

Senate Engrossed
health care; 2023-2024.

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

SENATE BILL 1726

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, SUBJECT TO THE APPROVAL OF THE CENTERS FOR MEDICARE AND
35 MEDICAID SERVICES, HAS INCOME AT OR BELOW TWO HUNDRED TWENTY-FIVE PERCENT
36 OF THE FEDERAL POVERTY LEVEL.

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

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

42 9. "Prepaid capitated" means a method of payment by which a
43 contractor delivers health care services for the duration of a contract to
44 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 2. Has a complex or acute illness of unknown etiology that is not
2 confirmed to be caused by an environmental exposure, toxic ingestion,
3 infection with normal response to therapy or trauma.

4 3. Is receiving inpatient hospital services in an intensive care
5 unit or a high acuity pediatric care unit.

6 B. The pilot coverage provided pursuant to this section may be
7 subject to applicable evidence-based medical necessity criteria that are
8 based on any of the following:

9 1. The patient has symptoms that suggest a broad differential
10 diagnosis that would require an evaluation by multiple genetic tests if
11 rapid whole genome sequencing is not performed.

12 2. The patient's treating health care provider determines that
13 timely identification of a molecular diagnosis is necessary to guide
14 clinical decision-making and that testing results may guide the treatment
15 or management of the patient's condition.

16 3. The patient has a complex or acute illness of unknown etiology,
17 including at least one of the following conditions:

18 (a) Congenital anomalies involving at least two organ systems or
19 complex or multiple congenital anomalies in one organ system.

20 (b) Specific organ malformations suggestive of a genetic etiology.

21 (c) Abnormal laboratory tests or abnormal chemistry profiles
22 suggesting the presence of a genetic disease, complex metabolic disorder
23 or inborn error of metabolism.

24 (d) Refractory or severe hypoglycemia or hyperglycemia.

25 (e) An abnormal response to therapy related to an underlying
26 medical condition affecting vital organs or bodily systems.

27 (f) Severe muscle weakness, rigidity or spasticity.

28 (g) Refractory seizures.

29 (h) A high-risk stratification on evaluation for a brief resolved
30 unexplained event with any of the following:

31 (i) A recurrent event without respiratory infection.

32 (ii) A recurrent seizure-like event.

33 (iii) A recurrent cardiopulmonary resuscitation.

34 (i) Abnormal cardiac diagnostic testing results suggestive of
35 possible channelopathies, arrhythmias, cardiomyopathies, myocarditis or
36 structural heart disease.

37 (j) Abnormal diagnostic imaging studies or physiologic function
38 studies suggestive of an underlying genetic condition or etiology.

39 (k) Family genetic history related to the patient's condition.

40 C. Genetic data generated as a result of performing rapid whole
41 genome sequencing that is covered pursuant to this section:

42 1. Shall have a primary use of assisting the ordering health care
43 professional and treating care team to diagnose and treat the patient.

1 2. Is protected health information that is subject to the
2 requirements applicable to protected health information as set forth in
3 the health insurance portability and accountability act of 1996 and the
4 health information technology for economic and clinical health act, and
5 their attendant regulations, including the health insurance portability
6 and accountability act privacy standards (45 Code of Federal Regulations
7 part 160 and part 164, subparts A and E).

8 D. The director of the Arizona health care cost containment system
9 administration shall submit any new waiver application, amendment to an
10 existing waiver or medicaid state plan amendment necessary for approval
11 from the centers for medicare and medicaid services for pilot coverage of
12 rapid whole genome sequencing as prescribed in this section. The director
13 may adopt any rules or take any other administrative action necessary to
14 implement this section.

15 E. This section is repealed from and after December 31, 2026.

16 F. For the purposes of this section:

17 1. "Member" has the same meaning prescribed in section 36-2901,
18 Arizona Revised Statutes.

19 2. "Rapid whole genome sequencing":

20 (a) Means as an investigation of the entire human genome, including
21 coding and noncoding regions and mitochondrial deoxyribonucleic acid, that
22 identifies disease-causing genetic changes and that returns the
23 preliminary positive results within five days and final results within
24 fourteen days.

25 (b) Includes patient-only whole genome sequencing and duo and trio
26 whole genome sequencing of the patient and the patient's biological parent
27 or parents.

28 Sec. 10. ALTCs; county contributions; fiscal year 2023-2024

29 A. Notwithstanding section 11-292, Arizona Revised Statutes, county
30 contributions for the Arizona long-term care system for fiscal year
31 2023-2024 are as follows:

32 1. Apache	\$ 692,800
33 2. Cochise	\$ 6,587,900
34 3. Coconino	\$ 2,080,000
35 4. Gila	\$ 2,852,300
36 5. Graham	\$ 1,540,200
37 6. Greenlee	\$ 0
38 7. La Paz	\$ 682,700
39 8. Maricopa	\$240,195,400
40 9. Mohave	\$ 10,847,500
41 10. Navajo	\$ 2,867,700
42 11. Pima	\$ 56,396,600
43 12. Pinal	\$ 18,011,700
44 13. Santa Cruz	\$ 2,582,800

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

16 2. \$28,474,900 for the Arizona state hospital. The Arizona state
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, 2024. 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.

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

6 1. Located in a county with a population of fewer than four hundred
7 thousand persons.

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

10 3. Located in a county with a population of at least nine hundred
11 thousand persons.

12 Sec. 12. AHCCCS transfer; counties; federal monies; fiscal
13 year 2023-2024

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

20 Sec. 13. County acute care contributions; fiscal year
21 2023-2024; intent

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

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

40 B. If a county does not provide funding as specified in subsection
41 A of this section, the state treasurer shall subtract the amount owed by
42 the county to the Arizona health care cost containment system fund and the
43 long-term care system fund established by section 36-2913, Arizona Revised
44 Statutes, from any payments required to be made by the state treasurer to

1 that county pursuant to section 42-5029, subsection D, paragraph 2,
2 Arizona Revised Statutes, plus interest on that amount pursuant to section
3 44-1201, Arizona Revised Statutes, retroactive to the first day the
4 funding was due. If the monies the state treasurer withholds are
5 insufficient to meet that county's funding requirements as specified in
6 subsection A of this section, the state treasurer shall withhold from any
7 other monies payable to that county from whatever state funding source is
8 available an amount necessary to fulfill that county's requirement. The
9 state treasurer may not withhold distributions from the Arizona highway
10 user revenue fund pursuant to title 28, chapter 18, article 2, Arizona
11 Revised Statutes.

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

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

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

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

39 Sec. 14. Proposition 204 administration; exclusion; county
40 expenditure limitations

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

