



ARIZONA STATE SENATE

Fifty-Sixth Legislature, First Regular Session

FACT SHEET FOR S.B. 1081

AHCCCS; continuation

Purpose

Continues the Arizona Health Care Cost Containment System (AHCCCS) for six years.

Background

AHCCCS serves as Arizona's Medicaid agency which offers qualifying Arizona residents access to healthcare programs ([AHCCCS](#)). AHCCCS's duties include: 1) developing and implementing a county-by-county system that includes access to hospitalization and medical services for members; 2) contracting, overseeing, reviewing and providing technical assistance to contractors; 3) developing a system of accounts and controls for AHCCCS to prevent the unnecessary use of covered health and medical services; 4) assisting in the formation of medical care consortiums to provide covered medical services for a county; 5) establishing and managing a system to ensure the quality of care delivered by AHCCCS; 6) establishing and managing a system to prevent fraud by members, subcontractors, contractors and noncontracting providers; 7) coordinating benefits to any member; 8) developing and maintaining outlined programs and systems; and 9) establishing the eligibility process for a Medicare low-income subsidy ([A.R.S. § 36-2903](#)).

AHCCCS is led by a Governor-appointed Director whose duties include: 1) ensuring that AHCCCS's duties and responsibilities are being fulfilled; 2) prescribing rules and procedures; 3) overseeing and leading AHCCCS; and 4) applying for and accepting federal funds (A.R.S. §§ [36-2903](#); and [36-2903.01](#)).

The Senate Health and Human Services Committee of Reference (COR) held a public meeting on January 12, 2023, to review and evaluate AHCCCS's response to the sunset review factors and receive public testimony. The COR recommended that AHCCCS be continued for six years ([COR Report](#)). AHCCCS terminates on July 1, 2023, unless continued by the Legislature ([A.R.S. § 41-3023.01](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Continues, retroactive to July 1, 2023, AHCCCS until July 1, 2029.
2. Repeals AHCCCS on January 1, 2030.
3. Contains a purpose statement.
4. Becomes effective on the general effective date, with a retroactive provision as noted.

Prepared by Senate Research

March 23, 2023

MG/JM/slp