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**SB 1311: mental health; oversight; data; documentation.**

**Sponsor: Senator Miranda, LD 11**

**Committee on Health & Human Services**

**Overview**

Designates the Arizona Health Care Cost Containment System (AHCCCS) as the agency responsible for monitoring, overseeing and evaluating the regional behavioral health authorities (RBHAs) and contracted agencies that provide mental health services. Makes modifications to requirements and procedures regarding mental health prepetition screenings and court-ordered evaluations.

**History**

Established in 1981, AHCCCS is Arizona's Medicaid program that oversees contracted health plans for the delivery of health care to individuals and families who qualify for Medicaid and other medical assistance programs. Through contracted health plans across the state, AHCCCS delivers health care to qualifying individuals including low-income adults, their children or people with certain disabilities. Additionally, AHCCCS contracts with RBHAs to coordinate the delivery of mental health services in a geographically specific service area of the state for eligible individuals. Current statute outlines covered health and medical services offered to AHCCCS members (A.R.S. §§ [36-3401](#), [36-3412](#), and [36-2907](#)).

Any responsible individual may apply for a court-ordered evaluation of a person alleged to be, as a result of a mental disorder, a danger to self or to others or a person with a persistent or acute disability or a grave disability and who is unwilling or unable to undergo a voluntary evaluation. If the application is not acted on because it has been determined that the proposed patient does not need an evaluation, the agency after a period of six months must destroy the application and any other evidence of the application ([A.R.S. § 36-520](#)).

On receiving the application for evaluation, the screening agency, before filing a petition for court-ordered evaluation to provide prepetition screening within 48 hours when possible must determine: 1) whether there is reasonable cause to believe the allegations of the applicant for the court-ordered evaluation; 2) where the person will voluntarily receive evaluation at a scheduled time and place; and 3) whether the person has a persistent or acute disability or a grave disability or is likely to present a danger to self or others until the voluntary evaluation.

After the prepetition screening is completed the screening agency must prepare a report of its opinions and conclusions. If the prepetition screening report indicates that there exists no reasonable cause to believe the allegations of the applicant for court-ordered evaluation, it must be reviewed by the medical director of the screening agency or their designee ([A.R.S. § 36-521](#)).

**Provisions**

***AHCCCS Mental Health Data and Reporting Requirements***

1. Deems AHCCCS as the agency responsible for monitoring, overseeing and evaluating its contractors and contracted agencies that provide mental health services to ensure that services are provided in a timely, clinically effective and efficient manner. (Sec. 1)
2. Requires AHCCCS and its contractors to monitor the performance of agencies providing mental health services and to take corrective action, which may include technical assistance, imposing civil penalties, suspending and terminating contracts, if appropriate, for agencies found to:
  - a) not be in compliance with county, state, or federal law or rule; or
  - b) not be performing the services in a timely, effective and efficient manner. (Sec. 1)
3. Requires the AHCCCS Director to adopt rules, if necessary, and prescribe reporting requirements and standards for contractors and contracted agencies to collect, report and analyze information and data for the purpose of understanding the clinical effectiveness of mental health services provided by the various agencies. (Sec. 1)
4. Instructs AHCCCS to analyze the information and data collected semiannually and report annually to the Governor, President of the Senate and Speaker of the House of Representatives beginning December 31, 2025. (Sec. 1)
5. Specifies that the information and data must identify and measure clinical outcomes in the past year of members who have received a serious mental illness (SMI) designation, including all of the following:
  - a) the number of hospitalizations and rehospitalizations, the facilities where admissions occurred and the average length of stay by admitting diagnosis, for members for whom AHCCCS or its contractor is the primary payor;
  - b) the number and percentage of members with a mental health disorder and co-occurring substance use disorder diagnosis who were admitted, discharged and subsequently readmitted to an inpatient psychiatric facility within the preceding year, for members for whom AHCCCS or its contractor is the primary payor;
  - c) the number and percentage of members whose Title XIX enrollment is placed in a no-pay status in a given year due to the member's incarceration status, stratified by the number of times enrollment is suspended;
  - d) the number of members for whom AHCCCS or its contractor is notified of a release from incarceration or conducts reach-in services;
  - e) the number of member deaths, death rate and cause of death in the preceding year;
  - f) the number of members who are homeless, unsheltered or inadequately housed and for what period of time, as identified through homeless management information system data or other available sources identified by AHCCCS;
  - g) the number and percentage of members who have received court-ordered treatment, have requested and received the removal of an SMI designation, have received and are adherent to court-ordered treatment and did not receive a single behavioral health service;
  - h) the number of patients who have been discharged from the Arizona State Hospital and admitted to a contracted psychiatric hospital within the preceding year;

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- i) the number of members who have been evaluated for SMI eligibility determination, resulted in receiving a SMI designation and whose eligibility determination resulted in not receiving a SMI designation; and
  - j) the number of members who are also enrolled in Medicare and when the member's Medicare enrollment became known to AHCCCS separately reported by Title XIX and non-Title XIX members. (Sec. 1)
6. Adds that the information and data collected by AHCCCS must identify and measure clinical outcomes in the past year of members who have received a SMI, including the number of:
- a) responses by the contracted crisis system that identify members with a SMI designation, including the number of:
    - i. crisis phone line calls received;
    - ii. mobile teams dispatched;
    - iii. members seen at psychiatric urgent care centers; and
    - iv. members with two or more distinct crisis system episodes; and
  - b) Title XIX members or non-Title XIX grant-funded members, separately delineated, who are:
    - i. admitted to a behavioral health residential facility (BHRF);
    - ii. discharged from a BHRF; or
    - iii. admitted to an inpatient psychiatric hospital within one year of discharge from a BHRF, for members for whom AHCCCS or its contractor is the primary payor. (Sec. 1)
7. Mandates that the AHCCCS mental health data collection and reporting be implemented by October 1, 2025. (Sec. 1)
8. Requires AHCCCS to file, with the Governor, President of the Senate and Speaker of the House of Representatives the following reports:
- a) by December 31, 2024, an interim report that describes AHCCCS's plan to complete requirements associated with mental health data collection and reporting; and
  - b) by December 31, 2025, a final report confirming the implementation of all requirements. (Sec. 1)

***AHCCCS and Stakeholder Recommendations Session Law Provisions***

9. Tasks the AHCCCS Director with developing recommendations regarding opportunities to improve the availability and transparency of information related to members with a SMI designation, including how to facilitate the extraction of data in clinical records for reporting, including:
- a) court-ordered screening, evaluation and treatment, including information about members whose court-ordered treatment is not renewed after completion, members receiving amendments to court-ordered treatment and members who were determined to be adherent or not adherent to court-ordered treatment;
  - b) the reasons that members with an SMI designation receiving services from AHCCCS or its contractors are discharged from inpatient psychiatric or residential services;
  - c) deaths in an incarcerated setting of individuals with a SMI designation, by manner of death; and
  - d) employment status of members with a SMI designation, by supported or not supported employment. (Sec. 8)

10. Requires the AHCCCS Director when developing recommendations to convene and seek the advice of a representative group of stakeholders. (Sec. 8)
11. Lists the type of stakeholders to be included in the development of these recommendations. (Sec. 8)
12. Requires AHCCCS, by October 1, 2025, to report to the Governor, the President of the Senate and the Speaker of the House of Representatives on the stakeholder recommendations, including any statutory changes necessary to improve the availability of information. (Sec. 8)
13. Repeals the AHCCCS and stakeholder recommendation session law provisions on July 1, 2026. (Sec. 8)

#### ***Mental Health Screening and Evaluation***

14. Repeals the requirement that a screening agency destroy an application for a court-ordered evaluation that has not been acted on for six months. (Sec. 2)
15. Requires, if it is determined that a proposed patient does not need evaluation, a medical director of a screening agency or their designee to:
  - a) make a written statement of the reasons why the proposed patient does not need an evaluation; and
  - b) retain the application together with the medical director's statement and any records or report concerning prepetition screening. (Sec. 2)
16. Repeals the requirement that a screening agency consider whether there is reasonable cause to believe the allegations of the applicant for the court-ordered evaluation and instead requires the agency to consider whether the person is a danger to self or others as a result of a mental disorder. (Sec. 3)
17. Instructs a screening agency that denies an evaluation to state the denial in writing on the application form and include confirmation by the medical director of the agency or a designee. (Sec. 3)
18. Directs a screening agency to assist a proposed patient with finding specific evaluation or treatment services available, including direct referrals, if the person:
  - a) does not currently meet the criteria for court-ordered evaluation;
  - b) has reasonable grounds to believe that the person has a mental disorder;
  - c) is in need of further evaluation or treatment; and
  - d) is able and willing to pursue private or public evaluation or treatment services available to the person in the community. (Sec. 3)
19. Directs the medical director of a screening agency who determined that a person no longer needs an evaluation after a petition has already been prepared to:
  - a) make a written statement of the reasons why the evaluation was determined to be no longer necessary; and
  - b) retain the petition together with the medical director's statement. (Sec. 4)
20. Requires, if an application for emergency admission is denied, to be retained by the evaluation agency together with a written statement by the medical director of the evaluation agency or their designee stating the specific reasons why the application was denied. (Sec. 5)

21. Stipulates that an application for emergency admission must be retained after the admitted person has been released, together with a written statement by the medical director of the evaluation agency stating why the release was appropriate. (Sec. 6)
22. Directs the medical director of an evaluation agency, if a person being evaluated on an inpatient basis is released, to make a written statement on a form explaining why further evaluation was not appropriate and why release was appropriate. (Sec. 7)
23. Requires copies of written statements by evaluation agency medical directors explaining the release of a patient to be:
  - a) filed with the court that entered the order for evaluation;
  - b) filed as part of the court record; and
  - c) made a part of the patient's medical record. (Sec. 7)
24. Defines *member*. (Sec. 1 and 8)
25. Makes technical and conforming changes. (Sec. 1, 2 and 5)