

Sec. 9. Section 36-591, Arizona Revised Statutes, is amended to read:

36-591. Group homes; licensing; notification requirements

A. An adult developmental home or child developmental home shall be licensed pursuant to this article.

B. A. Group homes, except for those described in subsection E D of this section, shall be licensed for health and safety by the department of health services pursuant to section 36-132.

C. B. The division shall notify the department of health services of:

1. Service providers who enter into contracts with the division for group homes or intermediate care facilities for individuals with intellectual disabilities.

2. Any violation of health and safety standards observed during monitoring visits.

D. C. The department of health services shall immediately notify the division:

1. When THE LICENSE OF a group home or intermediate care facility for individuals with intellectual disabilities has been denied, suspended or revoked.

2. Of any other licensing action taken on a group home or intermediate care facility for individuals with intellectual disabilities by the department of health services.

3. Of substantiated complaints regarding health and safety.

D. The division shall ensure that state-operated residential settings that are owned or leased facilities operated by the division meet
the same standards as group homes unless they are required to be licensed and certified as intermediate care facilities for individuals with intellectual disabilities pursuant to 42 Code of Federal Regulations part 483, subpart I. An intermediate care facility for individuals with intellectual disabilities that is operated by the division or a private entity is required to be licensed pursuant to chapter 4 of this title and certified pursuant to 42 Code of Federal Regulations part 483, subpart I.

F. The department shall annually visit each adult developmental home and child developmental home and inspect the premises used for the care of children or vulnerable adults for sanitation, fire and other actual and potential hazards.

E. The department shall take any action it deems necessary to carry out the duties imposed by this section, including the denial of DENYING the application for licensure and the suspension SUSPENDING or revocation REVOKING of the home's license.

Sec. 10. Section 36-592, Arizona Revised Statutes, is amended to read:

36-592. Adult developmental homes; child developmental homes; licensure requirements; inspections; investigations; third-party contractors; rules; definitions

A. AN ADULT DEVELOPMENTAL HOME OR CHILD DEVELOPMENTAL HOME SHALL BE LICENSED PURSUANT TO THIS ARTICLE.

B. An applicant for an adult developmental home or child developmental home license shall submit an application on a form prescribed by the department.

C. Before issuing or renewing a license to an applicant, the department shall investigate the activities and standards of care within the setting, the financial stability of the applicant, the character and training of the applicant and the adequacy of services. Before issuing or renewing a license, the department shall determine that the applicant is able to meet the emotional, physical, social, developmental, educational, cultural and intellectual needs of clients. The department by rule shall establish standards for licensure. The department shall maintain a system of independent oversight of licensing. The department may contract with third parties to perform services in connection with oversight and licensing. The department may not contract with the same third party for both oversight and licensure under this subsection.

D. Each license shall state in general terms the kind of setting the licensee is authorized to operate and shall prescribe the number, ages and sex of clients.

E. A licensee who holds an adult developmental home or child developmental home license shall:
1. Comply with applicable health, safety and sanitation codes or standards and document its compliance.
2. File reports as prescribed by the department.
3. Allow the department to inspect or monitor its services and facility and the facility's books and records.
4. Comply with rules adopted by the department.
5. Provide for the health, safety and welfare of the licensee's clients.
6. Allow the inspection of the developmental home at reasonable times pursuant to section 36-595.01.

F. A license expires one year from the date of issuance.
G. For each adult developmental home and child developmental home, the department shall:
   1. Conduct an annual licensing home visit.
      1. Annually visit and inspect the premises used for the care of children or vulnerable adults for sanitation, fire and other actual and potential hazards. The department shall take any action it deems necessary to carry out the duties imposed by this section, including denying the application for licensure and suspending or revoking the home's license.
   2. Monitor the settings for compliance with health, safety, contractual, programmatic and quality assurance standards at least two times per year. The department shall maintain a system of independent oversight of monitoring. The department may enter into a contract with third parties to perform services in connection with oversight and monitoring. The department may not contract with the same third party for both oversight and monitoring under this paragraph.
   3. Investigate a complaint within ten working days after receiving notice of the complaint, except that if there is a danger to a client, the department shall conduct the investigation immediately.
   4. Notify the parent or guardian of a developmental home resident of any serious incident or complaint at the developmental home involving the client for whom the parent or guardian is responsible.

H. The department shall establish by rule minimum qualifications, responsibilities and oversight for the licensing and monitoring of adult developmental homes and child developmental homes. The rules regarding minimum qualifications shall address professional judgment, conflicts of interest and training. The rules shall establish the frequency and type of visits for licensing and monitoring, maximum caseload ratios for those performing licensing and monitoring services and a system for appropriate public access to information regarding licensing and monitoring findings.
H. I. The department may contract with the same third party to perform services in connection with the licensing and monitoring of an adult developmental home or a child developmental home.

J. For the purposes of this section:

1. "Licensing" includes recruiting and verifying qualifications of applicants.

2. "Monitoring" includes monitoring health, safety, contractual, programmatic and quality assurance standards of an adult developmental home or child developmental home.

Sec. 11. Section 36-594, Arizona Revised Statutes, is amended to read:

36-594. Denial, suspension or revocation of license; definition

A. The department may deny, suspend or revoke a license pursuant to title 41, chapter 6, article 6 for any one or a combination of the following:

1. An applicant or licensee violates this chapter, rules adopted pursuant to this chapter, federal or state statutes or city or county ordinances or codes.

2. An applicant or licensee refuses to cooperate in obtaining or providing information the department deems necessary to determine if the department's standards have been met.

3. An employee, applicant, licensee or adult household member of an adult developmental home or child developmental home has been convicted of, has been found by a court to have committed or is reasonably believed to have committed a sex offense, a drug related offense, a theft related offense, a violence related offense, child abuse, child neglect, contributing to the delinquency of a minor or abuse or neglect of a vulnerable adult.

4. An employee, applicant, licensee or adult household member of an adult developmental home or child developmental home is the subject of a proposed substantiated or a substantiated finding of abuse, neglect or exploitation by adult protective services or the department of child safety.

5. An applicant or licensee materially misrepresents or wilfully fails to disclose information to the department relating to the applicant's or licensee's qualifications, experience or performance of responsibilities.

6. The department determines, using criteria established in statute or rule, that an applicant or licensee is unable or unwilling to meet the physical or emotional needs of clients.

7. An applicant, licensee or adult household member of an adult developmental home or child developmental home fails to obtain or maintain a fingerprint clearance card as required by section 36-594.02. THE
DENIAL, SUSPENSION OR REVOCATION OF A DEVELOPMENTAL HOME LICENSE DUE TO THE FAILURE TO OBTAIN OR MAINTAIN A LEVEL I FINGERPRINT CLEARANCE CARD AS REQUIRED BY SECTION 36-594.02 IS NOT AN APPEALABLE AGENCY ACTION.

B. An employee, applicant, licensee, volunteer or adult household member of an adult developmental home or child developmental home is alleged to have abused, neglected or exploited a vulnerable adult and the department of economic security intends to enter, pursuant to section 46-458, a substantiated finding of abuse, neglect or exploitation of a vulnerable adult in the adult protective services registry.

B. For the purposes of this section, "vulnerable adult" has the same meaning prescribed in section 13-3623.

Sec. 12. Section 36-672, Arizona Revised Statutes, is amended to read:

36-672. Immunizations; department rules; prohibitions
A. Consistent with section 15-873, the director shall adopt rules prescribing required immunizations for school attendance, the approved means of immunization and indicated reinforcing immunizations for diseases, and identifying types of health agencies and health care providers which may sign a laboratory evidence of immunity. The rules shall include the required doses, recommended optimum ages for administration of the immunizations, persons who are authorized representatives to sign on behalf of a health agency and other provisions necessary to implement this article.

B. The director, in consultation with the superintendent of public instruction, shall develop by rule standards for documentary proof.

C. Immunization against the human papillomavirus is not required for school attendance:
1. THE IMMUNIZATION AGAINST THE HUMAN PAPILLOMAVIRUS.
2. AN IMMUNIZATION FOR WHICH A UNITED STATES FOOD AND DRUG ADMINISTRATION EMERGENCY USE AUTHORIZATION HAS BEEN ISSUED.

D. AN IMMUNIZATION MUST BE PRESCRIBED BY A RULE ADOPTED PURSUANT TO SUBSECTION A OF THIS SECTION BEFORE THE IMMUNIZATION MAY BE REQUIRED FOR IN-PERSON SCHOOL ATTENDANCE.

E. PURSUANT TO SECTION 1-602, THIS SECTION DOES NOT PRECLUDE A PARENT'S RIGHT TO MAKE HEALTH CARE DECISIONS FOR THE PARENT'S MINOR CHILD.

Sec. 13. Title 36, chapter 6, Arizona Revised Statutes, is amended by adding article 4.2, to read:

ARTICLE 4.2. VACCINE PASSPORT PROHIBITIONS

36-681. COVID-19 vaccine passport; prohibitions
A. NOTWITHSTANDING ANY OTHER LAW, THIS STATE AND ANY CITY, TOWN OR COUNTY OF THIS STATE ARE PROHIBITED FROM ESTABLISHING A COVID-19 VACCINE PASSPORT OR REQUIRING EITHER OF THE FOLLOWING:
1. ANY PERSON TO BE VACCINATED FOR COVID-19.

B. ANY LAW OR ORDINANCE ESTABLISHING A COVID-19 VACCINE PASSPORT IS VOID AND IS NOT ENFORCEABLE AGAINST ANY PERSON OR BUSINESS LOCATED IN THIS STATE.

36-682. Article application; exceptions

THIS ARTICLE DOES NOT DO EITHER OF THE FOLLOWING:

1. LIMIT AN INDIVIDUAL'S ABILITY TO REQUEST THAT THE INDIVIDUAL'S OWN VACCINATION RECORDS BE PROVIDED TO THAT INDIVIDUAL OR TO A THIRD PARTY TO WHOM THE INDIVIDUAL REQUESTS THE RECORDS BE RELEASED.

2. PROHIBIT A HEALTH CARE INSTITUTION LICENSED PURSUANT TO CHAPTER 4 OF THIS TITLE FROM REQUIRING THE INSTITUTION'S EMPLOYEES TO BE VACCINATED.

Sec. 14. Section 36-694, Arizona Revised Statutes, is amended to read:

36-694. Report of blood tests; newborn screening program; committee; fee; definitions

A. When a birth or stillbirth is reported, the attending physician or other person required to make a report of the birth shall state on the certificate whether a blood test for syphilis was made on a specimen of blood taken from the woman who bore the child or from the umbilical cord at delivery, as required by section 36-693, and the approximate date when the specimen was taken.

B. When a birth is reported, the attending physician or person who is required to make a report on the birth shall order or cause to be ordered tests for certain congenital disorders, including hearing disorders. The results of tests for these disorders must be reported to the department of health services. The department of health services shall specify in rule the disorders, the process for collecting and submitting specimens and the reporting requirements for test results.

C. When a hearing test is performed on a newborn, the initial hearing test results and any subsequent hearing test results must be reported to the department of health services as prescribed by department rules.

D. The director of the department of health services shall establish a newborn screening program within the department to ensure that the testing for congenital disorders and the reporting of hearing test results required by this section are conducted in an effective and efficient manner. THE NEWBORN SCREENING PROGRAM SHALL INCLUDE ALL CONGENITAL DISORDERS THAT ARE INCLUDED ON THE RECOMMENDED UNIFORM SCREENING PANEL ADOPTED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES FOR BOTH CORE AND SECONDARY CONDITIONS. BEGINNING JANUARY 1, 2022, DISORDERS THAT ARE ADDED TO THE CORE AND SECONDARY CONDITIONS LIST OF THE RECOMMENDED UNIFORM SCREENING PANEL SHALL
BE ADDED TO THIS STATE'S NEWBORN SCREENING PANEL WITHIN TWO YEARS AFTER THEIR ADDITION TO THE RECOMMENDED UNIFORM SCREENING PANEL. The newborn screening program shall include an education program for the general public, the medical community, parents and professional groups. The director shall designate the state laboratory as the only testing facility for the program, except that the director may designate other laboratory testing facilities for conditions or tests added to the newborn screening program on or after July 24, 2014. If the director designates another laboratory testing facility for any condition or test, the director shall require the facility to follow all of the privacy and sample destruction time frames that are required of the state laboratory.

E. The newborn screening program shall establish and maintain a central database of newborns and infants who are tested for hearing loss and congenital disorders that includes information required in rule. Test results are confidential subject to the disclosure provisions of sections 12-2801 and 12-2802.

F. If tests conducted pursuant to this section indicate that a newborn or infant may have a hearing loss or a congenital disorder, the screening program shall provide follow-up services to encourage the child's family to access evaluation services, specialty care and early intervention services.

G. The director shall establish a committee to provide recommendations and advice to the department on at least an annual basis regarding NEWBORN SCREENING BEST PRACTICES AND EMERGING TRENDS. The committee shall include the following members who are appointed by the director and who serve without compensation or reimbursement of expenses at the pleasure of the director:

1. Seven physicians who are licensed pursuant to title 32, chapter 13 or 17 and who represent the medical specialties of endocrinology, pediatrics, neonatology, family practice, otology and obstetrics.

2. A neonatal nurse practitioner who is licensed and certified pursuant to title 32, chapter 15.

3. An audiologist who is licensed pursuant to chapter 17, article 4 of this title.

4. A representative of an agency that provides services under part 6 of the individuals with disabilities education act.

5. At least one parent of a child with a hearing loss or a congenital disorder.

6. A representative from the insurance industry who is familiar with health care reimbursement issues.
7. The director of the Arizona health care cost containment system administration or the director's designee.

8. A representative of the hospital or health care industry.

I. H. The director may establish by rule a fee that the department may collect for operation of the newborn screening program, including contracting for the testing pursuant to this section. The fee for the first specimen and hearing test shall not exceed thirty-six dollars. The director shall present any change to the fee for the newborn screening program to the joint legislative budget committee for review.

I. Not later than sixty days after the department adjusts the newborn screening program fee established pursuant to subsection H of this section:

1. Each health insurer that is subject to Title 20 shall update its hospital rates that include newborn screening to reflect the increase.

2. For the Arizona health care cost containment system and contractors acting pursuant to Chapter 29, Article 1 of this title that are not subject to Title 20, the Arizona health care cost containment system shall update its hospital rates that include newborn screening to reflect the increase.

J. For the purposes of this section:

1. "Infant" means a child who is twenty-nine days of age to two years of age.

2. "Newborn" means a child who is not more than twenty-eight days of age.

Sec. 15. Section 36-694.01, Arizona Revised Statutes, is amended to read:

36-694.01. Newborn screening program fund; use; exemption

A. The newborn screening program fund is established. The department of health services shall administer the fund. The fund consists of fees collected pursuant to section 36-694 and gifts, grants and donations received by the department.

B. Subject to legislative appropriation, the department shall use fund monies to support the operation of the newborn screening program prescribed under section 36-694 and rules adopted under that section.

C. Monies in the fund are exempt from the provisions of section 35-190 relating to lapsing of appropriations.

Sec. 16. Section 36-1201, Arizona Revised Statutes, is amended to read:

36-1201. Juvenile group homes; service contracts; registry; definitions

A. State agencies that contract directly with group homes or regional behavioral health authorities that, as part of their contracts with the department of health services, subcontract with group homes shall
require in each contract awarded, renewed or amended the following minimum provisions:

1. The group home shall provide a safe, clean and humane environment for the residents.
2. The group home is responsible for the supervision of the residents while in the group home environment or while residents are engaged in any off-site activities organized or sponsored by and under the direct supervision and control of the group home or affiliated with the group home.
3. All group home contractors shall be licensed by either the department of health services, the department of child safety or the department of economic security.
4. The award of a group home contract from an appropriate contracting authority is not a guarantee that children will be placed at the group home.
5. A license violation by the group home that is not corrected pursuant to this section may also be considered a contract violation.
6. State agencies and regional behavioral health authorities may share information regarding group home contractors. The shared information shall not include information that personally identifies residents of group homes.
7. The following contract remedies:
   (a) A schedule of financial sanctions in an amount of up to $500 per violation that the contracting authority, after completing an investigation, may assess against the group home contractor for a substantiated contract violation relating to the health, care or safety of a resident or the safety of a neighbor. A financial sanction may be imposed for a contract violation related to the safety of a neighbor only if the conduct that constitutes the violation would be sufficient to form the basis for a civil cause of action for damages on the part of the neighbor whether or not such a civil action has been filed. These sanctions may be imposed by either deducting the amount of the sanction from any payment due or withholding future payments. The deduction or withholding may occur after any hearing available to the contractor.
   (b) The contracting authority's right to remove residents from the group home or suspend new placements to the group home until the contracting violation is corrected.
   (c) The contracting authority's right to cancel the contract.
8. Within ten business days after the contracting authority receives a complaint relating to a group home, the contracting authority shall notify the group home provider and either initiate an investigation or refer the investigation to the licensing authority. If any complaint concerns an immediate threat to the health and safety of a child, the
complaint shall be immediately referred to the licensing authority. If
the contracting authority determines that a violation has occurred, it
shall:
(a) Notify all other contracting authorities of the violation.
(b) Coordinate a corrective action plan consistent with the
severity of the violation.
(c) Require the corrective action plan to be implemented within
ninety days.
9. If a licensing deficiency is not corrected in a timely manner to
the satisfaction of the licensing authority, the contracting authority may
cancel the contract immediately on notice to the group home and may remove
the residents.
10. A person may bring a complaint against any state agency that
violates this section pursuant to title 41, chapter 6, article 6 or 10, as
applicable. In addition to any costs or fees awarded to a person
resulting from a complaint of a violation of this section, the agency
shall revert the sum of $5,000 from its general fund operating
appropriation to the state treasurer for deposit in the state general fund
for each violation that is upheld by an administrative law judge or
hearing officer. The legislature shall appropriate monies that revert
under this section to a similar program that provides direct services to
children.

B. When a licensing authority has determined that a license
violation has occurred or is occurring, the licensing authority
shall notify the appropriate contracting authority of the licensing
violation.
C. A group home's record of contract violations and licensing
violations may be considered by any contracting authority when it
evaluates any request for proposals.
D. The department of health services shall establish a central
registry of juvenile group homes licensed by this state. Each agency that
is subject to the requirements of this section shall provide updated
information for the registry to the department of health services every
six months. The registry shall include the following information
regarding each group home:
1. The location of the group home, including satellite facilities.
2. The number of residents at the group home and its satellite
facilities.
3. The current, updated emergency contacts for the group home and
its satellite facilities.
4. The current, updated contacts for the group home's licensing
authority.
E. If the municipality in which a group home is located requests
the department of health services to provide information from the
registry, the department shall provide the information every six months to the municipality.

F. For the purposes of this article:

1. "Contract violation" means a licensing violation or a failure of the group home to comply with those provisions of its contract relating to subsection A, paragraphs 1, 2 and 3 of this section.

2. "Contracting authority" means a regional behavioral health authority or the state agency or its division, office, section, bureau or program that is responsible for the administration and monitoring of contracts with group homes.

3. "Group home":
   (a) Means a residential facility that is licensed to serve more than four minors at any one time, that is licensed by the department of health services pursuant to chapter 4 of this title or section 36-591, subsection 8-A or by the department of child safety pursuant to title 8, chapter 4, article 4 and that provides services pursuant to a contract for minors determined to be dependent as defined in section 8-201 or delinquent or incorrigible pursuant to section 8-341, or for minors with developmental disabilities, mental health or substance abuse needs. Group home
   (b) Does not include hospitals, nursing homes, child crisis and domestic violence shelters, adult homes, foster homes, facilities subject to any transient occupancy tax or behavioral health service agencies that provide twenty-four hour or continuous physician availability.

4. "Licensing authority" means the state agency or its division, office, section, bureau or program that is responsible for licensing group homes.

5. "Licensing violation" means a determination by the licensing authority that the group home is not in compliance with licensing requirements as prescribed in statute or rule.

6. "Neighbor" means a person residing within a one-quarter mile radius of the group home.

7. "Resident" means any person who is placed in a group home pursuant to a contract with a contracting authority.

Sec. 17. Title 36, Arizona Revised Statutes, is amended by adding chapter 31, to read:

CHAPTER 31
SEXUAL VIOLENCE SERVICES
ARTICLE 1. GENERAL PROVISIONS

36-3101. Definitions
IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:
1. "DEPARTMENT" MEANS THE DEPARTMENT OF ECONOMIC SECURITY.
2. "PROGRAM ADMINISTRATOR" HAS THE SAME MEANING PRESCRIBED IN SECTION 36-3001.

36-3102. Sexual violence service fund; purpose; exemption
   A. THE SEXUAL VIOLENCE SERVICE FUND IS ESTABLISHED CONSISTING OF LEGISLATIVE APPROPRIATIONS, GRANTS AND CONTRIBUTIONS. THE PROGRAM ADMINISTRATOR SHALL ADMINISTER THE FUND FOR THE PURPOSES PRESCRIBED IN THIS ARTICLE. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.
   B. THE DEPARTMENT, IN CONSULTATION WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE, SHALL ESTABLISH PROGRAM PRIORITIES FOR THE FUND. THE DEPARTMENT SHALL SPEND MONIES IN THE FUND TO PROVIDE GRANTS TO SERVICE PROVIDERS FOR VICTIMS OF SEXUAL VIOLENCE.

36-3103. Sexual violence service providers; requirements; eligibility
   A. TO BE ELIGIBLE TO RECEIVE A GRANT UNDER THIS ARTICLE, A SEXUAL VIOLENCE SERVICE PROVIDER SHALL ADHERE TO STATEWIDE SERVICE STANDARDS FOR SEXUAL VIOLENCE PROGRAMS THAT ARE APPROVED BY THE DEPARTMENT IN COLLABORATION WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE.
   B. A SEXUAL VIOLENCE SERVICE PROVIDER DOES NOT QUALIFY FOR GRANT MONIES IF THE SERVICE PROVIDER DISCRIMINATES IN ITS ADMISSION OR PROVISION OF SERVICES ON THE BASIS OF RACE, GENDER, RELIGION, COLOR, AGE, DISABILITY, MARITAL STATUS, NATIONAL ORIGIN OR ANCESTRY.

36-3104. Methodology for allocating grant monies
   THE DEPARTMENT, IN CONSULTATION WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE, SHALL DEVELOP A WEIGHTED METHODOLOGY FOR ALLOCATING GRANT MONIES THAT CONSIDERS ALL OF THE FOLLOWING:
   1. THE NEED FOR SERVICES.
   2. EXISTING SERVICES.
   3. GEOGRAPHIC LOCATION.
   4. POPULATION RATIOS.

36-3105. Annual report
   ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE DEPARTMENT SHALL PROVIDE AN ANNUAL REPORT TO THE GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE THAT INCLUDES INFORMATION FROM EACH SEXUAL VIOLENCE SERVICE PROVIDER THAT RECEIVES GRANT MONIES PURSUANT TO THIS ARTICLE ON THE POPULATION SERVED. IN PREPARING THE REPORT THE DEPARTMENT SHALL CONSULT WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE. THE DEPARTMENT SHALL PROVIDE A COPY OF THIS REPORT TO THE SECRETARY OF STATE.

Sec. 18. Repeal
   Section 41-3021.11, Arizona Revised Statutes, is repealed.
Sec. 19. Title 41, chapter 27, article 2, Arizona Revised Statutes, is amended by adding section 41-3022.26, to read:

41-3022.26. Board of examiners of nursing care institution administrators and assisted living facility managers; termination March 31, 2022

A. THE BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND ASSISTED LIVING FACILITY MANAGERS TERMINATES ON MARCH 31, 2022.

B. TITLE 36, CHAPTER 4, ARTICLE 6 AND THIS SECTION ARE REPEALED ON JANUARY 1, 2023.

Sec. 20. Section 46-452.02, Arizona Revised Statutes, is amended to read:

46-452.02. State long-term care ombudsman; duties; immunity from liability

A. A representative of the office of the state long-term care ombudsman who performs the official duties of the long-term care ombudsman shall IS not be liable under state law for the good faith performance of official duties.

B. Official duties of the office of the state long-term care ombudsman include authority to:
   1. Enter long-term care facilities to communicate with residents.
   2. Hear, investigate and attempt to resolve complaints by agreement, mediation or conciliation.
   3. Render advice to residents of facilities.
   4. Refer cases involving abuse, neglect, exploitation or health and safety to adult protective services or the appropriate licensing agency.
   5. Make appropriate referrals to legal services or other community services.
   6. ASSUME such other responsibilities as required pursuant to the older Americans act of 1965, as amended (P.L. 100-175, sec. 307 (A) (12) 100-175; 42 United States Code 3027(A) (12) SECTION 3027(a)(12)).

C. Subject to available monies, the office of the state long-term care ombudsman shall visit each long-term care facility in this state without prior notice at least two times each calendar year to speak with residents of the long-term care facility, or the resident's representative if the resident is nonverbal, without the presence of the facility's staff. The requirements of this subsection are in addition to any follow-up in response to a complaint.

D. Official duties of the office of the state long-term care ombudsman do not include activities performed by a licensed health care provider as defined in section 12-561.
Sec. 21. **Nursing care institution and assisted living facility study committee; membership; duties; report; delayed repeal**

A. The nursing care institution and assisted living facility study committee is established consisting of the following members:

1. Two members of the house of representatives who represent different political parties and who are appointed by the speaker of the house of representatives. The speaker of the house of representatives shall designate one of these members to serve as cochairperson of the study committee.

2. Two members of the senate who represent different political parties and who are appointed by the president of the senate. The president of the senate shall designate one of these members to serve as cochairperson of the study committee.

3. One representative of the governor's office.

4. The director of the department of health services or the director's designee.

5. The state long-term care ombudsman or the ombudsman's designee.

6. Two representatives from organizations that advocate for the elderly who are appointed by the governor.

7. Two licensed nursing care institution administrators who are currently employed as administrators of skilled nursing facilities, one of whom is from a nonprofit facility and one of whom is from a proprietary facility. The president of the senate shall appoint both of these members.

8. Two licensed assisted living facility managers who are currently employed as managers of assisted living facilities, one of whom is from a nonprofit facility and one of whom is from a proprietary facility. The speaker of the house of representatives shall appoint both of these members.

9. Two licensed assisted living facility managers who are currently employed as managers of assisted living facility homes and who are appointed by the president of the senate.

10. Four family members of residents of a skilled nursing facility, assisted living facility or assisted living facility home who are appointed by the governor.

11. One health care professional who treats the elderly and who is appointed by the governor.

B. The study committee shall:

1. Consider whether the board of examiners of nursing care institution administrators and assisted living facility managers should be administered independently or the duties should be moved to the department of health services or another successor agency or licensing board.
2. Review and discuss the statutes related to disclosure of all felonies regardless of the applicants' fingerprint clearance card requirement.

3. Receive an update from the auditor general's office and the executive director of the board of examiners of nursing care institution administrators and assisted living facility managers on the auditor general's recommendations and the board's compliance with the recommendations to date.

4. Hear testimony about operational changes from the executive director of the board.

5. Discuss and research best practices to administer licenses.

6. Identify any additional efficiencies to make the board more responsive to the public and its licensees.

7. Review best practices relating to answering and investigating complaints.

8. Review and analyze the regulatory oversight of skilled nursing facilities and assisted living facilities by the state and federal government and the future needs of the industry.

C. Public members of the study committee are eligible to receive reimbursement of expenses pursuant to title 38, chapter 4, article 2, Arizona Revised Statutes.

D. On or before December 1, 2021, the study committee shall submit a report of its findings and recommendations to the governor, the president of the senate and the speaker of the house of representatives and shall provide a copy of this report to the secretary of state.

E. This section is repealed from and after June 30, 2022.

Sec. 22. ALTCS; county contributions; fiscal year 2021-2022

A. Notwithstanding section 11-292, Arizona Revised Statutes, county contributions for the Arizona long-term care system for fiscal year 2021-2022 are as follows:

1. Apache $ 662,900
2. Cochise $ 4,551,700
3. Coconino $ 1,990,400
4. Gila $ 2,327,100
5. Graham $ 1,328,000
6. Greenlee $ 0
7. La Paz $ 357,100
8. Maricopa $184,272,900
9. Mohave $ 9,154,300
10. Navajo $ 2,744,100
11. Pima $ 44,073,400
12. Pinal $ 12,109,900
13. Santa Cruz $ 2,242,800
14. Yavapai $ 7,677,800
15. Yuma $ 9,701,600

B. If the overall cost for the Arizona long-term care system exceeds the amount specified in the general appropriations act for fiscal year 2021-2022, 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. 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 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.

Sec. 24. AHCCCS transfer; counties; federal monies; fiscal year 2021-2022

On or before December 31, 2022, notwithstanding any other law, for fiscal year 2021-2022 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. 25. County acute care contributions; fiscal year 2021-2022

A. Notwithstanding section 11-292, Arizona Revised Statutes, for fiscal year 2021-2022 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 $ 17,603,700
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 1 available an amount necessary to fulfill that county's requirement. The 2 state treasurer may not withhold distributions from the Arizona highway 3 user revenue fund pursuant to title 28, chapter 18, article 2, Arizona 4 Revised Statutes.

C. Payment of an amount equal to one-twelfth of the total amount 5 determined pursuant to subsection A of this section shall be made to the 6 state treasurer on or before the fifth day of each month. On request from 7 the director of the Arizona health care cost containment system 8 administration, the state treasurer shall require that up to three months' 9 payments be made in advance, if necessary.

D. The state treasurer shall deposit the amounts paid pursuant to 10 subsection C of this section and amounts withheld pursuant to subsection B 11 of this section in the Arizona health care cost containment system fund 12 and the long-term care system fund established by section 36-2913, Arizona 13 Revised Statutes.

E. If payments made pursuant to subsection C of this section exceed 14 the amount required to meet the costs incurred by the Arizona health care 15 cost containment system for the hospitalization and medical care of those 16 persons defined as an eligible person pursuant to section 36-2901, 17 paragraph 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, the 18 director of the Arizona health care cost containment system administration 19 may instruct the state treasurer either to reduce remaining payments to be 20 paid pursuant to this section by a specified amount or to provide to the 21 counties specified amounts from the Arizona health care cost containment 22 system fund and the long-term care system fund established by section 23 36-2913, Arizona Revised Statutes.

F. The legislature intends that the Maricopa county contribution 24 pursuant to subsection A of this section be reduced in each subsequent 25 year according to the changes in the GDP price deflator. For the purposes 26 of this subsection, "GDP price deflator" has the same meaning prescribed 27 in section 41-563, Arizona Revised Statutes.

Sec. 26. Department of health services; fee reduction

The department of health services shall reduce the revenue generated 29 from fees collected for services provided by the bureau of radiation 30 control by $300,000.

Sec. 27. Proposition 204 administration; exclusion; county 32 expenditure limitations

County contributions for the administrative costs of implementing 33 sections 36-2901.01 and 36-2901.04, Arizona Revised Statutes, that are 34 made pursuant to section 11-292, subsection O, Arizona Revised Statutes, 35 are excluded from the county expenditure limitations.
Sec. 28. **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. 29. **AHCCCS; risk contingency rate setting**

Notwithstanding any other law, for the contract year beginning October 1, 2021 and ending September 30, 2022, 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. 30. **Health services lottery monies fund; use; fiscal year 2021-2022**

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 2021-2022 general appropriations act.

Sec. 31. **Department of economic security; drug testing; TANF cash benefits recipients**

During fiscal year 2021-2022, 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.

Sec. 32. **Department of health services; newborn screening program; implementation of recommended uniform screening panel**

Notwithstanding section 36-694, subsection D, Arizona Revised Statutes, as amended by this act, the department of health services shall:

1. On or before December 31, 2021, add spinal muscular atrophy and x-linked adrenoleukodystrophy to this state's newborn screening panel.

2. On or before December 31, 2023, add all remaining core and secondary conditions that are included on the recommended uniform screening panel adopted by the secretary of the United States department of health and human services as of December 31, 2021 to this state's newborn screening panel.

Sec. 33. **Legislative intent; newborn screening program fee**

The legislature intends that the newborn screening program fee established by the director of the department of health services pursuant to section 36-694, Arizona Revised Statutes, as amended by this act, for
operating the newborn screening program, including contracting for testing, not exceed the direct cost of the tests and the direct costs of operating the program, excluding any gifts, grants or donations or state or federal funding received by the department.

Sec. 34. Legislative intent; implementation of program
The legislature intends that for fiscal year 2021-2022 the Arizona health care cost containment system administration implement a program within the available appropriation.

Sec. 35. Purpose
Pursuant to section 41-2955, subsection B, Arizona Revised Statutes, the legislature continues the board of examiners of nursing care institution administrators and assisted living facility managers to promote the safe and professional regulation of nursing care institutions and assisted living facilities in this state.

Sec. 36. Retroactivity
Section 36-446.04, Arizona Revised Statutes, as amended by this act, section 41-3021.11, Arizona Revised Statutes, as repealed by this act, and section 41-3022.26, Arizona Revised Statutes, as added by this act, apply retroactively to from and after July 1, 2021.