

REFERENCE TITLE: health care; 2023-2024.

State of Arizona  
Senate  
Fifty-sixth Legislature  
First Regular Session  
2023

## **SB 1726**

Introduced by  
Senators Kavanagh; Hoffman (with permission of Committee on Rules)

### **AN ACT**

**AMENDING SECTIONS 32-923 AND 36-2981, ARIZONA REVISED STATUTES;  
APPROPRIATING MONIES; RELATING TO HEALTH CARE.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-923, Arizona Revised Statutes, is amended to  
3 read:

4 32-923. Change of address; annual renewal fee; failure to  
5 renew; waivers; definition

6 A. Every person who is licensed pursuant to this chapter shall  
7 notify the board in writing of any change in residence or office address  
8 and telephone number within thirty days after that change. The board  
9 shall impose a penalty of ~~fifty dollars~~ \$50 on a licensee who does not  
10 notify the board as required by this subsection.

11 B. Except as provided in section 32-4301, every person who is  
12 licensed to practice chiropractic in this state shall annually make a  
13 renewal application to the board before ~~January 1~~ THE LAST DAY OF THE  
14 LICENSEE'S BIRTH MONTH after original issuance of a license and shall pay  
15 a renewal license fee of not more than ~~two hundred twenty-five dollars~~  
16 \$225 as established by the board. The renewal application shall be made  
17 on a form and in a manner prescribed by the board. At least thirty days  
18 before the renewal application and renewal fee are due, the board shall  
19 send by first class mail a renewal application and notice requiring  
20 license renewal and payment of the renewal fee.

21 C. The board shall administratively suspend a license automatically  
22 if the licensee does not submit a complete application for renewal and pay  
23 the renewal license fee as required by this section.

24 D. The board may reinstate a license if the person completes an  
25 application for reinstatement as prescribed by the board, complies with  
26 the continuing education requirements for each year that the license was  
27 suspended, pays the annual renewal license fee for each year that the  
28 license was suspended and pays an additional fee of ~~two hundred dollars~~  
29 \$200. An applicant who does not request reinstatement within two years ~~of~~  
30 AFTER the date of suspension shall apply for a license as a new candidate  
31 pursuant to section 32-921 or 32-922.01.

32 E. The board may waive the annual renewal license fee if a licensee  
33 presents evidence satisfactory to the board that the licensee has  
34 permanently retired from the practice of chiropractic and has paid all  
35 fees required by this chapter before the waiver.

36 F. During the period of waiver the retired licensee shall not  
37 engage in the practice of chiropractic. A violation of this subsection  
38 subjects the retired licensee to the same penalties as are imposed in this  
39 chapter on a person who practices chiropractic without a license.

40 G. The board may reinstate a retired licensee to active practice on  
41 payment of the annual renewal license fee and presentation of evidence  
42 satisfactory to the board that the retired licensee is professionally able  
43 to engage in the practice of chiropractic and still possesses the  
44 professional knowledge required. After a hearing, the board may refuse to

1 reinstate a retired licensee to active practice under this subsection on  
2 any of the grounds prescribed in section 32-924.

3 H. For the purposes of this section, "administratively suspend"  
4 means a nondisciplinary action that is imposed for failure to renew a  
5 license and that requires the licensee to suspend practice until renewal  
6 requirements are met.

7 Sec. 2. Section 36-2981, Arizona Revised Statutes, is amended to  
8 read:

9 36-2981. Definitions

10 In this article, unless the context otherwise requires:

11 1. "Administration" means the Arizona health care cost containment  
12 system administration.

13 2. "Contractor" means a health plan that contracts with the  
14 administration ~~for the provision of~~ TO PROVIDE hospitalization and medical  
15 care to members according to ~~the provisions of~~ this article or a  
16 qualifying plan.

17 3. "Director" means the director of the administration.

18 4. "Federal poverty level" means the federal poverty level  
19 guidelines published annually by the United States department of health  
20 and human services.

21 5. "Health plan" means an entity that contracts with the  
22 administration for services provided pursuant to article 1 of this  
23 chapter.

24 6. "Member" means a person who is eligible for and enrolled in the  
25 program, who is under nineteen years of age and whose gross household  
26 income meets the following requirements:

27 ~~(a) Beginning on November 1, 1998 through September 30, 1999, has~~  
28 ~~income at or below one hundred fifty per cent of the federal poverty~~  
29 ~~level.~~

30 ~~(b)~~ (a) Beginning on October 1, 1999 ~~and for each fiscal year~~  
31 ~~thereafter~~ THROUGH SEPTEMBER 30, 2023, has income at or below two hundred  
32 ~~per cent~~ PERCENT of the federal poverty level.

33 (b) BEGINNING ON OCTOBER 1, 2023 AND FOR EACH FISCAL YEAR  
34 THEREAFTER, HAS INCOME AT OR BELOW TWO HUNDRED TWENTY-FIVE PERCENT OF THE  
35 FEDERAL POVERTY LEVEL.

36 7. "Noncontracting provider" means an entity that provides hospital  
37 or medical care but does not have a contract or subcontract with the  
38 administration.

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

41 9. "Prepaid capitated" means a method of payment by which a  
42 contractor delivers health care services for the duration of a contract to  
43 a specified number of members based on a fixed rate per member, per month

1 without regard to the number of members who receive care or the amount of  
2 health care services provided to a member.

3 10. "Primary care physician" means a physician who is a family  
4 practitioner, general practitioner, pediatrician, general internist,  
5 obstetrician or gynecologist.

6 11. "Primary care practitioner" means a nurse practitioner who is  
7 certified pursuant to title 32, chapter 15 or a physician assistant who is  
8 licensed pursuant to title 32, chapter 25 and who is acting within the  
9 respective scope of practice of those chapters.

10 12. "Program" means the children's health insurance program.

11 13. "Qualifying plan" means a contractor that contracts with the  
12 state pursuant to section 38-651 to provide health and accident insurance  
13 for state employees and that provides services to members pursuant to  
14 section 36-2989, subsection A.

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

17 15. "Tribal facility" means a facility that is operated by an  
18 Indian tribe and that is authorized to provide services pursuant to Public  
19 Law 93-638, as amended.

20 Sec. 3. Department of administration; grant program;  
21 technology solution; hospital interconnectivity;  
22 report; delayed repeal; definitions

23 A. Notwithstanding section 41-703.01, Arizona Revised Statutes, for  
24 fiscal year 2023-2024, the department of administration shall administer a  
25 competitive grant program that provides a single company that licenses an  
26 interoperability software technology solution to support acute care for  
27 rural hospitals, health care providers and trauma centers with resources  
28 to further treatment and care coordination with a focus on reducing public  
29 and private health care costs and unnecessary transportation costs. The  
30 grant recipient may not use a third-party vendor to comply with any of the  
31 grant program requirements. The department of administration shall award  
32 the grant under this program not later than December 1, 2023.

33 B. The Arizona health care cost containment system shall work with  
34 the department of administration to supplement the grant monies by  
35 identifying and applying to receive federal matching monies.

36 C. The grant program shall enable the implementation of a single  
37 licensed interoperability software technology solution that is shared by  
38 hospitals and health care providers to benefit patients before and after a  
39 patient is discharged from the provider's care and that is accessible to  
40 current and future providers via a mobile, native smartphone application.

41 D. The software shall be made available to rural hospitals, health  
42 care providers and trauma centers that wish to participate by enabling a  
43 hospital's electronic medical records system to interface with  
44 interoperability technology and other electronic medical records systems

1 and providers to promote mobile connectivity between hospital systems and  
2 facilitate increased communication between hospital staff and providers  
3 that use different or distinctive online and mobile platforms and  
4 information systems when treating acute patients. The department of  
5 administration shall award one grant for an interoperability software  
6 technology solution that, at a minimum:

7 1. Complies with the health insurance portability and  
8 accountability act privacy standards (45 Code of Federal Regulations part  
9 160 and part 164, subpart E).

10 2. Captures and forwards clinical data, including laboratory  
11 results and images, and provides synchronous patient clinical data to  
12 health care providers regardless of geographic location.

13 3. Provides a synchronous data exchange that is not batched or  
14 delayed, at the point the clinical data is captured and available in the  
15 hospital's electronic record system.

16 4. Is capable of providing proactive alerts to health care  
17 providers on their smartphones or a smart device.

18 5. Allows both synchronous and asynchronous communication via a  
19 native smartphone application.

20 6. Is mobile and can be used on multiple electronic devices. The  
21 mobile technology must include, at a minimum, the industry standard  
22 built-in application for the two most popular operating systems and a  
23 built-in application available to all users.

24 7. Has patient-centric communication and is tracked with date and  
25 time stamping.

26 8. Is connected to the appropriate physician resources.

27 9. Provides data to update cost reports to enhance emergency triage  
28 and to treat and transport patients.

29 E. The grant recipient shall demonstrate both of the following:

30 1. That its interoperability software technology solution meets all  
31 of the requirements of subsection D of this section at least thirty days  
32 before applying for the grant.

33 2. Proof of veteran employment.

34 F. For fiscal year 2023-2024, the grant recipient shall provide to  
35 the department of administration a report that provides metrics and  
36 quantifies cost and time savings for using an interoperable software  
37 solution in health care that complies with the health insurance  
38 portability and accountability act privacy standards (45 Code of Federal  
39 Regulations part 160 and part 164, subpart E). On or before June 30,  
40 2024, the department of administration in coordination with the Arizona  
41 health care cost containment system shall provide to the president of the  
42 senate, the speaker of the house of representatives, the chairpersons of  
43 the health and human services committees of the senate and the house of  
44 representatives and the directors of the joint legislative budget

1 committee and the governor's office of strategic planning and budgeting a  
2 report on the allocation of grant funding and a compiled analysis of the  
3 reports provided by the grant recipient.

4 G. Monies appropriated for the purposes of this section in the  
5 fiscal year 2023-2024 general appropriations act do not affect the monies  
6 appropriated in fiscal year 2022-2023 for interoperability software  
7 technology solutions or any grant awarded to or contract with a grant  
8 recipient pursuant to section 41-703.01, Arizona Revised Statutes.

9 H. This section is repealed from and after June 30, 2024.

10 I. For the purposes of this section:

11 1. "Mobile" means available to end users on a smart device via a  
12 native application and not an internet page or web portal.

13 2. "Native" means an application that is specifically developed for  
14 the hardware and operating system that runs the application.

15 3. "Rural" means a county with a population of less than nine  
16 hundred thousand persons.

17 4. "Veteran employment" means a business organization that employs  
18 an individual or has a company officer who served and who was honorably  
19 discharged from or released under honorable conditions from service in the  
20 United States armed forces.

21 Sec. 4. Department of health services; collaborative care  
22 uptake fund; technical assistance grants;  
23 definitions

24 A. The collaborative care uptake fund is established in the  
25 department. The fund consists of monies appropriated by the legislature.  
26 Monies in the fund are continuously appropriated. The department may not  
27 use more than three percent of the monies deposited in the fund to  
28 administer the fund.

29 B. The department shall use the collaborative care uptake fund  
30 monies in fiscal year 2023-2024 to award grants to primary care physicians  
31 who are in a medical practice with not more than fifty employees to meet  
32 the initial costs of establishing and delivering behavioral health  
33 integration services through the collaborative care model and for  
34 technical assistance grants pursuant to subsection D of this section.

35 C. A primary care physician who receives a grant under this section  
36 may use the grant monies:

37 1. To hire staff.

38 2. To identify and formalize contractual relationships with other  
39 health care practitioners, including health care practitioners who will  
40 function as psychiatric consultants and behavioral health care managers in  
41 providing behavioral health integration services through the collaborative  
42 care model.

43 3. To purchase or upgrade software and other resources needed to  
44 appropriately provide behavioral health integration services through the

1 collaborative care model, including resources needed to establish a  
2 patient registry and implement measurement-based care.

3 4. For any other purposes the department prescribes as necessary to  
4 support the collaborative care model.

5 D. The department shall solicit proposals from and enter into grant  
6 agreements for fiscal year 2023-2024 with eligible collaborative care  
7 technical assistance center applicants to provide technical assistance to  
8 primary care physicians on providing behavioral health integration  
9 services through the collaborative care model. Each collaborative care  
10 technical assistance center applicant must provide in the grant  
11 application information on how the collaborative care technical assistance  
12 center will meet the assistance requirements prescribed in subsection E of  
13 this section in order to be eligible for a grant.

14 E. A collaborative care technical assistance center that receives a  
15 grant under subsection D of this section shall provide technical  
16 assistance to primary care physicians and shall assist the primary care  
17 physicians with the following:

18 1. Developing financial models and budgets for program launch and  
19 sustainability based on practice size.

20 2. Developing staffing models for essential staff roles, including  
21 care managers and consulting psychiatrists.

22 3. Providing information technology expertise to assist with  
23 building the model requirements into electronic health records, including  
24 assistance with care manager tools, patient registry, ongoing patient  
25 monitoring and patient records.

26 4. Providing training support for all key staff and operational  
27 consultation to develop practice workflows.

28 5. Establishing methods to ensure the sharing of best practices and  
29 operational knowledge among primary care physicians who provide behavioral  
30 health integration services through the collaborative care model.

31 6. For any other purposes the department prescribes as necessary to  
32 support the collaborative care model.

33 F. For the purposes of this section:

34 1. "Collaborative care model" means the evidence-based, integrated  
35 behavioral health service delivery method that is described as the  
36 psychiatric collaborative care model in 81 Federal Register 80230, that  
37 includes a formal collaborative arrangement among a primary care team  
38 consisting of a primary care physician, a care manager and a psychiatric  
39 consultant and that includes the following elements:

40 (a) Care directed by the primary care team.

41 (b) Structured care management.

42 (c) Regular assessments of clinical status using developmentally  
43 appropriate, validated tools.

44 (d) Modification of treatment as appropriate.



1           2. Assess the existing state services and resources that address  
2 the needs of persons who have Alzheimer's disease or a related form of  
3 dementia and their family caregivers.

4           3. Assess the needs of persons of all cultural backgrounds who have  
5 Alzheimer's disease or a related form of dementia and how their lives are  
6 affected by the disease, including from younger-onset, through mid-stage,  
7 to late-stage.

8           4. Assess this state's capacity and capability to provide effective  
9 detection and diagnosis of cognitive impairments and dementia.

10          5. Identify gaps in the provision of public services and private  
11 services for persons who have Alzheimer's disease or a related form of  
12 dementia.

13          6. Provide a strategic plan, including recommendations, for state  
14 action to do all of the following:

15           (a) Increase access to care, support and treatment for persons who  
16 have Alzheimer's disease or a related form of dementia.

17           (b) Improve quality of care for persons who have Alzheimer's  
18 disease or a related form of dementia.

19           (c) Advance risk reduction, early detection and diagnosis of  
20 Alzheimer's disease and related forms of dementia.

21           (d) Ensure a coordinated statewide response to Alzheimer's disease  
22 and related forms of dementia.

23          7. Be published on the department of health services' public  
24 website.

25          E. On or before July 1, 2024 and June 30, 2026, the department of  
26 health services shall review the Alzheimer's disease state plan and submit  
27 an updated state plan to the governor, the president of the senate and the  
28 speaker of the house of representatives and shall submit a copy to the  
29 secretary of state. When reviewing and updating the Alzheimer's disease  
30 state plan, the department of health services shall collaborate with  
31 persons who have Alzheimer's disease or a related form of dementia, those  
32 who directly care for them and public, private and nonprofit organizations  
33 focused on Alzheimer's care services, research, advocacy, health care and  
34 caregiver support.

35          F. This section is repealed from and after June 30, 2026.

36          Sec. 6. Department of health services; psilocybin research  
37 grants; advisory council; delayed repeal;  
38 definitions

39          A. The director shall provide from monies appropriated competitive  
40 research grants for whole mushroom psilocybin phase one, phase two and  
41 phase three clinical trials that are capable of being approved by the  
42 United States food and drug administration to evaluate the effects of  
43 whole mushroom psilocybin on treating any of the following:

44           1. Post-traumatic stress disorder.

- 1           2. Symptoms associated with long COVID-19.
- 2           3. Depression.
- 3           4. Anxiety disorders.
- 4           5. Symptoms associated with end-of-life distress.
- 5           6. Obsessive compulsive disorder.
- 6           7. Substance abuse and addiction disorders.
- 7           8. Eating disorders.
- 8           9. Chronic pain.
- 9           10. Inflammatory disorders.
- 10          11. Autoimmune disorders.
- 11          12. Seizure disorders.
- 12          13. Other degenerative disorders.
- 13          B. The department shall announce the opening of the application
- 14 process at least thirty days before applications are available and allow
- 15 at least thirty days for applicants to complete their submission. The
- 16 research grants shall be awarded not later than February 1 each year.
- 17          C. Clinical trials that are funded pursuant to this section shall
- 18 prioritize:
- 19           1. Using whole mushroom psilocybin cultivated under a schedule I
- 20 license issued by the United States drug enforcement administration.
- 21           2. Using veterans, first responders, frontline health care workers
- 22 and persons from underserved communities as the research subjects.
- 23          D. The department may not use more than two percent of the monies
- 24 appropriated for psilocybin research grants each fiscal year for
- 25 administrative purposes.
- 26          E. Notwithstanding title 13, chapter 34, Arizona Revised Statutes,
- 27 a person who receives a grant for a whole mushroom psilocybin clinical
- 28 trial pursuant to this section and any of the person's employees working
- 29 on the clinical trial may not be charged with or prosecuted for possession
- 30 of psilocybin when the person is working on the clinical trial.
- 31          F. The psilocybin research advisory council is established in the
- 32 department consisting of the director or the director's designee who is
- 33 employed by the department and the following members appointed by the
- 34 director:
- 35           1. One member who has a federal license to study psychedelics and
- 36 who is a physician licensed pursuant to title 32, chapter 13 or 17,
- 37 Arizona Revised Statutes.
- 38           2. One member who is a military veteran.
- 39           3. One member who is a law enforcement officer in this state.
- 40           4. One member who is a professor or researcher from a university
- 41 under the jurisdiction of the Arizona board of regents and who specializes
- 42 in clinical research or psychedelic studies.
- 43          G. The director shall serve as chairperson of the advisory council.

1 H. Advisory council members are eligible to receive reimbursement  
2 of expenses pursuant to title 38, chapter 4, article 2, Arizona Revised  
3 Statutes.

4 I. The advisory council shall:

5 1. Establish criteria for the clinical trials that qualify to  
6 receive research grants.

7 2. Oversee the application process and review applications for the  
8 clinical trial research grants to assist the director in selecting the  
9 most credible clinical trials to award the research grants.

10 3. Ensure that all advisory council meetings are open to the public  
11 and allow for public testimony.

12 4. On or before June 1 of each year, make recommendations to the  
13 governor, the speaker of the house of representatives, the president of  
14 the senate and the department on psychedelic-assisted therapy based on  
15 current federal and state research policy.

16 J. This section is repealed from and after June 30, 2026.

17 K. For the purposes of this section:

18 1. "Advisory council" means the psilocybin research advisory  
19 council.

20 2. "Department" means the department of health services.

21 3. "Director" means the director of the department of health  
22 services.

23 Sec. 7. Arizona state board of nursing; student registered  
24 nurse anesthetist; clinical rotation program;  
25 definition

26 A. The student registered nurse anesthetist clinical rotation  
27 program is established for fiscal year 2023-2024 in the Arizona state  
28 board of nursing to expand the capacity of preceptor training programs at  
29 health care institutions for nurse anesthetist students.

30 B. The Arizona state board of nursing shall develop a grant program  
31 for fiscal year 2023-2024 to distribute monies appropriated for the  
32 student registered nurse anesthetist clinical rotation program to health  
33 care institutions that are licensed pursuant to title 36, chapter 4,  
34 Arizona Revised Statutes, only to expand or develop clinical training  
35 placements for nurse anesthetist students, with preference given to  
36 expanding or developing clinical rotations in obstetrics, pediatrics and  
37 cardiovascular care.

38 C. Grant monies awarded pursuant to this section are intended to  
39 supplement and not supplant existing training program expenses covered by  
40 the health care institution grantee.

41 D. The Arizona state board of nursing shall establish an  
42 application process for the grant program. The Arizona state board of  
43 nursing shall consider the following factors when determining grant  
44 awards:

- 1           1. The geographic and population distribution.
- 2           2. The number of nurse anesthetist students expected to be trained
- 3 and retained.
- 4           3. The cost of the proposal for the number of nurse anesthetist
- 5 students expected to participate and be retained compared to other
- 6 proposals.

7           E. For the purposes of this section, "health care institution" has  
 8 the same meaning prescribed in section 36-401, Arizona Revised Statutes.

9           Sec. 8. Department of health services; dementia awareness;  
 10 report

11           A. The department of health services shall distribute monies  
 12 appropriated in fiscal year 2023-2024 to implement a public education  
 13 campaign to increase awareness of Alzheimer's disease and related forms of  
 14 dementia in rural and underserved urban areas in this state to a nonprofit  
 15 organization that does all of the following:

- 16           1. Demonstrates expertise in memory loss, dementia and Alzheimer's
- 17 disease.
- 18           2. Hosts a toll-free hotline twenty-four hours a day, seven days a
- 19 week, with interpreter services if needed, that is staffed by
- 20 master's-level consultants to provide education on the signs and symptoms
- 21 of Alzheimer's disease and related forms of dementia, decision-making
- 22 support, dementia crisis assistance, treatment options and referrals to
- 23 local community resources.
- 24           3. Provides care and support for those affected by Alzheimer's
- 25 disease and related forms of dementia.
- 26           4. Demonstrates experience in marketing and public awareness
- 27 campaigns.

28           B. On or before June 30, 2024, the department of health services  
 29 shall submit a report on the impact of the public education campaign to  
 30 the governor, the president of the senate and the speaker of the house of  
 31 representatives. The department shall submit a copy of the report to the  
 32 secretary of state.

33           Sec. 9. ALTCs; county contributions; fiscal year 2023-2024

34           A. Notwithstanding section 11-292, Arizona Revised Statutes, county  
 35 contributions for the Arizona long-term care system for fiscal year  
 36 2023-2024 are as follows:

37           1. Apache	\$ 692,800
38           2. Cochise	\$ 6,587,900
39           3. Coconino	\$ 2,080,000
40           4. Gila	\$ 2,852,300
41           5. Graham	\$ 1,540,200
42           6. Greenlee	\$ 0
43           7. La Paz	\$ 682,700
44           8. Maricopa	\$240,195,400

1	9. Mohave	\$ 10,847,500
2	10. Navajo	\$ 2,867,700
3	11. Pima	\$ 56,396,600
4	12. Pinal	\$ 18,011,700
5	13. Santa Cruz	\$ 2,582,800
6	14. Yavapai	\$ 9,820,100
7	15. Yuma	\$ 11,047,700

8 B. If the overall cost for the Arizona long-term care system  
9 exceeds the amount specified in the general appropriations act for fiscal  
10 year 2023-2024, the state treasurer shall collect from the counties the  
11 difference between the amount specified in subsection A of this section  
12 and the counties' share of the state's actual contribution. The counties'  
13 share of the state's contribution must comply with any federal maintenance  
14 of effort requirements. The director of the Arizona health care cost  
15 containment system administration shall notify the state treasurer of the  
16 counties' share of the state's contribution and report the amount to the  
17 director of the joint legislative budget committee. The state treasurer  
18 shall withhold from any other monies payable to a county from whatever  
19 state funding source is available an amount necessary to fulfill that  
20 county's requirement specified in this subsection. The state treasurer  
21 may not withhold distributions from the Arizona highway user revenue fund  
22 pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes.  
23 The state treasurer shall deposit the amounts withheld pursuant to this  
24 subsection and amounts paid pursuant to subsection A of this section in  
25 the long-term care system fund established by section 36-2913, Arizona  
26 Revised Statutes.

27 Sec. 10. AHCCCS; disproportionate share payments; fiscal year  
28 2023-2024

29 A. Disproportionate share payments for fiscal year 2023-2024 made  
30 pursuant to section 36-2903.01, subsection 0, Arizona Revised Statutes,  
31 include:

32 1. \$113,818,500 for a qualifying nonstate operated public hospital.  
33 The Maricopa county special health care district shall provide a certified  
34 public expense form for the amount of qualifying disproportionate share  
35 hospital expenditures made on behalf of this state to the Arizona health  
36 care cost containment system administration on or before May 1, 2024 for  
37 all state plan years as required by the Arizona health care cost  
38 containment system state plan. The administration shall assist the  
39 district in determining the amount of qualifying disproportionate share  
40 hospital expenditures. Once the administration files a claim with the  
41 federal government and receives federal financial participation based on  
42 the amount certified by the Maricopa county special health care district,  
43 if the certification is equal to or less than \$113,818,500 and the  
44 administration determines that the revised amount is correct pursuant to

1 the methodology used by the administration pursuant to section 36-2903.01,  
2 Arizona Revised Statutes, the administration shall notify the governor,  
3 the president of the senate and the speaker of the house of  
4 representatives, shall distribute \$4,202,300 to the Maricopa county  
5 special health care district and shall deposit the balance of the federal  
6 financial participation in the state general fund. If the certification  
7 provided is for an amount less than \$113,818,500 and the administration  
8 determines that the revised amount is not correct pursuant to the  
9 methodology used by the administration pursuant to section 36-2903.01,  
10 Arizona Revised Statutes, the administration shall notify the governor,  
11 the president of the senate and the speaker of the house of  
12 representatives and shall deposit the total amount of the federal  
13 financial participation in the state general fund. If the certification  
14 provided is for an amount greater than \$113,818,500, the administration  
15 shall distribute \$4,202,300 to the Maricopa county special health care  
16 district and shall deposit \$71,248,000 of the federal financial  
17 participation in the state general fund. The administration may make  
18 additional disproportionate share hospital payments to the Maricopa county  
19 special health care district pursuant to section 36-2903.01, subsection P,  
20 Arizona Revised Statutes, and subsection B of this section.

21 2. \$28,474,900 for the Arizona state hospital. The Arizona state  
22 hospital shall provide a certified public expense form for the amount of  
23 qualifying disproportionate share hospital expenditures made on behalf of  
24 this state to the administration on or before March 31, 2024. The  
25 administration shall assist the Arizona state hospital in determining the  
26 amount of qualifying disproportionate share hospital expenditures. Once  
27 the administration files a claim with the federal government and receives  
28 federal financial participation based on the amount certified by the  
29 Arizona state hospital, the administration shall deposit the entire amount  
30 of federal financial participation in the state general fund. If the  
31 certification provided is for an amount less than \$28,474,900, the  
32 administration shall notify the governor, the president of the senate and  
33 the speaker of the house of representatives and shall deposit the entire  
34 amount of federal financial participation in the state general fund. The  
35 certified public expense form provided by the Arizona state hospital must  
36 contain both the total amount of qualifying disproportionate share  
37 hospital expenditures and the amount limited by section 1923(g) of the  
38 social security act.

39 3. \$884,800 for private qualifying disproportionate share  
40 hospitals. The Arizona health care cost containment system administration  
41 shall make payments to hospitals consistent with this appropriation and  
42 the terms of the state plan, but payments are limited to those hospitals  
43 that either:

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

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

5 B. After the distributions made pursuant to subsection A of this  
6 section, the allocations of disproportionate share hospital payments made  
7 pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes,  
8 shall be made available in the following order to qualifying private  
9 hospitals that are:

10 1. Located in a county with a population of fewer than four hundred  
11 thousand persons.

12 2. Located in a county with a population of at least four hundred  
13 thousand persons but fewer than nine hundred thousand persons.

14 3. Located in a county with a population of at least nine hundred  
15 thousand persons.

16 Sec. 11. AHCCCS transfer; counties; federal monies; fiscal  
17 year 2023-2024

18 On or before December 31, 2024, notwithstanding any other law, for  
19 fiscal year 2023-2024 the Arizona health care cost containment system  
20 administration shall transfer to the counties the portion, if any, as may  
21 be necessary to comply with section 10201(c)(6) of the patient protection  
22 and affordable care act (P.L. 111-148), regarding the counties'  
23 proportional share of this state's contribution.

24 Sec. 12. County acute care contributions; fiscal year  
25 2023-2024; intent

26 A. Notwithstanding section 11-292, Arizona Revised Statutes, for  
27 fiscal year 2023-2024 for the provision of hospitalization and medical  
28 care, the counties shall contribute the following amounts:

29	1. Apache	\$ 268,800
30	2. Cochise	\$ 2,214,800
31	3. Coconino	\$ 742,900
32	4. Gila	\$ 1,413,200
33	5. Graham	\$ 536,200
34	6. Greenlee	\$ 190,700
35	7. La Paz	\$ 212,100
36	8. Maricopa	\$15,703,400
37	9. Mohave	\$ 1,237,700
38	10. Navajo	\$ 310,800
39	11. Pima	\$14,951,800
40	12. Pinal	\$ 2,715,600
41	13. Santa Cruz	\$ 482,800
42	14. Yavapai	\$ 1,427,800
43	15. Yuma	\$ 1,325,100

1           B. If a county does not provide funding as specified in subsection  
2 A of this section, the state treasurer shall subtract the amount owed by  
3 the county to the Arizona health care cost containment system fund and the  
4 long-term care system fund established by section 36-2913, Arizona Revised  
5 Statutes, from any payments required to be made by the state treasurer to  
6 that county pursuant to section 42-5029, subsection D, paragraph 2,  
7 Arizona Revised Statutes, plus interest on that amount pursuant to section  
8 44-1201, Arizona Revised Statutes, retroactive to the first day the  
9 funding was due. If the monies the state treasurer withholds are  
10 insufficient to meet that county's funding requirements as specified in  
11 subsection A of this section, the state treasurer shall withhold from any  
12 other monies payable to that county from whatever state funding source is  
13 available an amount necessary to fulfill that county's requirement. The  
14 state treasurer may not withhold distributions from the Arizona highway  
15 user revenue fund pursuant to title 28, chapter 18, article 2, Arizona  
16 Revised Statutes.

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

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

28           E. If payments made pursuant to subsection C of this section exceed  
29 the amount required to meet the costs incurred by the Arizona health care  
30 cost containment system for the hospitalization and medical care of those  
31 persons defined as an eligible person pursuant to section 36-2901,  
32 paragraph 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, the  
33 director of the Arizona health care cost containment system administration  
34 may instruct the state treasurer either to reduce remaining payments to be  
35 paid pursuant to this section by a specified amount or to provide to the  
36 counties specified amounts from the Arizona health care cost containment  
37 system fund and the long-term care system fund established by section  
38 36-2913, Arizona Revised Statutes.

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

