Senate Engrossed

health; budget reconciliation; 2021-2022

State of Arizona Senate Fifty-fifth Legislature First Regular Session 2021

## **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 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 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: 1 2 Section 1. Title 8, chapter 4, article 4, Arizona Revised Statutes, 3 is amended by adding section 8-512.02, to read: 4 8-512.02. Comprehensive health plan expenditure authority 5 fund; reversion A. THE DEPARTMENT SHALL ESTABLISH AND MAINTAIN A COMPREHENSIVE 6 HEALTH PLAN EXPENDITURE AUTHORITY FUND, WHICH IS A SEPARATE FUND TO 7 8 DISTINGUISH THE DEPARTMENT'S REVENUES AND THE DEPARTMENT'S EXPENDITURES 9 PURSUANT TO SECTION 8-512 FROM OTHER PROGRAMS THAT ARE FUNDED AND 10 ADMINISTERED BY THE DEPARTMENT. THE FUND SHALL BE USED Τ0 PAY ADMINISTRATIVE AND PROGRAM COSTS ASSOCIATED WITH PROVIDING COMPREHENSIVE 11 12 MEDICAL CARE, DENTAL CARE AND BEHAVIORAL HEALTH SERVICES PURSUANT TO 13 SECTION 8-512. THE COMPREHENSIVE HEALTH PLAN EXPENDITURE AUTHORITY FUND 14 CONSISTS OF: 15 1. MONIES PAID BY THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM 16 ADMINISTRATION PURSUANT TO THE CONTRACT. 17 2. AMOUNTS PAID BY THIRD-PARTY PAYORS. 18 3. GIFTS, DONATIONS AND GRANTS FROM ANY SOURCE. 4. INTEREST ON MONIES DEPOSITED IN THE COMPREHENSIVE HEALTH PLAN 19 20 EXPENDITURE AUTHORITY FUND. 21 B. ALL MONIES FROM CAPITATED PAYMENTS IN THE COMPREHENSIVE HEALTH PLAN EXPENDITURE AUTHORITY FUND THAT ARE UNEXPENDED AND UNENCUMBERED AT 22 23 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 24 25 TO PAY NONMEDICAID CLAIMS INCURRED BY THE DEPARTMENT. 26 Sec. 2. Title 20, chapter 1, article 1, Arizona Revised Statutes, 27 is amended by adding section 20-126, to read: 28 20-126. Department; annual medical loss ratio report; 29 posting; definition 30 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 31 32 BUSINESS IN THIS STATE. IN CALCULATING THE MEDICAL LOSS RATIO, THE DEPARTMENT SHALL USE DATA SUBMITTED BY DENTAL INSURERS IN EXISTING 33 REQUIRED REGULATORY FILINGS, INCLUDING ALL OF THE FOLLOWING: 34 35 1. ADJUSTED INCURRED ANNUAL DENTAL CLAIMS IN THIS STATE. 36 2. ANNUAL DENTAL INSURANCE PREMIUMS EARNED IN THIS STATE. 37 3. ANNUAL INCURRED FEDERAL AND STATE TAXES, LICENSING FEES AND 38 REGULATORY FEES ON DENTAL PREMIUMS IN THIS STATE. 39 B. THE DEPARTMENT SHALL POST THE CALCULATED ANNUAL MEDICAL LOSS 40 RATIO FOR EACH DENTAL INSURER ON THE DEPARTMENT'S WEBSITE. C. FOR THE PURPOSES OF THIS SECTION, "DENTAL INSURER" MEANS A 41 42 DENTAL SERVICE CORPORATION PURSUANT TO CHAPTER 4, ARTICLE 3 OF THIS TITLE, HEALTH CARE SERVICES ORGANIZATION PURSUANT TO CHAPTER 4, ARTICLE 9 OF THIS 43 44 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 1 2 THIS TITLE THAT OFFERS, ISSUES OR RENEWS A CONTRACT, EVIDENCE OF COVERAGE 3 OR POLICY COVERING DENTAL SERVICES. 4 Sec. 3. Title 23, chapter 2, article 1, Arizona Revised Statutes, 5 is amended by adding section 23-206, to read: 6 23-206. Employers; accommodations required 7 IF AN EMPLOYER RECEIVES NOTICE FROM AN EMPLOYEE THAT THE EMPLOYEE'S 8 SINCERELY HELD RELIGIOUS BELIEFS, PRACTICES OR OBSERVANCES PREVENT THE 9 EMPLOYEE FROM TAKING THE COVID-19 VACCINATION, THE EMPLOYER SHALL PROVIDE 10 A REASONABLE ACCOMMODATION UNLESS THE ACCOMMODATION WOULD POSE AN UNDUE HARDSHIP AND MORE THAN A DE MINIMUS COST TO THE OPERATION OF THE 11 EMPLOYER'S BUSINESS. 12 13 Sec. 4. Section 30-654, Arizona Revised Statutes, is amended to 14 read: 15 30-654. Powers and duties of the department 16 A. The department may: 17 1. Accept grants or other contributions from the federal government 18 or other sources, public or private, to be used by the department to carry 19 out any of the purposes of this chapter. 20 2. Do all things necessary, within the limitations of this chapter, 21 to carry out the powers and duties of the department. 22 3. Conduct an information program, including: 23 (a) Providing information on the control and regulation of sources 24 of radiation and related health and safety matters, on request, to members 25 of the legislature, the executive offices, state departments and agencies 26 and county and municipal governments. 27 (b) Providing such published information. audiovisual 28 presentations, exhibits and speakers on the control and regulation of sources of radiation and related health and safety matters to the state's 29 30 educational system at all educational levels as may be arranged. 31 (c) Furnishing to citizen groups, on request, speakers and such 32 audiovisual presentations or published materials on the control and 33 regulation of sources of radiation and related health and safety matters 34 as may be available. 35 (d) Conducting, sponsoring or cosponsoring and actively 36 participating in the professional meetings, symposia, workshops, forums 37 and other group informational activities concerned with the control and 38 regulation of sources of radiation and related health and safety matters 39 when representation from this state at such meetings is determined to be 40 important by the department. 41 B. The department shall: 42 Regulate the use, storage and disposal of sources of radiation. 1.

2. Establish procedures for purposes of selecting any proposed 1 2 permanent disposal site located within this state for low-level 3 radioactive waste.

4 5

3. Coordinate with the department of transportation and the corporation commission in regulating the transportation of sources of 6 radiation.

7 4. Assume primary responsibility for and provide necessary 8 technical assistance to handle any incidents, accidents and emergencies 9 involving radiation or sources of radiation occurring within this state.

10 5. Adopt rules deemed necessary to administer this chapter in 11 accordance with title 41, chapter 6.

12 6. Adopt uniform radiation protection and radiation dose standards be as nearly as possible in conformity with, and in no case 13 to inconsistent with, the standards contained in the regulations of the 14 15 United States nuclear regulatory commission and the standards of the United States public health service. In the adoption of the standards, 16 17 the department shall consider the total occupational radiation exposure of 18 individuals, including that from sources that are not regulated by the 19 department.

20 7. Adopt rules for personnel monitoring under the close supervision 21 of technically competent people in order to determine compliance with 22 safety rules adopted under this chapter.

23 8. Adopt a uniform system of labels, signs and symbols and the 24 posting of the labels, signs and symbols to be affixed to radioactive 25 products, especially those transferred from person to person.

26 9. By rule, require adequate training and experience of persons using sources of radiation with respect to the hazards of excessive 27 28 exposure to radiation in order to protect health and safety.

29 10. Adopt standards for the storage of radioactive material and for 30 security against unauthorized removal.

11. Adopt standards for the disposal of radioactive materials into 31 the air, water and sewers and burial in the soil in accordance with 10 32 33 Code of Federal Regulations part 20.

34 12. Adopt rules that are applicable to the shipment of radioactive 35 materials in conformity with and compatible with those established by the United 36 States nuclear regulatory commission, the department of transportation, the United States department of the treasury and the 37 38 United States postal service.

39 13. In individual cases, impose additional requirements to protect 40 health and safety or grant necessary exemptions that will not jeopardize 41 health or safety, or both.

42 14. Make recommendations to the governor and furnish such technical advice as required on matters relating to the utilization and regulation 43 44 of sources of radiation.

1 15. Conduct or cause to be conducted off-site radiological 2 environmental monitoring of the air, water and soil surrounding any fixed 3 nuclear facility, any uranium milling and tailing site and any uranium 4 leaching operation, and maintain and report the data or results obtained 5 by the monitoring as deemed appropriate by the department.

6 16. Develop and utilize information resources concerning radiation 7 and radioactive sources.

8 17. Prescribe by rule a schedule of fees to be charged to categories of licensees and registrants of radiation sources, including 9 10 academic, medical, industrial, waste, distribution and imaging categories. The fees shall cover a significant portion of the reasonable costs 11 12 associated with processing the application for license or registration, renewal or amendment of the license or registration and the costs of 13 14 inspecting the licensee or registrant activities and facilities, including 15 the cost to the department of employing clerical help, consultants and 16 persons possessing technical expertise and using analytical 17 instrumentation and information processing systems.

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

21 C. The department shall deposit, pursuant to sections 35-146 and 22 35-147, the first \$300,000 in fees collected each fiscal year pursuant to 23 subsection B, paragraph 17 of this section and section 32-2805 in the 24 state general fund. The department shall deposit, pursuant to sections 25 35-146 and 35-147, ninety percent of the remaining monies received from 26 fees collected pursuant to subsection B, paragraph 17 of this section and 27 section 32-2805 in the health services licensing fund established by 28 section 36-414 and ten percent of the remaining monies received from fees 29 collected pursuant to subsection B, paragraph 17 of this section and 30 section 32-2805 in the state general fund.

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

33

34

36-147. <u>Annual expenditure report; medical marijuana fund;</u> justice reinvestment fund

35 ON OR BEFORE JULY 1 OF EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AN EXPENDITURE REPORT FOR THE PRECEDING 36 FISCAL YEAR ON MONIES TRANSFERRED TO THE DEPARTMENT FROM THE MEDICAL 37 MARIJUANA FUND PURSUANT TO SECTION 36-2817 AND MONIES TRANSFERRED TO THE 38 DEPARTMENT FROM THE JUSTICE REINVESTMENT FUND PURSUANT TO SECTION 36-2863. 39 40 THE REPORT SHALL INCLUDE EXPENDITURES BY PROGRAM AND A LIST OF GRANTS DISTRIBUTED BY THE DEPARTMENT. THE DEPARTMENT SHALL INDICATE WHEN ALL 41 42 MONIES FROM TRANSFERS MADE PURSUANT TO SECTION 36-2817 HAVE BEEN SPENT.

1 36-148. Annual distribution report; smart and safe Arizona 2 fund ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE TREASURER SHALL 3 4 REPORT TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE 5 OF STRATEGIC PLANNING AND BUDGETING ON DISTRIBUTIONS MADE FROM THE SMART AND SAFE ARIZONA FUND ESTABLISHED BY SECTION 36-2856 TO THE DEPARTMENT OF 6 7 HEALTH SERVICES, THE DEPARTMENT OF REVENUE, THE SUPREME COURT, THE 8 DEPARTMENT OF PUBLIC SAFETY AND THE STATE TREASURER PURSUANT TO SECTION 9 36-2856, SUBSECTION B. THE REPORT SHALL INCLUDE THE AMOUNT OF ACTUAL 10 DISTRIBUTIONS MADE TO EACH ENTITY IN THE PRIOR FISCAL YEAR AND THE AMOUNT OF ESTIMATED DISTRIBUTIONS FOR THE CURRENT FISCAL YEAR. 11 12 Sec. 6. Section 36-446.02, Arizona Revised Statutes, is amended to 13 read: 14 36-446.02. Board of examiners; terms; meetings; quorum; effect of vacancies; compensation 15 16 A. The board of examiners of nursing care institution 17 administrators and assisted living facility managers is established consisting of **mine** ELEVEN members appointed by the governor. 18 19 Β. The board shall include: 20 1. One administrator who holds an active license issued pursuant to 21 this article. 22 2. One manager who holds an active license issued pursuant to this 23 article. 24 3. One administrator of a nonprofit or faith-based skilled nursing 25 facility. 26 4. One administrator of a proprietary skilled nursing facility. 27 5. Two managers of an assisted living center as defined in section 28 36-401. 29 6. One manager of an assisted living home as defined in section 30 36-401. 31 7. Two public members who are not affiliated with a nursing care 32 institution or an assisted living facility. 8. ONE PUBLIC MEMBER WHO REPRESENTS AN ORGANIZATION THAT ADVOCATES 33 34 FOR THE ELDERLY. 35 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 36 PERSON IS APPOINTED TO THE BOARD. 37 38 C. Board members who are not affiliated with a nursing care 39 institution or an assisted living facility shall not have a direct 40 financial interest in nursing care institutions or assisted living 41 facilities. 42 D. A board member shall not serve on any other board relating to 43 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 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 THREE-YEAR terms.

9 G. A board member shall not serve for more than two consecutive 10 terms.

11 12 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.

16 K. A board member who is absent from three consecutive regular 17 meetings or who fails to attend more than fifty per cent PERCENT of board 18 meetings over the course of one calendar year vacates the board member's 19 position. The board shall notify the governor of the vacancy.

20 Sec. 7. Section 36-446.04, Arizona Revised Statutes, is amended to 21 read:

22

36-446.04. <u>Qualifications: period of validity: exemption</u>

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:

26

1. Is of good character.

27 2. Has satisfactorily completed a course of instruction and28 training approved by the board that:

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

31 (b) Includes a thorough background in the laws and rules governing 32 the operation of nursing care institutions and the protection of the 33 interests of the patients in nursing care institutions.

34 (c) Includes thorough training in elements of good health care 35 facilities administration.

36 3. Has passed an examination administered by the board designed to 37 test for competency in the subject matter referred to in this subsection.

38

4. Has met one of the following fingerprinting requirements:

39 (a) Has a valid fingerprint clearance card issued pursuant to title40 41, chapter 12, article 3.1.

41 (b) Has provided proof of the submission of an application for a 42 fingerprint clearance card. An applicant who has been denied a 43 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.

6 C. The board shall issue a certificate as an assisted living 7 facility manager pursuant to its rules to a person who meets the following 8 qualifications:

9

1. Is of good character.

10 2. Has satisfactorily completed a course of instruction and 11 training approved by the board that:

12 (a) Is designed and sufficiently administered to give the applicant13 knowledge of the proper needs to be served by an assisted living facility.

14 (b) Includes a thorough background in the laws governing the 15 operation of assisted living facilities and the protection of the 16 interests of the patients in assisted living facilities.

17 (c) Includes thorough training in elements of assisted living 18 facility administration.

19 3. Has passed an examination administered by the board that is 20 designed to test for competency in the subject matter prescribed in this 21 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.

26

5. Has met one of the following fingerprinting requirements:

(a) Has a valid fingerprint clearance card issued pursuant to title41, 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.

34D. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, BEGINNING35JULY 1, 2021, ALL NEW LICENSES AND CERTIFICATIONS ISSUED BY THE BOARD MUST36BE APPROVED BY BOTH THE BOARD AND THE DEPARTMENT OF HEALTH SERVICES.

37 D. E. A person who is certified pursuant to this section must 38 maintain a valid fingerprint clearance card during the valid period of the 39 person's certificate.

40 E. F. In lieu of the requirements contained in subsection A, 41 paragraph 2 or subsection C, paragraph 2, an applicant may present 42 satisfactory evidence to the board of sufficient education and training in 43 the areas listed in that paragraph.

F. G. A license is nontransferable and remains in effect until the 1 2 following June 30 of an even numbered year, at which time the license may 3 be renewed if the licensee otherwise complies with this article and unless 4 the license has been surrendered, suspended or revoked.

6. 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.

<u>₩.</u> Ι. 10 This section does not apply to managers of adult foster care 11 homes as defined in section 36-401.

12 Sec. 8. Section 36-557, Arizona Revised Statutes, is amended to 13 read:

14

5

6

7

8

9

15

36-557. Community developmental disability services; service providers

16 A. The department may use state and federal monies THAT ARE 17 appropriated or otherwise available to it for this purpose to assist in 18 the establishment ESTABLISHING and maintenance of MAINTAINING local 19 developmental disability services by public or private nonprofit or profit 20 agencies. The monies may be expended as professional fees for service, in 21 contracts for advancement or reimbursement or in another appropriate 22 manner and may be used for any purpose necessary to the provision of 23 **PROVIDE** local developmental disability services. The monies may not be 24 used for departmental salaries, care of persons with developmental 25 disabilities by the department or any other purpose within the department, 26 but may be used for consultation to the department in the interest of 27 local programs.

28 B. A local public or private nonprofit or profit agency providing 29 or intending to provide community developmental disability services and 30 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 31 the forms and in the manner required by the department. If the program 32 33 meets departmental standards and is consistent with the state plan of the 34 department and the individualized service program plan of the client, the 35 department, notwithstanding the provisions of title 41, chapter 23, 36 relating to procurement and including services pursuant to section 36-2943, may contract with that agency for required services on terms the 37 department requires. The contracts shall provide that the provider of 38 39 services is subject to a continuing program evaluation by the department 40 through progress reports, expenditure reports, program audits or other 41 appropriate evaluation techniques to assure ENSURE that the provider of 42 service is in continued compliance with the terms of the contract and the 43 department's community developmental disability service standards and 44 requirements.

1 C. Contracts between the department and a school district or 2 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 of services to provide unreimbursed services to the department or its clients.

8 E. Contracts to provide community developmental disability services 9 shall require that:

10 1. The contractor is obligated to operate a program or service in 11 strict accordance with the standards adopted for that program or service 12 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.

17 3. All contractors must carry liability insurance in amounts 18 risk management division of the department approved by the of 19 administration and file proof of insurance with the risk management 20 division. The director may waive that requirement on a case by case 21 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 22 23 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:

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 1 2 status or awarded the service provider with a score of at least 3 ninety-five percent on the most recent monitoring visit, it THE DEPARTMENT 4 shall monitor that SERVICE provider once each year. On A determination by 5 the department that there is reasonable cause to believe a service 6 provider is not adhering to the department's programmatic or contractual 7 requirements, the department and any duly designated employee or agent of 8 the department may enter on and into the premises at any reasonable time 9 for the purpose of determining the SERVICE PROVIDER'S state of compliance 10 with the DEPARTMENT'S programmatic or contractual requirements of the 11 department.

12 3. Provide for mandatory investigation by the department in 13 response to complaints within ten working days, except that in those 14 instances that pose a danger to the client, the department shall conduct 15 the investigation immediately. Health and safety complaints related to 16 group homes shall be referred to the department of health services on 17 receipt. The department of health services shall share all incident 18 reports related to health and safety with the division of developmental 19 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.

30 7. Provide that parents and guardians of persons with developmental 31 disabilities residing at the facility, members of the developmental 32 disabilities advisory council, and members of other recognized and ongoing 33 advocacy groups for persons with developmental disabilities may inspect 34 the facility at reasonable times.

35 H. Contracts for the purchase of residential care services shall 36 require a community residential setting to be licensed pursuant to this 37 chapter other than group homes licensed by the department of health 38 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 10 11 include language outlining the provisions for a grievance and appeal 12 procedure. The director shall provide notice to SERVICE providers not less than thirty days before the issuance of an amendment to a qualified 13 vendor agreement. The decision of the director regarding qualified vendor 14 15 agreement amendments may be appealed pursuant to title 41, chapter 6, 16 article 10. The grievance process applicable to these contracts shall comply with title XIX requirements. 17

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.

31 N. The division shall disclose to a service provider in the individual program plan, and in all meetings resulting from a response to 32 33 a vendor call, any historical and behavioral information necessary for the 34 SERVICE provider to be able to anticipate the client's future behaviors 35 needs, including summary information from the program review and committee, unusual incident reports reviewed by the independent oversight 36 committee and behavioral treatment plans. The division shall redact the 37 38 client's identification from this information.

39 0. Service providers are authorized to engage in the following
 40 activities in accordance with a client's individual program plan:

41 1. Administer medications, including assisting with the client's42 self-administration of medications.

- 43
- Log, store, remove and dispose of medications.
   Maintain medications and protocols for direct care.
- 44

1 4. Serve as the client's representative payee if requested by the 2 client or the client's guardian and approved by the payer.

3

P. The department may adopt rules establishing procedures for engaging in the activities listed in subsection 0 of this section.

4

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.

8. On notification of an emergency situation, the department shall 10 hold an individual program plan meeting within fifteen days after 11 notification to recommend any changes, including whether there is a need 12 for temporary additional staffing to provide appropriate care for a 13 client, and develop a plan within thirty days after notification to 14 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.

19 Sec. 9. Section 36-591, Arizona Revised Statutes, is amended to 20 read:

21 22

42

36-591. <u>Group homes; licensing; notification requirements</u>

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

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.

27 C. B. The division shall notify the department of health services 28 of:

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

32 2. Any violation of health and safety standards observed during33 monitoring visits.

34 D. C. The department of health services shall immediately notify 35 the division:

When THE LICENSE OF a group home or intermediate care facility
 for individuals with intellectual disabilities <del>license</del> 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.

43 E. D. The division shall ensure that state-operated residential 44 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.

8 F. The department shall annually visit each adult developmental 9 home and child developmental home and inspect the premises used for the 10 care of children or vulnerable adults for sanitation, fire and other 11 actual and potential hazards.

12 E. The department shall take any action it deems necessary to carry 13 out the duties imposed by this section, including the denial of DENYING 14 the application for licensure and the suspension SUSPENDING or revocation 15 REVOKING of the home's license.

16 Sec. 10. Section 36–592, Arizona Revised Statutes, is amended to 17 read:

18

19 20

21

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

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

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

B. C. Before issuing or renewing a license to an applicant, the 27 28 department shall investigate the activities and standards of care within 29 the setting, the financial stability of the applicant, the character and 30 training of the applicant and the adequacy of services. Before issuing or renewing a license, the department shall determine that the applicant is 31 able to meet the emotional, physical, social, developmental, educational, 32 33 cultural and intellectual needs of clients. The department by rule shall 34 establish standards for licensure. The department shall maintain a system 35 of independent oversight of licensing. The department may contract with third parties to perform services in connection with oversight and 36 licensing. The department may not contract with the same third party for 37 38 both oversight and licensure under this subsection.

39 C. D. Each license shall state in general terms the kind of 40 setting the licensee is authorized to operate and shall prescribe the 41 number, ages and sex of clients.

42 D. E. A licensee who THAT holds an adult developmental home or 43 child developmental home license shall:

Comply with applicable health, safety and sanitation codes or 1 1. 2 standards and document its compliance.

3

2. File reports as prescribed by the department.

4

3. Allow the department to inspect or monitor its services and 5 facility and the facility's books and records. 6

4. Comply with rules adopted by the department.

7 5. Provide for the health, safety and welfare of the licensee's 8 clients.

9 6. Allow the inspection of the developmental home at reasonable 10 times pursuant to section 36-595.01.

E. F. A license expires one year from the date of issuance.

12 F. G. For each adult developmental home and child developmental 13 home, the department shall:

14

11

1. Conduct an annual licensing home visit.

15 1. ANNUALLY VISIT AND INSPECT THE PREMISES USED FOR THE CARE OF 16 CHILDREN OR VULNERABLE ADULTS FOR SANITATION, FIRE AND OTHER ACTUAL AND 17 POTENTIAL HAZARDS. THE DEPARTMENT SHALL TAKE ANY ACTION IT DEEMS NECESSARY TO CARRY OUT THE DUTIES IMPOSED BY THIS SECTION, INCLUDING 18 19 DENYING THE APPLICATION FOR LICENSURE AND SUSPENDING OR REVOKING THE 20 HOME'S LICENSE.

21 2. Monitor the settings for compliance with health, safety, contractual, programmatic and quality assurance standards at least two 22 23 times per year. The department shall maintain a system of independent 24 oversight of monitoring. The department may enter into a contract with 25 third parties to perform services in connection with oversight and monitoring. The department may not contract with the same third party for 26 27 both oversight and monitoring under this paragraph.

28 3. Investigate a complaint within ten working days after receiving 29 notice of the complaint, except that if there is a danger to a client, the 30 department shall conduct the investigation immediately.

4. NOTIFY THE PARENT OR GUARDIAN OF A DEVELOPMENTAL HOME RESIDENT 31 OF ANY SERIOUS INCIDENT OR COMPLAINT AT THE DEVELOPMENTAL HOME INVOLVING 32 33 THE CLIENT FOR WHOM THE PARENT OR GUARDIAN IS RESPONSIBLE.

34 <del>G.</del> H. The department shall establish by rule minimum 35 qualifications, responsibilities and oversight for the licensing and 36 monitoring  $\overline{of}$  adult developmental homes and child developmental homes. 37 The rules regarding minimum qualifications shall address professional 38 judgment, conflicts of interest and training. The rules shall establish 39 the frequency and type of visits for licensing and monitoring, maximum 40 caseload ratios for those performing licensing and monitoring services and 41 a system for appropriate public access to information regarding licensing 42 and monitoring findings.

1 H. I. The department may contract with the same third party to 2 perform services in connection with the licensing and monitoring of an 3 adult developmental home or a child developmental home.

4

I. For the purposes of this section:

5 1. "Licensing" includes recruiting and verifying qualifications of 6 applicants.

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

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

- 12
- 13

36-594. <u>Denial, suspension or revocation of license;</u> <u>definition</u>

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:

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

20 2. An applicant or licensee refuses to cooperate in obtaining or 21 providing information the department deems necessary to determine if the 22 department's standards have been met.

23 3. An employee, applicant, licensee or adult household member of an 24 adult developmental home or child developmental home has been convicted 25 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 26 27 offense, a violence related offense, child abuse. child neglect. 28 contributing to the delinquency of a minor or abuse or neglect of a 29 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.

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

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.

8. 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.

10 B. For the purposes of this section, "vulnerable adult" has the 11 same meaning prescribed in section 13-3623.

12 Sec. 12. Section 36–672, Arizona Revised Statutes, is amended to 13 read:

14

36-672. <u>Immunizations; department rules; prohibitions</u>

15 A. Consistent with section 15-873, the director shall adopt rules prescribing required immunizations for school attendance, the approved 16 means of immunization and indicated reinforcing immunizations 17 for diseases, and identifying types of health agencies and health care 18 providers which THAT may sign a laboratory evidence of immunity. The 19 20 rules shall include the required doses, recommended optimum ages for the immunizations, persons 21 administration of who are authorized representatives to sign on behalf of a health agency and other provisions 22 23 necessary to implement this article.

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

26 C. Immunization against the human papillomavirus is THE FOLLOWING 27 IMMUNIZATIONS ARE not required for school attendance:

1. THE IMMUNIZATION AGAINST THE HUMAN PAPILLOMAVIRUS.

29 2. AN IMMUNIZATION FOR WHICH A UNITED STATES FOOD AND DRUG 30 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.

36 Sec. 13. Title 36, chapter 6, Arizona Revised Statutes, is amended 37 by adding article 4.2, to read:

38 39

28

ARTICLE 4.2. VACCINE PASSPORT PROHIBITIONS

36-681. <u>COVID-19 vaccine passport; prohibitions</u>

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:

43

1. ANY PERSON TO BE VACCINATED FOR COVID-19.

2. A BUSINESS TO OBTAIN PROOF OF THE COVID-19 VACCINATION STATUS OF 1 2 ANY PATRON ENTERING THE BUSINESS ESTABLISHMENT. B. ANY LAW OR ORDINANCE ESTABLISHING A COVID-19 VACCINE PASSPORT IS 3 4 VOID AND IS NOT ENFORCEABLE AGAINST ANY PERSON OR BUSINESS LOCATED IN THIS 5 STATE. 6 36-682. Article application; exceptions 7 THIS ARTICLE DOES NOT DO EITHER OF THE FOLLOWING: 8 1. LIMIT AN INDIVIDUAL'S ABILITY TO REQUEST THAT THE INDIVIDUAL'S 9 OWN VACCINATION RECORDS BE PROVIDED TO THAT INDIVIDUAL OR TO A THIRD PARTY 10 TO WHOM THE INDIVIDUAL REQUESTS THE RECORDS BE RELEASED. 2. PROHIBIT A HEALTH CARE INSTITUTION LICENSED PURSUANT TO CHAPTER 11 12 4 OF THIS TITLE FROM REQUIRING THE INSTITUTION'S EMPLOYEES TO BE VACCINATED. 13 14 Sec. 14. Section 36-694, Arizona Revised Statutes, is amended to 15 read: 36-694. <u>Report of blood tests; newborn screening program;</u> 16 17 committee: fee: definitions 18 When a birth or stillbirth is reported, the attending physician Α. 19 or other person required to make a report  $\overline{of}$  the birth shall state on the 20 certificate whether a blood test for syphilis was made on a specimen of 21 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 22 23 the specimen was taken. 24 B. When a birth is reported, the attending physician or person who 25 is required to make a report  $\overline{on}$  the birth shall order or cause to be 26 ordered tests for certain congenital disorders, including hearing The results of tests for these disorders must be reported to 27 disorders. 28 the department of health services. The department of health services 29 shall specify in rule the disorders, the process for collecting and 30 submitting specimens and the reporting requirements for test results. C. When a hearing test is performed on a newborn, the initial 31 hearing test results and any subsequent hearing test results must be 32 33 reported to the department of health services as prescribed by department 34 rules. 35 D. The director of the department of health services shall establish a newborn screening program within the department to ensure that 36 37 the testing for congenital disorders and the reporting of hearing test 38 results required by this section are conducted in an effective and 39 efficient manner. THE NEWBORN SCREENING PROGRAM SHALL INCLUDE ALL 40 CONGENITAL DISORDERS THAT ARE INCLUDED ON THE RECOMMENDED UNIFORM SCREENING PANEL ADOPTED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT 41 42 OF HEALTH AND HUMAN SERVICES FOR BOTH CORE AND SECONDARY CONDITIONS. BEGINNING JANUARY 1, 2022, DISORDERS THAT ARE ADDED TO THE CORE AND 43 44 SECONDARY CONDITIONS LIST OF THE RECOMMENDED UNIFORM SCREENING PANEL SHALL

BE ADDED TO THIS STATE'S NEWBORN SCREENING PANEL WITHIN TWO YEARS AFTER 1 2 THEIR ADDITION TO THE RECOMMENDED UNIFORM SCREENING PANEL. The newborn 3 screening program shall include an education program for the general 4 public, the medical community, parents and professional groups. The 5 director shall designate the state laboratory as the only testing facility for the program, except that the director may designate other laboratory 6 7 testing facilities for conditions or tests added to the newborn screening 8 program on or after July 24, 2014. If the director designates another 9 laboratory testing facility for any condition or test, the director shall 10 require the facility to follow all of the privacy and sample destruction 11 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.

22 G. The director shall establish a committee to provide 23 recommendations and advice to the department on at least an annual basis 24 regarding NEWBORN SCREENING BEST PRACTICES AND EMERGING TRENDS. tests that 25 the committee believes should be included in the newborn screening program. Any recommendation by the committee that a test be added to the 26 27 newborn screening program shall be accompanied by a cost-benefit analysis. 28 H. The committee shall include the following members who are

29 appointed by the director and who serve without compensation or 30 reimbursement of expenses at the pleasure of the director:

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

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

36 3. An audiologist who is licensed pursuant to chapter 17, article 4 37 of this title.

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

40 5. At least one parent of a child with a hearing loss or a 41 congenital disorder.

42 6. A representative from the insurance industry who is familiar
43 with health care reimbursement issues.

1 7. The director of the Arizona health care cost containment system 2 administration or the director's designee. 3 8. A representative of the hospital or health care industry. 4 I. H. The director may establish by rule a fee that the department 5 may collect for operation of OPERATING the newborn screening program, 6 including contracting for the testing pursuant to this section. The fee 7 for the first specimen and hearing test shall not exceed thirty-six 8 dollars. THE DIRECTOR SHALL PRESENT ANY CHANGE TO THE FEE FOR THE NEWBORN 9 SCREENING PROGRAM TO THE JOINT LEGISLATIVE BUDGET COMMITTEE FOR REVIEW. 10 I. NOT LATER THAN SIXTY DAYS AFTER THE DEPARTMENT ADJUSTS THE NEWBORN SCREENING PROGRAM FEE ESTABLISHED PURSUANT TO SUBSECTION H OF THIS 11 12 SECTION: 13 1. EACH HEALTH INSURER THAT IS SUBJECT TO TITLE 20 SHALL UPDATE ITS 14 HOSPITAL RATES THAT INCLUDE NEWBORN SCREENING TO REFLECT THE INCREASE. 15 2. FOR THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM AND CONTRACTORS ACTING PURSUANT TO CHAPTER 29, ARTICLE 1 OF THIS TITLE THAT 16 17 ARE NOT SUBJECT TO TITLE 20, THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM SHALL UPDATE ITS HOSPITAL RATES THAT INCLUDE NEWBORN SCREENING TO 18 19 REFLECT THE INCREASE. 20 J. For the purposes of this section: 21 1. "Infant" means a child who is twenty-nine days of age to two 22 years of age. 23 2. "Newborn" means a child who is not more than twenty-eight days 24 of age. 25 Sec. 15. Section 36-694.01, Arizona Revised Statutes, is amended to 26 read: 27 36-694.01. <u>Newborn screening program fund: use: exemption</u> 28 newborn screening program fund is established. The A. The department of health services shall administer the fund. The fund 29 30 consists of fees collected pursuant to section 36-694 and gifts, GRANTS 31 and donations received by the department. 32 B. Subject to legislative appropriation, the department shall use 33 fund monies to support the operation of the newborn screening program 34 prescribed under section 36-694 and rules adopted under that section. 35 C. Monies in the fund are exempt from the provisions of section 36 35-190 relating to lapsing of appropriations. 37 Sec. 16. Section 36-1201, Arizona Revised Statutes, is amended to 38 read: 39 36-1201. Juvenile group homes; service contracts; registry; 40 definitions 41 A. State agencies that contract directly with group homes or 42 regional behavioral health authorities that, as part of their contracts with the department of health services, subcontract with group homes shall 43

1 require in each contract awarded, renewed or amended the following minimum 2 provisions:

3 1. The group home shall provide a safe, clean and humane4 environment for the residents.

5 2. The group home is responsible for the supervision of SUPERVISING 6 the residents while in the group home environment or while residents are 7 engaged in any off-site activities organized or sponsored by and under the 8 direct supervision and control of the group home or affiliated with the 9 group home.

10 3. All group home contractors shall be licensed by either the 11 department of health services, the department of child safety or the 12 department of economic security.

13 4. The award of a group home contract from an appropriate 14 contracting authority is not a guarantee that children will be placed at 15 the group home.

16 5. A <del>license</del> LICENSING violation by the group home that is not 17 corrected pursuant to this section may also be considered a contract 18 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.

23

7. The following contract remedies:

24 (a) A schedule of financial sanctions in an amount of up to \$500 25 per violation that the contracting authority, after completing an investigation, may assess against the group home contractor for a 26 substantiated contract violation relating to the health, care or safety of 27 28 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 29 30 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 31 neighbor whether or not such a civil action has been filed. These 32 33 sanctions may be imposed by either deducting the amount of the sanction 34 from any payment due or withholding future payments. The deduction or 35 withholding may occur after any hearing available to the contractor.

36 (b) The contracting authority's right to remove residents from the 37 group home or suspend new placements to the group home until the 38 contracting CONTRACT violation is corrected.

39

(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 1 complaint shall be immediately referred to the licensing authority. If 2 the contracting authority determines that a violation has occurred, it 3 shall:

4

36

(a) Notify all other contracting authorities of the violation.

5 (b) Coordinate a corrective action plan consistent with the 6 severity of the violation.

7 (c) Require the corrective action plan to be implemented within 8 ninety days.

9 9. If a licensing deficiency is not corrected in a timely manner to 10 the satisfaction of the licensing authority, the contracting authority may 11 cancel the contract immediately on notice to the group home and may remove 12 the residents.

10. A person may bring a complaint against any state agency that 13 violates this section pursuant to title 41, chapter 6, article 6 or 10, as 14 15 applicable. In addition to any costs or fees awarded to a person resulting from a complaint of a violation of this section, the agency 16 17 shall revert the sum of \$5,000 from its general fund operating appropriation to the state treasurer for deposit in the state general fund 18 19 for each violation that is upheld by an administrative law judge or 20 hearing officer. The legislature shall appropriate monies that revert 21 under this section to a similar program that provides direct services to 22 children.

B. When a licensing authority has determined that a <del>license</del> LICENSING violation has occurred or is occurring, the licensing authority shall notify the appropriate contracting authority of the licensing violation.

27 C. A group home's record of contract violations and licensing 28 violations may be considered by any contracting authority when it 29 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.

37 2. The number of residents at the group home and its satellite 38 facilities.

39 3. The current, updated emergency contacts for the group home and40 its satellite facilities.

4. The current, updated contacts for the group home's licensing 42 authority.

43 E. If the municipality in which a group home is located requests 44 the department of health services to provide information from the

registry, the department shall provide the information every six months to 1 2 the municipality.

3

F. For the purposes of this article:

4

"Contract violation" means a licensing violation or a failure of 1. 5 the group home to comply with those provisions of its contract relating to subsection A, paragraphs 1, 2 and 3 of this section.

6 7 2. "Contracting authority" means a regional behavioral health 8 authority or the state agency or its division, office, section, bureau or 9 program that is responsible for the administration ADMINISTERING and 10 monitoring of contracts with group homes.

11

37

38

39

40

3. "Group home":

12 (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 13 health services pursuant to chapter 4 of this title or section 36-591, 14 15 subsection  $B^-$  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 16 17 minors determined to be dependent as defined in section 8-201 or delinquent or incorrigible pursuant to section 8-341, or for minors with 18 19 developmental disabilities, mental health or substance abuse needs. Group 20 home

21 (b) Does not include hospitals, nursing homes, child crisis and domestic violence shelters, adult homes, foster homes, facilities subject 22 23 to any transient occupancy tax or behavioral health service agencies that 24 provide twenty-four hour or continuous physician availability.

25 4. "Licensing authority" means the state agency or its division, 26 office, section, bureau or program that is responsible for licensing group homes. 27

28 5. "Licensing violation" means a determination by the licensing 29 authority that the group home is not in compliance with licensing 30 requirements as prescribed in statute or rule.

6. "Neighbor" means a person residing within a one-quarter mile 31 32 radius of the group home.

33 7. "Resident" means any person who is placed in a group home 34 pursuant to a contract with a contracting authority.

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

## CHAPTER 31 SEXUAL VIOLENCE SERVICES ARTICLE 1. GENERAL PROVISIONS 36-3101. Definitions

- IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES: 41
- 42 1. "DEPARTMENT" MEANS THE DEPARTMENT OF ECONOMIC SECURITY.

2. "PROGRAM ADMINISTRATOR" HAS THE SAME MEANING PRESCRIBED IN 1 2 SECTION 36-3001. 3 36-3102. Sexual violence service fund; purpose; exemption 4 A. THE SEXUAL VIOLENCE SERVICE FUND IS ESTABLISHED CONSISTING OF AND CONTRIBUTIONS. THE 5 LEGISLATIVE APPROPRIATIONS, GRANTS PROGRAM ADMINISTRATOR SHALL ADMINISTER THE FUND FOR THE PURPOSES PRESCRIBED IN 6 7 THIS ARTICLE. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION 8 AND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING 9 OF APPROPRIATIONS. 10 B. THE DEPARTMENT, IN CONSULTATION WITH THE FEDERALLY DESIGNATED 11 STATEWIDE COALITION TO END SEXUAL VIOLENCE, SHALL ESTABLISH PROGRAM 12 PRIORITIES FOR THE FUND. THE DEPARTMENT SHALL SPEND MONIES IN THE FUND TO PROVIDE GRANTS TO SERVICE PROVIDERS FOR VICTIMS OF SEXUAL VIOLENCE. 13 14 36-3103. <u>Sexual violence service providers; requirements;</u> 15 eligibility A. TO BE ELIGIBLE TO RECEIVE A GRANT UNDER THIS ARTICLE, A SEXUAL 16 17 VIOLENCE SERVICE PROVIDER SHALL ADHERE TO STATEWIDE SERVICE STANDARDS FOR SEXUAL VIOLENCE PROGRAMS THAT ARE APPROVED BY THE DEPARTMENT 18 IN 19 COLLABORATION WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END 20 SEXUAL VIOLENCE. 21 B. A SEXUAL VIOLENCE SERVICE PROVIDER DOES NOT QUALIFY FOR GRANT MONIES IF THE SERVICE PROVIDER DISCRIMINATES IN ITS ADMISSION OR PROVISION 22 23 OF SERVICES ON THE BASIS OF RACE, GENDER, RELIGION, COLOR, AGE, DISABILITY, MARITAL STATUS, NATIONAL ORIGIN OR ANCESTRY. 24 25 36-3104. Methodology for allocating grant monies 26 THE DEPARTMENT, IN CONSULTATION WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE, SHALL DEVELOP A WEIGHTED 27 METHODOLOGY FOR ALLOCATING GRANT MONIES THAT CONSIDERS ALL OF THE 28 29 FOLLOWING: 30 1. THE NEED FOR SERVICES. 2. EXISTING SERVICES. 31 32 3. GEOGRAPHIC LOCATION. 4. POPULATION RATIOS. 33 34 36-3105. Annual report 35 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 36 AND THE PRESIDENT OF THE SENATE THAT INCLUDES INFORMATION FROM EACH SEXUAL 37 VIOLENCE SERVICE PROVIDER THAT RECEIVES GRANT MONIES PURSUANT TO THIS 38 ARTICLE ON THE POPULATION SERVED. IN PREPARING THE REPORT THE DEPARTMENT 39 40 SHALL CONSULT WITH THE FEDERALLY DESIGNATED STATEWIDE COALITION TO END SEXUAL VIOLENCE. THE DEPARTMENT SHALL PROVIDE A COPY OF THIS REPORT TO 41 42 THE SECRETARY OF STATE. 43 Sec. 18. <u>Repeal</u> 44 Section 41-3021.11, Arizona Revised Statutes, is repealed.

Sec. 19. Title 41, chapter 27, article 2, Arizona Revised Statutes, 1 2 is amended by adding section 41-3022.26, to read: 3 41-3022.26. Board of examiners of nursing care institution 4 administrators and assisted living facility managers; termination March 31, 2022 5 6 A. THE BOARD 0F EXAMINERS 0F NURSING CARE INSTITUTION TERMINATES 7 ADMINISTRATORS AND ASSISTED LIVING FACILITY MANAGERS 0N 8 MARCH 31, 2022. 9 B. TITLE 36, CHAPTER 4, ARTICLE 6 AND THIS SECTION ARE REPEALED ON 10 JANUARY 1, 2023. Sec. 20. Section 46-452.02, Arizona Revised Statutes, is amended to 11 12 read: 13 46-452.02. State long-term care ombudsman: duties: immunity 14 from liability 15 Α. A representative of the office of the state long-term care ombudsman who performs the official duties of the long-term care ombudsman 16 17 shall IS not be liable under state law for the good faith performance of 18 official duties. 19 B. Official duties of the office of the state long-term care 20 ombudsman include authority to: 1. Enter long-term care facilities to communicate with residents. 21 22 2. Hear, investigate and attempt to resolve complaints by 23 agreement, mediation or conciliation. 3. Render advice to residents of facilities. 24 25 4. Refer cases involving abuse, neglect, exploitation or health and 26 safety to adult protective services or the appropriate licensing agency. 27 5. Make appropriate referrals to legal services or other community 28 services. 29 6. ASSUME such other responsibilities as required pursuant to the 30 older Americans act of 1965, as amended (P.L. <del>100175, sec. 307 (A) (12)</del> 31 100-175; 42 United States Code <del>3027(A) (12)</del> SECTION 3027(a)(12)). C. SUBJECT TO AVAILABLE MONIES, THE OFFICE OF THE STATE LONG-TERM 32 CARE OMBUDSMAN SHALL VISIT EACH LONG-TERM CARE FACILITY IN THIS STATE 33 WITHOUT PRIOR NOTICE AT LEAST TWO TIMES EACH CALENDAR YEAR TO SPEAK WITH 34 35 RESIDENTS OF THE LONG-TERM CARE FACILITY, OR THE RESIDENT'S REPRESENTATIVE IF THE RESIDENT IS NONVERBAL, WITHOUT THE PRESENCE OF THE FACILITY'S 36 37 STAFF. THE REQUIREMENTS OF THIS SUBSECTION ARE IN ADDITION TO ANY 38 FOLLOW-UP IN RESPONSE TO A COMPLAINT. 39 C. D. Official duties of the office of the state long-term care 40 ombudsman do not include activities performed by a licensed health care 41 provider as defined in section 12-561.

Sec. 21. Nursing care institution and assisted living 1 2 facility study committee; membership; duties; 3 report; delayed repeal 4 A. The nursing care institution and assisted living facility study 5 committee is established consisting of the following members: 1. Two members of the house of representatives who represent 6 7 different political parties and who are appointed by the speaker of the 8 house of representatives. The speaker of the house of representatives 9 shall designate one of these members to serve as cochairperson of the 10 study committee. 2. Two members of the senate who represent different political 11 12 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 13 cochairperson of the study committee. 14 15 3. One representative of the governor's office. 4. The director of the department of health services or the 16 17 director's designee. 18 5. The state long-term care ombudsman or the ombudsman's designee. 19 6. Two representatives from organizations that advocate for the 20 elderly who are appointed by the governor. 21 7. Two licensed nursing care institution administrators who are currently employed as administrators of skilled nursing facilities, one of 22 23 whom is from a nonprofit facility and one of whom is from a proprietary 24 facility. The president of the senate shall appoint both of these 25 members. 26 Two licensed assisted living facility managers who are currently 8. employed as managers of assisted living facilities, one of whom is from a 27 28 nonprofit facility and one of whom is from a proprietary facility. The 29 speaker of the house of representatives shall appoint both of these 30 members. Two licensed assisted living facility managers who are currently 31 9. 32 employed as managers of assisted living facility homes and who are 33 appointed by the president of the senate. 34 10. Four family members of residents of a skilled nursing facility, 35 assisted living facility or assisted living facility home who are 36 appointed by the governor. 37 11. One health care professional who treats the elderly and who is 38 appointed by the governor. 39 B. The study committee shall: 40 1. Consider whether the board of examiners of nursing care institution administrators and assisted living facility managers should be 41 42 administered independently or the duties should be moved to the department of health services or another successor agency or licensing board. 43

Review and discuss the statutes related to disclosure of all 1 2. 2 felonies regardless of the applicants' fingerprint clearance card 3 requirement. 4 3. Receive an update from the auditor general's office and the 5 executive director of the board of examiners of nursing care institution 6 administrators and assisted living facility managers on the auditor 7 general's recommendations and the board's compliance with the 8 recommendations to date. 9 4. Hear testimony about operational changes from the executive 10 director of the board. 11 5. Discuss and research best practices to administer licenses. 12 6. Identify any additional efficiencies to make the board more 13 responsive to the public and its licensees. 14 7. Review best practices relating to answering and investigating 15 complaints. 8. Review and analyze the regulatory oversight of skilled nursing 16 17 facilities and assisted living facilities by the state and federal government and the future needs of the industry. 18 19 C. Public members of the study committee are eligible to receive 20 reimbursement of expenses pursuant to title 38, chapter 4, article 2, 21 Arizona Revised Statutes. D. On or before December 1, 2021, the study committee shall submit 22 23 a report of its findings and recommendations to the governor, the president of the senate and the speaker of the house of representatives 24 25 and shall provide a copy of this report to the secretary of state. 26 E. This section is repealed from and after June 30, 2022. Sec. 22. ALTCS: county contributions: fiscal year 2021-2022 27 28 A. Notwithstanding section 11-292, Arizona Revised Statutes, county 29 contributions for the Arizona long-term care system for fiscal year 30 2021-2022 are as follows: 31 1. Apache \$ 662,900 32 2. Cochise \$ 4,551,700 3. Coconino 33 \$ 1,990,400 34 4. Gila \$ 2,327,100 \$ 1,328,000 35 5. Graham 6. Greenlee 36 \$ 0 37 7. La Paz \$ 357,100 38 8. Maricopa \$184,272,900 39 9. Mohave \$ 9,154,300 40 10. Navajo \$ 2,744,100 11. Pima 41 \$ 44,073,400 42 12. Pinal \$ 12,109,900 13. Santa Cruz \$ 2,242,800 43

1	14.	Yav	apai						\$	7,677,80	0
2	15.	Yum	a						\$	9,701,60	0
3	Β.	Ιf	the	overall	cost	for	the	Arizona	1	ong-term	car

3 re system 4 exceeds the amount specified in the general appropriations act for fiscal year 2021-2022, the state treasurer shall collect from the counties the 5 difference between the amount specified in subsection A of this section 6 7 and the counties' share of the state's actual contribution. The counties' 8 share of the state's contribution must comply with any federal maintenance 9 of effort requirements. The director of the Arizona health care cost 10 containment system administration shall notify the state treasurer of the 11 counties' share of the state's contribution and report the amount to the 12 director of the joint legislative budget committee. The state treasurer shall withhold from any other monies payable to a county from whatever 13 state funding source is available an amount necessary to fulfill that 14 15 county's requirement specified in this subsection. The state treasurer may not withhold distributions from the Arizona highway user revenue fund 16 17 pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes. 18 The state treasurer shall deposit the amounts withheld pursuant to this 19 subsection and amounts paid pursuant to subsection A of this section in 20 the long-term care system fund established by section 36-2913, Arizona 21 Revised Statutes.

22

23

Sec. 23. <u>AHCCCS: disproportionate share payments: fiscal year</u> 2021-2022

A. Disproportionate share payments for fiscal year 2021-2022 made pursuant to section 36-2903.01, subsection 0, Arizona Revised Statutes, include:

27 \$113,818,500 for a qualifying nonstate operated public hospital. 1. 28 The Maricopa county special health care district shall provide a certified public expense form for the amount of qualifying disproportionate share 29 30 hospital expenditures made on behalf of this state to the Arizona health care cost containment system administration on or before May 1, 2022 for 31 32 all state plan years as required by the Arizona health care cost 33 containment system state plan standard terms and conditions. The 34 administration shall assist the district in determining the amount of 35 qualifying disproportionate share hospital expenditures. Once the 36 administration files a claim with the federal government and receives 37 federal financial participation based on the amount certified by the 38 Maricopa county special health care district, if the certification is 39 equal to or less than \$113,818,500 and the administration determines that 40 the revised amount is correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, 41 42 the administration shall notify the governor, the president of the senate and the speaker of the house of representatives, shall distribute 43 44 \$4,202,300 to the Maricopa county special health care district and shall

deposit the balance of the federal financial participation in the state 1 2 general fund. If the certification provided is for an amount less than 3 \$113,818,500 and the administration determines that the revised amount is 4 not correct pursuant to the methodology used by the administration 5 pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and 6 7 the speaker of the house of representatives and shall deposit the total 8 amount of the federal financial participation in the state general fund. 9 If the certification provided is for an amount greater than \$113,818,500, 10 the administration shall distribute \$4,202,300 to the Maricopa county special health care district and shall deposit \$75,482,000 of the federal 11 12 financial participation in the state general fund. The administration may 13 make additional disproportionate share hospital payments to the Maricopa 14 county special health care district pursuant to section 36-2903.01, 15 subsection P, Arizona Revised Statutes, and subsection B of this section.

2. \$28,474,900 for the Arizona state hospital. The Arizona state 16 17 hospital shall provide a certified public expense form for the amount of 18 qualifying disproportionate share hospital expenditures made on behalf of 19 this state to the administration on or before March 31, 2022. The 20 administration shall assist the Arizona state hospital in determining the 21 amount of qualifying disproportionate share hospital expenditures. Once 22 the administration files a claim with the federal government and receives 23 federal financial participation based on the amount certified by the 24 Arizona state hospital, the administration shall deposit the entire amount 25 of federal financial participation in the state general fund. If the 26 certification provided is for an amount less than \$28,474,900, the 27 administration shall notify the governor, the president of the senate and 28 the speaker of the house of representatives and shall deposit the entire 29 amount of federal financial participation in the state general fund. The 30 certified public expense form provided by the Arizona state hospital must 31 contain both the total amount of qualifying disproportionate share 32 hospital expenditures and the amount limited by section 1923(g) of the 33 social security act.

34 3. \$884,800 for private qualifying disproportionate share 35 hospitals. The Arizona health care cost containment system administration 36 shall make payments to hospitals consistent with this appropriation and 37 the terms of the state plan, but payments are limited to those hospitals 38 that either:

39 (a) Meet the mandatory definition of disproportionate share
 40 qualifying hospitals under section 1923 of the social security act.

41 (b) Are located in Yuma county and contain at least three hundred 42 beds.

43 B. After the distributions made pursuant to subsection A of this 44 section, the allocations of disproportionate share hospital payments made

1	pursuant to section 36-2903.01, subsect							
2	shall be made available first to qual							
3	outside the Phoenix metropolitan statistical area and the Tucson							
4	metropolitan statistical area before being made available to qualifying							
5	hospitals within the Phoenix metropolita	IN STATISTICAL area and the lucson						
6 7	metropolitan statistical area.							
7 8	Sec. 24. <u>AHCCCS transfer; counties; federal monies; fiscal</u>							
о 9		year 2021-2022						
9 10	On or before December 31, 2022, notwithstanding any other law, for							
10	fiscal year 2021-2022 the Arizona health care cost containment system							
12	administration shall transfer to the counties the portion, if any, as may							
13	be necessary to comply with section 10201(c)(6) of the patient protection and affordable care act (P.L. 111–148), regarding the counties'							
14	and affordable care act (P.L. 111–148), regarding the counties' proportional share of this state's contribution.							
15	Sec. 25. <u>County acute care contributions; fiscal year 2021-2022</u>							
16		2, Arizona Revised Statutes, for						
17	fiscal year 2021-2022 for the provisio							
18	care, the counties shall contribute the	•						
19	1. Apache	\$ 268,800						
20	2. Cochise	\$ 2,214,800						
21	3. Coconino	\$ 742,900						
22	4. Gila	\$ 1,413,200						
23	5. Graham	\$ 536,200						
24	6. Greenlee	\$ 190,700						
25	7. La Paz	\$ 212,100						
26	8. Maricopa	\$17,603,700						
27	9. Mohave	\$ 1,237,700						
28	10. Navajo	\$ 310,800						
29	11. Pima	\$14,951,800						
30	12. Pinal	\$ 2,715,600						
31	13. Santa Cruz	\$ 482,800						
32	14. Yavapai	\$ 1,427,800						
33	15. Yuma	\$ 1,325,100						
34	B. If a county does not provide f	funding as specified in subsection						
35	A of this section, the state treasurer	shall subtract the amount owed by						
36	the county to the Arizona health care cost containment system fund and the							
37		long-term care system fund established by section 36-2913, Arizona Revised						
38	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 41 44-1201, Arizona Revised Statutes, retroactive to the first day the funding was due. If the monies the state treasurer withholds are insufficient to meet that county's funding requirements as specified in subsection A of this section, the state treasurer shall withhold from any other monies payable to that county from whatever state funding source is available an amount necessary to fulfill that county's requirement. The state treasurer may not withhold distributions from the Arizona highway user revenue fund pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes.

6 C. Payment of an amount equal to one-twelfth of the total amount 7 determined pursuant to subsection A of this section shall be made to the 8 state treasurer on or before the fifth day of each month. On request from 9 the director of the Arizona health care cost containment system 10 administration, the state treasurer shall require that up to three months' 11 payments be made in advance, if necessary.

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

17 E. If payments made pursuant to subsection C of this section exceed the amount required to meet the costs incurred by the Arizona health care 18 19 cost containment system for the hospitalization and medical care of those 20 persons defined as an eligible person pursuant to section 36-2901, 21 paragraph 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, the 22 director of the Arizona health care cost containment system administration 23 may instruct the state treasurer either to reduce remaining payments to be 24 paid pursuant to this section by a specified amount or to provide to the 25 counties specified amounts from the Arizona health care cost containment 26 system fund and the long-term care system fund established by section 27 36-2913. Arizona Revised Statutes.

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

33

Sec. 26. Department of health services; fee reduction

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

- 37
- 38

Sec. 27. <u>Proposition 204 administration; exclusion; county</u> <u>expenditure limitations</u>

County contributions for the administrative costs of implementing sections 36-2901.01 and 36-2901.04, Arizona Revised Statutes, that are made pursuant to section 11-292, subsection 0, Arizona Revised Statutes, are excluded from the county expenditure limitations.

Sec. 28. Competency restoration; exclusion; county 1 2 expenditure limitations 3 County contributions made pursuant to section 13-4512, Arizona 4 Revised Statutes, are excluded from the county expenditure limitations. 5 Sec. 29. AHCCCS; risk contingency rate setting 6 Notwithstanding any other law, for the contract year beginning October 1, 2021 and ending September 30, 2022, the Arizona health care 7 8 cost containment system administration may continue the risk contingency 9 rate setting for all managed care organizations and the funding for all 10 managed care organizations administrative funding levels that were imposed for the contract year beginning October 1, 2010 and ending 11 12 September 30, 2011. 13 Sec. 30. Health services lottery monies fund: use: fiscal 14 year 2021-2022 15 Notwithstanding sections 5-572 and 36-108.01, Arizona Revised Statutes, monies in the health services lottery monies fund established by 16 17 section 36-108.01, Arizona Revised Statutes, may be used for the purposes specified in the fiscal year 2021-2022 general appropriations act. 18 19 Sec. 31. Department of economic security; drug testing; TANE 20 cash benefits recipients 21 During fiscal year 2021-2022, the department of economic security shall screen and test each adult recipient who is otherwise eligible for 22 23 temporary assistance for needy families cash benefits and who the department has reasonable cause to believe engages in the illegal use of 24 25 controlled substances. Any recipient who tests positive for the use of a controlled substance that was not prescribed for the recipient by a 26 licensed health care provider is ineligible to receive benefits for a 27 28 period of one year. 29 Sec. 32. Department of health services; newborn screening 30 program; implementation of recommended uniform 31 screening panel Notwithstanding section 36-694, subsection D, Arizona Revised 32 33 Statutes, as amended by this act, the department of health services shall: 34 1. On or before December 31, 2021, add spinal muscular atrophy and 35 x-linked adrenoleukodystrophy to this state's newborn screening panel. 2. On or before December 31, 2023, add all remaining core and 36 secondary conditions that are included on the recommended uniform 37 screening panel adopted by the secretary of the United States department 38 39 of health and human services as of December 31, 2021 to this state's 40 newborn screening panel. Sec. 33. Legislative intent; newborn screening program fee 41 42 The legislature intends that the newborn screening program fee established by the director of the department of health services pursuant 43 44 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.

5

9

Sec. 34. Legislative intent; implementation of program

6 The legislature intends that for fiscal year 2021-2022 the Arizona 7 health care cost containment system administration implement a program 8 within the available appropriation.

Sec. 35. <u>Purpose</u>

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.

15

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.

APPROVED BY THE GOVERNOR JUNE 30, 2021.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 30, 2021.