

Senate Engrossed

appropriation; secure behavioral health facilities

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SENATE BILL 1442

AN ACT

APPROPRIATING MONIES TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Appropriation; Arizona health care cost
3 containment system; secure behavioral health
4 residential facilities; report; exemption

5 A. The sum of \$25,000,000 is appropriated from the state general
6 fund in fiscal year 2025-2026 to the Arizona health care cost containment
7 system for secure behavioral health residential facilities.

8 B. The Arizona health care cost containment system administration
9 shall distribute the monies appropriated in subsection A of this section
10 to entities for secure behavioral health residential facilities licensed
11 by the department of health services pursuant to section 36-425.06,
12 Arizona Revised Statutes, that provide secure on-site supportive treatment
13 to either of the following, but not both of the following:

14 1. Persons who are determined to be seriously mentally ill, who are
15 chronically resistant to treatment and who are placed in the facility
16 pursuant to a court order pursuant to section 36-550.09, Arizona Revised
17 Statutes.

18 2. Persons who have been committed pursuant to a court order issued
19 pursuant to section 13-4521, Arizona Revised Statutes.

20 C. The Arizona health care cost containment system administration,
21 in consultation with the department of administration, shall issue a
22 request for proposals for the secure behavioral health residential
23 facilities prescribed by this act on or before January 1, 2026. In
24 determining the entity or entities that will receive monies appropriated
25 by this act, the Arizona health care cost containment system
26 administration shall:

27 1. Prioritize facilities that can open within twelve months after
28 the effective date of this act.

29 2. Prioritize facilities that meet the geographic needs of this
30 state.

31 3. Consider an entity's experience in operating behavioral health
32 facilities.

33 4. Consider the benefits of selecting one entity or multiple
34 entities to receive the monies appropriated by this act.

35 D. An entity that receives a distribution pursuant to this section
36 shall use the monies only to:

37 1. Construct a new secure behavioral health residential facility.

38 2. Retrofit an existing building to become a secure behavioral
39 health residential facility, subject to prior approval from the Arizona
40 health care cost containment system administration.

41 E. An entity that receives a distribution pursuant to this section
42 shall use quantitative and qualitative methods, including rating scales,
43 incident reports, clinical interviews, functional assessments and patient
44 reports, to measure and evaluate each of the following:

1 1. Clinical outcomes, including the measurements of positive
2 symptoms, negative symptoms, medication adherence, hospital admissions,
3 psychiatric hospital admissions, emergency room visits and incidents of
4 self-harm.

5 2. Independent living functional and social outcomes, including the
6 management of personal hygiene, meal preparation and participation in
7 volunteerism, job training, employment or education programming.

8 3. Program-specific metrics, including attendance and participation
9 in therapy sessions, group activities and psychoeducation programs,
10 readmission rates and successful transitioning to less intensive care.

11 4. Physical health, including weight, body mass index, blood
12 pressure and heart rate.

13 F. On or before September 30 following each fiscal year in which
14 monies are used as prescribed in this section, the Arizona health care
15 cost containment system administration shall report the information
16 required by subsection E of this section to the governor, the president of
17 the senate and the speaker of the house of representatives and shall
18 provide a copy of this report to the secretary of state. The
19 administration shall redact personally identifying information received
20 pursuant to subsection E of this section from each report.

21 G. The appropriation made in subsection A of this section is exempt
22 from the provisions of section 35-190, Arizona Revised Statutes, relating
23 to lapsing of appropriations.