

House Engrossed

AHCCCS; comprehensive claims audit

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE CONCURRENT RESOLUTION 2058

A CONCURRENT RESOLUTION

ENACTING AND ORDERING THE SUBMISSION TO THE PEOPLE OF A MEASURE RELATING
TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the House of Representatives of the State of Arizona,
2 the Senate concurring:

3 1. Under the power of the referendum, as vested in the Legislature,
4 the following measure, relating to the Arizona health care cost
5 containment system, is enacted to become valid as a law if approved by the
6 voters and on proclamation of the Governor:

7 AN ACT

8 REQUIRING A COMPREHENSIVE AUDIT OF THIS STATE'S MEDICAID
9 PROGRAM ADMINISTERED BY THE ARIZONA HEALTH CARE COST
10 CONTAINMENT SYSTEM.

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

12 Section 1. Arizona health care cost containment system;
13 comprehensive audit; request for
14 proposals; negotiated settlements;
15 reporting requirements; delayed repeal;
16 definitions

17 A. The joint legislative budget committee director
18 shall issue a request for proposals from qualified audit
19 vendors within one hundred eighty days after the effective
20 date of this measure for a comprehensive claim-level audit of
21 this state's medicaid program administered by the Arizona
22 health care cost containment system.

23 B. The audit must look at each payment the Arizona
24 health care cost containment system or its contractors made
25 under this state's medicaid program in the three years before
26 the audit. The audit must be coordinated with the centers for
27 medicare and medicaid services. The audit report must
28 categorize misappropriations by provider type and managed care
29 organization. The auditor shall redact from any public report
30 any personal identifying information and confidential
31 commercial information.

32 C. The joint legislative budget committee director and
33 the Arizona health care cost containment system shall jointly
34 negotiate settlements for all misappropriated claims within
35 ninety days after the audit report is issued. Any matter that
36 is not settled shall be referred to the attorney general. The
37 attorney general shall file suit within sixty days after
38 receiving a referral pursuant to this subsection.

39 D. This state shall pay for the audit costs through
40 recoveries made from misappropriated claims. The remaining
41 state share of the monies recovered shall be deposited in the
42 state general fund.

43 E. Within nine months after the audit report is issued,
44 the joint legislative budget committee director shall report
45 the total amount of the misappropriated claims and monies

1 recovered to the governor, the speaker of the house of
2 representatives and the president of the senate and shall
3 provide a copy of the report to the secretary of state.

4 F. This section is repealed from and after December 31,
5 2030.

6 G. For the purposes of this section:

7 1. "Comprehensive claim-level audit" means a one
8 hundred percent verification of each payment, including a
9 review of unbundling, upcoding and services that were not
10 medically necessary.

11 2. "Misappropriated claim" means an improper payment,
12 including a duplicate payment, incorrect coding and payment
13 for ineligible services.

14 3. "Qualified audit vendor" means an entity with
15 medicaid audit experience and proprietary technology
16 platforms.

17 2. The Secretary of State shall submit this proposition to the
18 voters at the next general election as provided by article IV, part 1,
19 section 1, Constitution of Arizona.