

Senate Engrossed

~~technical correction; open pit mining~~
(now: health insurance; patient steering; prohibition)

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

CHAPTER 180

SENATE BILL 1494

AN ACT

AMENDING SECTIONS 13-3730, 20-281, 20-449, 32-1401, 32-1601, 32-1854 AND
36-407, ARIZONA REVISED STATUTES; RELATING TO PATIENT BROKERING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 13-3730, Arizona Revised Statutes, is amended to
3 read:

4 13-3730. Unlawful patient brokering; health care enrollee
5 acts; classification; definitions

6 A. NOTWITHSTANDING SECTION 36-2065, it is unlawful for ~~a~~ ANY
7 person, including a health care provider, behavioral health professional,
8 health care institution, ~~or~~ sober living home OR INSURANCE PRODUCER, to
9 offer, pay, solicit or receive any commission, bonus, rebate, kickback or
10 bribe, directly or indirectly, in cash or in kind, or TO engage in any
11 split-fee arrangement, in any form whatsoever, in return for either:

12 1. Referring patients or clients EITHER:

13 (a) To ~~or from~~ a sober living home. ~~or substance use disorder~~
14 ~~treatment facility~~

15 (b) FROM A SOBER LIVING HOME TO ANY OTHER HEALTH CARE INSTITUTION.

16 2. Accepting or acknowledging the enrollment of a patient or client
17 for substance use disorder services at a sober living home.

18 B. EXCEPT AS OTHERWISE EXPRESSLY ALLOWED BY FEDERAL LAW, IT IS
19 UNLAWFUL FOR A HEALTH CARE PROVIDER, HEALTH CARE INSTITUTION OR DRUG
20 MANUFACTURER TO PAY, DIRECTLY OR INDIRECTLY, THE PREMIUMS OR SUBSCRIPTION
21 FEES FOR AN ENROLLEE UNDER ANY HEALTH BENEFITS PLAN ISSUED BY A HEALTH
22 CARE INSURER IN THIS STATE.

23 C. IT IS UNLAWFUL FOR A PERSON WHO IS LICENSED OR WHO IS REQUIRED
24 TO BE LICENSED AS AN INSURANCE PRODUCER PURSUANT TO TITLE 20 TO KNOWINGLY
25 PROVIDE FALSE OR FRAUDULENT INFORMATION, DIRECTLY OR INDIRECTLY THROUGH
26 EMPLOYEES OR REPRESENTATIVES, ABOUT A PERSON'S ELIGIBILITY FOR OR
27 ENROLLMENT STATUS IN THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM IN
28 CONNECTION WITH AN APPLICATION FOR, ENROLLMENT IN OR CHANGE IN COVERAGE
29 UNDER ANY HEALTH BENEFITS PLAN ISSUED BY A HEALTH CARE INSURER IN THIS
30 STATE.

31 D. THE FOLLOWING ARE EXEMPT FROM THE LIMITATIONS AND PROHIBITIONS
32 SET FORTH IN THIS SECTION IF REMUNERATION PROHIBITED BY SUBSECTION A OF
33 THIS SECTION IS NOT PAID OR RECEIVED:

34 1. HEALTH INSURANCE NAVIGATORS AND CERTIFIED APPLICATION COUNSELORS
35 WHO ACT WITHIN THE SCOPE OF THEIR LICENSE OR REGISTRATION IN ASSISTING
36 PERSONS WITH ENROLLMENT IN A HEALTH BENEFITS PLAN AND WHO DO NOT KNOWINGLY
37 PROVIDE OR FACILITATE THE PROVISION OF FALSE OR FRAUDULENT INFORMATION ON
38 AN APPLICATION SUBMITTED TO A HEALTH BENEFIT EXCHANGE ESTABLISHED PURSUANT
39 TO 42 UNITED STATES CODE SECTION 18031(b) OR 18041(c).

40 2. CASE MANAGEMENT, COORDINATION OF CARE AND PATIENT CONSULTATION
41 ACTIVITIES THAT ARE PERFORMED IN THE ORDINARY COURSE OF BUSINESS.

42 E. IN ADDITION TO ANY OTHER PENALTY PRESCRIBED BY THIS TITLE, THE
43 COURT SHALL ORDER A PERSON WHO IS CONVICTED OF A VIOLATION OF THIS SECTION
44 TO PAY A CIVIL PENALTY OF NOT LESS THAN \$1,000 FOR EACH VIOLATION OF THIS

1 SECTION. THE COURT SHALL DOUBLE THE CIVIL PENALTY IF THE PERSON IS A
2 SERIAL OFFENDER.

3 F. A violation of SUBSECTION A, B OR C OF this section is:

4 1. A class 3 felony if the consideration has a value of \$1,000 or
5 more.

6 2. A class 4 felony if the consideration has a value of more than
7 \$100 but less than \$1,000.

8 3. A class 6 felony if the consideration has a value of \$100 or
9 less.

10 G. For the purposes of this section: ,

11 1. "BEHAVIORAL HEALTH PROFESSIONAL" MEANS ANY PERSON WHO IS
12 REGULATED PURSUANT TO TITLE 32, CHAPTER 33.

13 2. "DRUG MANUFACTURER" MEANS ANY PERSON THAT PRODUCES, PREPARES,
14 COMPOUNDS, PROCESSES, PACKAGES, LABELS, PROPAGATES OR REPACKAGES
15 PRESCRIPTION MEDICATION.

16 3. "ENROLLEE" MEANS AN INDIVIDUAL WHO IS A PATIENT OF OR RECEIVING
17 HEALTH CARE SERVICES FROM, AND IS NOT AN EMPLOYEE OR DEPENDENT OF AN
18 EMPLOYEE OF, A HEALTH CARE PROVIDER, HEALTH CARE INSTITUTION OR DRUG
19 MANUFACTURER AND WHO IS ENROLLED IN A HEALTH BENEFITS PLAN PROVIDED BY A
20 HEALTH CARE INSURER.

21 4. "HEALTH BENEFITS PLAN" MEANS A DISABILITY INSURANCE POLICY, A
22 HOSPITAL AND MEDICAL SERVICE CORPORATION POLICY OR CERTIFICATE, A HEALTH
23 CARE SERVICES ORGANIZATION CONTRACT, A GROUP DISABILITY POLICY OR A
24 CERTIFICATE OF INSURANCE OF A GROUP DISABILITY POLICY, INCLUDING MEDICARE
25 ADVANTAGE PLANS, MEDICARE SUPPLEMENT INSURANCE PLANS AND MEDICARE PART D
26 PRESCRIPTION DRUG PLANS, AND THE ARIZONA HEALTH CARE COST CONTAINMENT
27 SYSTEM HEALTH PLAN.

28 5. "HEALTH CARE INSTITUTION" HAS THE SAME MEANING PRESCRIBED IN
29 SECTION 36-401.

30 6. "HEALTH CARE INSURER" MEANS A DISABILITY INSURER, GROUP
31 DISABILITY INSURER, BLANKET DISABILITY INSURER, HEALTH CARE SERVICES
32 ORGANIZATION, HOSPITAL SERVICE CORPORATION, MEDICAL SERVICE CORPORATION OR
33 HOSPITAL AND MEDICAL SERVICE CORPORATION OR A CONTRACTOR AS DEFINED IN
34 SECTION 36-2901.

35 7. "HEALTH CARE PROVIDER" MEANS A PERSON WHO IS REGULATED PURSUANT
36 TO TITLE 32, CHAPTER 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 25,
37 28, 29, 33, 34, 35, 39 OR 41 OR TITLE 36, CHAPTER 6, ARTICLE 7 OR
38 CHAPTER 17.

39 8. "SERIAL OFFENDER" MEANS A PERSON WHO WITHIN A PERIOD OF TEN
40 YEARS HAS BEEN CONVICTED OF TWO OR MORE VIOLATIONS OF THIS SECTION.

41 9. "Sober living home" has the same meaning prescribed in section
42 36-2061.

1 Sec. 2. Section 20-281, Arizona Revised Statutes, is amended to
2 read:

3 20-281. Definitions

4 In this article, unless the context otherwise requires:

5 1. "Business entity" means any corporation, association,
6 partnership, limited liability company, limited liability partnership or
7 other legal entity except an individual or sole proprietorship.

8 2. "Designated producer" means the individual insurance producer
9 that a business entity designates pursuant to section 20-285, subsection
10 C, paragraph 3 as the individual responsible for the business entity's
11 compliance with the insurance laws of this state.

12 3. "HEALTH BENEFITS PLAN" MEANS A DISABILITY INSURANCE POLICY, A
13 HOSPITAL AND MEDICAL SERVICE CORPORATION POLICY OR CERTIFICATE, A HEALTH
14 CARE SERVICES ORGANIZATION CONTRACT, A GROUP DISABILITY POLICY OR A
15 CERTIFICATE OF INSURANCE OF A GROUP DISABILITY POLICY, INCLUDING MEDICARE
16 ADVANTAGE PLANS, MEDICARE SUPPLEMENT INSURANCE PLANS AND MEDICARE PART D
17 PRESCRIPTION DRUG PLANS.

18 ~~3.~~ 4. "Health or sickness insurance" means disability insurance as
19 defined in section 20-253.

20 ~~4.~~ 5. "Home state" means the District of Columbia and any state or
21 territory of the United States in which:

22 (a) An individual insurance producer maintains a principal place of
23 residence or principal place of business and is licensed to act as a
24 resident insurance producer.

25 (b) A business entity insurance producer maintains its principal
26 place of business and is licensed to act as a resident insurance producer.

27 ~~5.~~ 6. "Insurance producer" means a person required to be licensed
28 under this article to sell, solicit or negotiate insurance.

29 ~~6.~~ 7. "Limited line credit insurance" means any form of insurance
30 that is offered in connection with an extension of credit and that is
31 limited to partially or wholly extinguishing that credit obligation,
32 including credit life, credit disability, credit property, credit
33 unemployment, involuntary unemployment, mortgage life, mortgage guaranty,
34 mortgage disability, guaranteed asset or automobile protection insurance
35 and any other form of insurance that is offered in connection with an
36 extension of credit, that is limited to partially or wholly extinguishing
37 that credit obligation and that the director determines should be
38 designated a form of limited line credit insurance.

39 ~~7.~~ 8. "Limited line insurance" means limited line credit
40 insurance, limited line crop insurance, limited lines travel insurance
41 under section 20-3553 and any other line of insurance that the director
42 deems necessary to recognize for the purposes of complying with section
43 20-287, subsection C, paragraph 2.

44 ~~8.~~ 9. "Major line insurance" means life insurance, accident and
45 health or sickness insurance, property insurance, casualty insurance,

1 personal lines insurance and variable insurance contracts, as described in
2 section 20-286.

3 ~~9.~~ 10. "Member" means, if used in reference to a business entity,
4 a person that holds an ownership interest in the business entity,
5 excluding any interest in publicly traded securities and any interest of
6 less than ten percent of the voting rights.

7 ~~10.~~ 11. "Negotiate" means the act of conferring directly with or
8 offering advice directly to a purchaser or prospective purchaser of a
9 particular contract of insurance concerning any of the substantive
10 benefits, terms or conditions of the contract if the person engaged in
11 that act either sells insurance or obtains insurance from insurers for
12 purchasers.

13 ~~11.~~ 12. "Nonresident" means a person whose home state is not
14 Arizona.

15 ~~12.~~ 13. "Person" means an individual or a business entity.

16 ~~13.~~ 14. "Resident" means a person whose home state is Arizona and
17 who does not hold a resident insurance producer license in another state
18 or territory of the United States or in the District of Columbia.

19 ~~14.~~ 15. "Sell" means to exchange a contract of insurance by any
20 means, for money or its equivalent, on behalf of an insurer.

21 ~~15.~~ 16. "Solicit":

22 (a) Means attempting to sell insurance or asking or urging a person
23 to apply for a particular kind of insurance from a particular company.

24 (b) INCLUDES, IF DONE AS A REGULAR COURSE OF DEALING OR BUSINESS,
25 STEERING, ADVISING, RECOMMENDING OR ENCOURAGING PERSONS IN THIS STATE WITH
26 A KNOWN HEALTH CONDITION TO TERMINATE THEIR EXISTING HEALTH BENEFITS PLAN
27 OR COVERAGE OR TO LET THEIR EXISTING HEALTH BENEFITS PLAN OR COVERAGE
28 LAPSE AND TO PURCHASE A REPLACEMENT OR ALTERNATIVE HEALTH BENEFITS PLAN OR
29 POLICY FROM AN INSURER AUTHORIZED TO TRANSACT INSURANCE IN THIS STATE.

30 Sec. 3. Section 20-449, Arizona Revised Statutes, is amended to
31 read:

32 20-449. Rebates on life or disability insurance; definitions

33 A. Except as otherwise expressly provided by law, ~~no~~ A person shall
34 NOT knowingly ~~permit~~ ALLOW or offer to make or make any contract of life
35 insurance, life annuity or disability insurance, or agreement as to such
36 contract other than as plainly expressed in the contract issued thereon,
37 or pay or allow, or give or offer to pay, allow or give, directly or
38 indirectly, as an inducement to such insurance or annuity, any rebate of
39 premiums payable on the contract, or any special favor or advantage in the
40 dividends or other benefits thereon, or any valuable consideration or
41 inducement whatever not specified in the contract. FOR THE PURPOSES OF
42 THIS SECTION, A PROHIBITED REBATE INCLUDES PAYMENT, DIRECTLY OR
43 INDIRECTLY, BY A HEALTH CARE PROVIDER, HEALTH CARE INSTITUTION OR DRUG
44 MANUFACTURER OF THE PREMIUMS OR SUBSCRIPTION FEES FOR AN ENROLLEE UNDER
45 ANY HEALTH BENEFITS PLAN ISSUED BY A HEALTH CARE INSURER IN THIS STATE.

1 B. This section does not prohibit an insurer from retaining an
2 independent third party to conduct a customer feedback effort intended to
3 help the insurer improve the quality of its products or services and to
4 offer an insured business or individual a reasonable incentive to
5 participate in the feedback effort. An incentive is presumed reasonable if
6 it does not exceed ~~two hundred dollars~~ \$200. An insurer may not offer,
7 reference or promote an incentive or feedback effort under this section in
8 connection with an application for or renewal of insurance coverage. For
9 the purposes of this subsection, "feedback effort" means activities that
10 are designed to elicit customer perceptions on a predetermined set of
11 topics that are related to the insurer's products or services, including
12 in-person, telephonic or online surveys, polls, focus groups, interviews,
13 questionnaires and other recognized opinion-gathering mechanisms.

14 C. FOR THE PURPOSES OF THIS SECTION:

15 1. "DRUG MANUFACTURER" MEANS ANY PERSON THAT PRODUCES, PREPARES,
16 COMPOUNDS, PROCESSES, PACKAGES, LABELS, PROPAGATES OR REPACKAGES
17 PRESCRIPTION MEDICATION.

18 2. "ENROLLEE" MEANS AN INDIVIDUAL WHO IS A PATIENT OF OR RECEIVING
19 HEALTH CARE SERVICES FROM, AND IS NOT AN EMPLOYEE OR DEPENDENT OF AN
20 EMPLOYEE OF, A HEALTH CARE PROVIDER, HEALTH CARE INSTITUTION OR DRUG
21 MANUFACTURER AND WHO IS ENROLLED IN A HEALTH BENEFITS PLAN PROVIDED BY A
22 HEALTH CARE INSURER.

23 3. "HEALTH BENEFITS PLAN" MEANS A DISABILITY INSURANCE POLICY, A
24 HOSPITAL AND MEDICAL SERVICE CORPORATION POLICY OR CERTIFICATE, A HEALTH
25 CARE SERVICES ORGANIZATION CONTRACT, A GROUP DISABILITY POLICY OR A
26 CERTIFICATE OF INSURANCE OF A GROUP DISABILITY POLICY, INCLUDING MEDICARE
27 ADVANTAGE PLANS, MEDICARE SUPPLEMENT INSURANCE PLANS AND MEDICARE PART D
28 PRESCRIPTION DRUG PLANS.

29 4. "HEALTH CARE INSTITUTION" HAS THE SAME MEANING PRESCRIBED IN
30 SECTION 36-401.

31 5. "HEALTH CARE INSURER" MEANS A DISABILITY INSURER, GROUP
32 DISABILITY INSURER, BLANKET DISABILITY INSURER, HEALTH CARE SERVICES
33 ORGANIZATION, HOSPITAL SERVICE CORPORATION, MEDICAL SERVICE CORPORATION OR
34 HOSPITAL AND MEDICAL SERVICE CORPORATION.

35 6. "HEALTH CARE PROVIDER" MEANS A PERSON WHO IS REGULATED PURSUANT
36 TO TITLE 32, CHAPTER 7, 8, 11, 13, 14, 15, 15.1, 16, 17, 18, 19, 19.1, 25,
37 28, 29, 33, 34, 35, 39 OR 41 OR TITLE 36, CHAPTER 6, ARTICLE 7 OR
38 CHAPTER 17.

39 Sec. 4. Section 32-1401, Arizona Revised Statutes, is amended to
40 read:

41 32-1401. Definitions

42 In this chapter, unless the context otherwise requires:

43 1. "Active license" means a valid and existing license to practice
44 medicine.

1 2. "Adequate records" means legible medical records, produced by
2 hand or electronically, containing, at a minimum, sufficient information
3 to identify the patient, support the diagnosis, justify the treatment,
4 accurately document the results, indicate advice and cautionary warnings
5 provided to the patient and provide sufficient information for another
6 practitioner to assume continuity of the patient's care at any point in
7 the course of treatment.

8 3. "Advisory letter" means a nondisciplinary letter to notify a
9 licensee that either:

10 (a) While there is insufficient evidence to support disciplinary
11 action, the board believes that continuation of the activities that led to
12 the investigation may result in further board action against the licensee.

13 (b) The violation is a minor or technical violation that is not of
14 sufficient merit to warrant disciplinary action.

15 (c) While the licensee has demonstrated substantial compliance
16 through rehabilitation or remediation that has mitigated the need for
17 disciplinary action, the board believes that repetition of the activities
18 that led to the investigation may result in further board action against
19 the licensee.

20 4. "Approved hospital internship, residency or clinical fellowship
21 program" means a program at a hospital that at the time the training
22 occurred was legally incorporated and that had a program that was approved
23 for internship, fellowship or residency training by the accreditation
24 council for graduate medical education, the association of American
25 medical colleges, the royal college of physicians and surgeons of Canada
26 or any similar body in the United States or Canada approved by the board
27 whose function is that of approving hospitals for internship, fellowship
28 or residency training.

29 5. "Approved school of medicine" means any school or college
30 offering a course of study that, on successful completion, results in the
31 degree of doctor of medicine and whose course of study has been approved
32 or accredited by an educational or professional association, recognized by
33 the board, including the association of American medical colleges, the
34 association of Canadian medical colleges or the American medical
35 association.

36 6. "Board" means the Arizona medical board.

37 7. "Completed application" means that the applicant has supplied
38 all required fees, information and correspondence requested by the board
39 on forms and in a manner acceptable to the board.

40 8. "Direct supervision" means that a physician, physician assistant
41 licensed pursuant to chapter 25 of this title or nurse practitioner
42 certified pursuant to chapter 15 of this title is within the same room or
43 office suite as the medical assistant in order to be available for
44 consultation regarding those tasks the medical assistant performs pursuant
45 to section 32-1456.

1 9. "Dispense" means the delivery by a doctor of medicine of a
2 prescription drug or device to a patient, except for samples packaged for
3 individual use by licensed manufacturers or repackagers of drugs, and
4 includes the prescribing, administering, packaging, labeling and security
5 necessary to prepare and safeguard the drug or device for delivery.

6 10. "Doctor of medicine" means a natural person holding a license,
7 registration or permit to practice medicine pursuant to this chapter.

8 11. "Full-time faculty member" means a physician who is employed
9 full time as a faculty member while holding the academic position of
10 assistant professor or a higher position at an approved school of
11 medicine.

12 12. "Health care institution" means any facility as defined in
13 section 36-401, any person authorized to transact disability insurance, as
14 defined in title 20, chapter 6, article 4 or 5, any person who is issued a
15 certificate of authority pursuant to title 20, chapter 4, article 9 or any
16 other partnership, association or corporation that provides health care to
17 consumers.

18 13. "Immediate family" means the spouse, natural or adopted
19 children, father, mother, brothers and sisters of the doctor of medicine
20 and the natural or adopted children, father, mother, brothers and sisters
21 of the doctor of medicine's spouse.

22 14. "Letter of reprimand" means a disciplinary letter that is
23 issued by the board and that informs the physician that the physician's
24 conduct violates state or federal law and may require the board to monitor
25 the physician.

26 15. "Limit" means taking a nondisciplinary action that alters the
27 physician's practice or professional activities if the board determines
28 that there is evidence that the physician is or may be mentally or
29 physically unable to safely engage in the practice of medicine.

30 16. "Medical assistant" means an unlicensed person who meets the
31 requirements of section 32-1456, has completed an education program
32 approved by the board, assists in a medical practice under the supervision
33 of a doctor of medicine, physician assistant or nurse practitioner and
34 performs delegated procedures commensurate with the medical assistant's
35 education and training but does not diagnose, interpret, design or modify
36 established treatment programs or perform any functions that would violate
37 any statute applicable to the practice of medicine.

38 17. "Medically incompetent" means a person who the board determines
39 is incompetent based on a variety of factors, including:

40 (a) A lack of sufficient medical knowledge or skills, or both, to a
41 degree likely to endanger the health of patients.

42 (b) When considered with other indications of medical incompetence,
43 failing to obtain a scaled score of at least seventy-five percent on the
44 written special purpose licensing examination.

45 18. "Medical peer review" means:

1 (a) The participation by a doctor of medicine in the review and
2 evaluation of the medical management of a patient and the use of resources
3 for patient care.

4 (b) Activities relating to a health care institution's decision to
5 grant or continue privileges to practice at that institution.

6 19. "Medicine" means allopathic medicine as practiced by the
7 recipient of a degree of doctor of medicine.

8 20. "Office-based surgery" means a medical procedure conducted in a
9 physician's office or other outpatient setting that is not part of a
10 licensed hospital or licensed ambulatory surgical center.

11 21. "Physician" means a doctor of medicine who is licensed pursuant
12 to this chapter.

13 22. "Practice of medicine":

14 (a) Means the diagnosis, the treatment or the correction of or the
15 attempt or the claim to be able to diagnose, treat or correct any and all
16 human diseases, injuries, ailments, infirmities or deformities, physical
17 or mental, real or imaginary, by any means, methods, devices or
18 instrumentalities, except as the same may be among the acts or persons not
19 affected by this chapter.

20 (b) Includes the practice of medicine alone or the practice of
21 surgery alone, or both.

22 23. "Restrict" means taking a disciplinary action that alters the
23 physician's practice or professional activities if the board determines
24 that there is evidence that the physician is or may be medically
25 incompetent or guilty of unprofessional conduct.

26 24. "Special purpose licensing examination" means an examination
27 that is developed by the national board of medical examiners on behalf of
28 the federation of state medical boards for use by state licensing boards
29 to test the basic medical competence of physicians who are applying for
30 licensure and who have been in practice for a considerable period of time
31 in another jurisdiction and to determine the competence of a physician who
32 is under investigation by a state licensing board.

33 25. "Teaching hospital's accredited graduate medical education
34 program" means that the hospital is incorporated and has an internship,
35 fellowship or residency training program that is accredited by the
36 accreditation council for graduate medical education, the American medical
37 association, the association of American medical colleges, the royal
38 college of physicians and surgeons of Canada or a similar body in the
39 United States or Canada that is approved by the board and whose function
40 is that of approving hospitals for internship, fellowship or residency
41 training.

42 26. "Teaching license" means a valid license to practice medicine
43 as a full-time faculty member of an approved school of medicine or a
44 teaching hospital's accredited graduate medical education program.

1 27. "Unprofessional conduct" includes the following, whether
2 occurring in this state or elsewhere:

3 (a) Violating any federal or state laws, rules or regulations
4 applicable to the practice of medicine.

5 (b) Intentionally disclosing a professional secret or intentionally
6 disclosing a privileged communication except as either act may otherwise
7 be required by law.

8 (c) Committing false, fraudulent, deceptive or misleading
9 advertising by a doctor of medicine or the doctor of medicine's staff,
10 employer or representative.

11 (d) Committing a felony, whether or not involving moral turpitude,
12 or a misdemeanor involving moral turpitude. In either case, conviction by
13 any court of competent jurisdiction or a plea of no contest is conclusive
14 evidence of the commission.

15 (e) Failing or refusing to maintain adequate records on a patient.

16 (f) Exhibiting a pattern of using or being under the influence of
17 alcohol or drugs or a similar substance while practicing medicine or to
18 the extent that judgment may be impaired and the practice of medicine
19 detrimentally affected.

20 (g) Using controlled substances except if prescribed by another
21 physician for use during a prescribed course of treatment.

22 (h) Prescribing or dispensing controlled substances to members of
23 the physician's immediate family.

24 (i) Prescribing, dispensing or administering schedule II controlled
25 substances as prescribed by section 36-2513 or the rules adopted pursuant
26 to section 36-2513, including amphetamines and similar schedule II
27 sympathomimetic drugs in the treatment of exogenous obesity for a period
28 in excess of thirty days in any one year, or the nontherapeutic use of
29 injectable amphetamines.

30 (j) Prescribing, dispensing or administering any controlled
31 substance or prescription-only drug for other than accepted therapeutic
32 purposes.

33 (k) Dispensing a schedule II controlled substance that is an
34 opioid, except as provided in sections 32-1491 and 32-3248.03.

35 (l) Signing a blank, undated or predated prescription form.

36 (m) Committing conduct that the board determines is gross
37 malpractice, repeated malpractice or any malpractice resulting in the
38 death of a patient.

39 (n) Representing that a manifestly incurable disease or infirmity
40 can be permanently cured, or that any disease, ailment or infirmity can be
41 cured by a secret method, procedure, treatment, medicine or device, if
42 this is not true.

43 (o) Refusing to divulge to the board on demand the means, method,
44 procedure, modality of treatment or medicine used in the treatment of a
45 disease, injury, ailment or infirmity.

1 (p) Having action taken against a doctor of medicine by another
2 licensing or regulatory jurisdiction due to that doctor of medicine's
3 mental or physical inability to engage safely in the practice of medicine
4 or the doctor of medicine's medical incompetence or for unprofessional
5 conduct as defined by that jurisdiction and that corresponds directly or
6 indirectly to an act of unprofessional conduct prescribed by this
7 paragraph. The action taken may include refusing, denying, revoking or
8 suspending a license by that jurisdiction or a surrendering of a license
9 to that jurisdiction, otherwise limiting, restricting or monitoring a
10 licensee by that jurisdiction or placing a licensee on probation by that
11 jurisdiction.

12 (q) Having sanctions imposed by an agency of the federal
13 government, including restricting, suspending, limiting or removing a
14 person from the practice of medicine or restricting that person's ability
15 to obtain financial remuneration.

16 (r) Committing any conduct or practice that is or might be harmful
17 or dangerous to the health of the patient or the public.

18 (s) Violating a formal order, probation, consent agreement or
19 stipulation issued or entered into by the board or its executive director
20 under this chapter.

21 (t) Violating or attempting to violate, directly or indirectly, or
22 assisting in or abetting the violation of or conspiring to violate any
23 provision of this chapter.

24 (u) Knowingly making any false or fraudulent statement, written or
25 oral, in connection with the practice of medicine or if applying for
26 privileges or renewing an application for privileges at a health care
27 institution.

28 (v) Charging a fee for services not rendered or dividing a
29 professional fee for patient referrals among health care providers or
30 health care institutions or between these providers and institutions or a
31 contractual arrangement that has the same effect. This subdivision does
32 not apply to payments from a medical researcher to a physician in
33 connection with identifying and monitoring patients for a clinical trial
34 regulated by the United States food and drug administration.

35 (w) Obtaining a fee by fraud, deceit or misrepresentation.

36 (x) Charging or collecting a clearly excessive fee. In determining
37 whether a fee is clearly excessive, the board shall consider the fee or
38 range of fees customarily charged in this state for similar services in
39 light of modifying factors such as the time required, the complexity of
40 the service and the skill requisite to perform the service properly. This
41 subdivision does not apply if there is a clear written contract for a
42 fixed fee between the physician and the patient that has been entered into
43 before the provision of the service.

44 (y) Committing conduct that is in violation of section 36-2302.

1 (z) Using experimental forms of diagnosis and treatment without
2 adequate informed patient consent, and without conforming to generally
3 accepted experimental criteria, including protocols, detailed records,
4 periodic analysis of results and periodic review by a medical peer review
5 committee as approved by the United States food and drug administration or
6 its successor agency.

7 (aa) Engaging in sexual conduct with a current patient or with a
8 former patient within six months after the last medical consultation
9 unless the patient was the licensee's spouse at the time of the contact
10 or, immediately preceding the physician-patient relationship, was in a
11 dating or engagement relationship with the licensee. For the purposes of
12 this subdivision, "sexual conduct" includes:

13 (i) Engaging in or soliciting sexual relationships, whether
14 consensual or nonconsensual.

15 (ii) Making sexual advances, requesting sexual favors or engaging
16 in any other verbal conduct or physical contact of a sexual nature.

17 (iii) Intentionally viewing a completely or partially disrobed
18 patient in the course of treatment if the viewing is not related to
19 patient diagnosis or treatment under current practice standards.

20 (bb) Procuring or attempting to procure a license to practice
21 medicine or a license renewal by fraud, by misrepresentation or by
22 knowingly taking advantage of the mistake of another person or an agency.

23 (cc) Representing or claiming to be a medical specialist if this is
24 not true.

25 (dd) Maintaining a professional connection with or lending one's
26 name to enhance or continue the activities of an illegal practitioner of
27 medicine.

28 (ee) Failing to furnish information in a timely manner to the board
29 or the board's investigators or representatives if legally requested by
30 the board.

31 (ff) Failing to allow properly authorized board personnel on demand
32 to examine and have access to documents, reports and records maintained by
33 the physician that relate to the physician's medical practice or medically
34 related activities.

35 (gg) Knowingly failing to disclose to a patient on a form that is
36 prescribed by the board and that is dated and signed by the patient or
37 guardian acknowledging that the patient or guardian has read and
38 understands that the doctor has a direct financial interest in a separate
39 diagnostic or treatment agency or in nonroutine goods or services that the
40 patient is being prescribed if the prescribed treatment, goods or services
41 are available on a competitive basis. This subdivision does not apply to a
42 referral by one doctor of medicine to another doctor of medicine within a
43 group of doctors of medicine practicing together.

1 (hh) Using chelation therapy in the treatment of arteriosclerosis
2 or as any other form of therapy, with the exception of treatment of heavy
3 metal poisoning, without:

4 (i) Adequate informed patient consent.

5 (ii) Conforming to generally accepted experimental criteria,
6 including protocols, detailed records, periodic analysis of results and
7 periodic review by a medical peer review committee.

8 (iii) Approval by the United States food and drug administration or
9 its successor agency.

10 (ii) Prescribing, dispensing or administering anabolic-androgenic
11 steroids to a person for other than therapeutic purposes.

12 (jj) Exhibiting a lack of or inappropriate direction, collaboration
13 or direct supervision of a medical assistant or a licensed, certified or
14 registered health care provider employed by, supervised by or assigned to
15 the physician.

16 (kk) Knowingly making a false or misleading statement to the board
17 or on a form required by the board or in a written correspondence,
18 including attachments, with the board.

19 (ll) Failing to dispense drugs and devices in compliance with
20 article 6 of this chapter.

21 (mm) Committing conduct that the board determines is gross
22 negligence, repeated negligence or negligence resulting in harm to or the
23 death of a patient.

24 (nn) Making a representation by a doctor of medicine or the doctor
25 of medicine's staff, employer or representative that the doctor of
26 medicine is boarded or board certified if this is not true or the standing
27 is not current or without supplying the full name of the specific agency,
28 organization or entity granting this standing.

29 (oo) Refusing to submit to a body fluid examination or any other
30 examination known to detect the presence of alcohol or other drugs as
31 required by the board pursuant to section 32-1452 or pursuant to a board
32 investigation into a doctor of medicine's alleged substance abuse.

33 (pp) Failing to report in writing to the Arizona medical board or
34 the Arizona regulatory board of physician assistants any evidence that a
35 doctor of medicine or a physician assistant is or may be medically
36 incompetent, guilty of unprofessional conduct or mentally or physically
37 unable to safely practice medicine or to perform as a physician assistant.

38 (qq) As a physician who is the chief executive officer, the medical
39 director or the medical chief of staff of a health care institution,
40 failing to report in writing to the board that the hospital privileges of
41 a doctor of medicine have been denied, revoked, suspended, supervised or
42 limited because of actions by the doctor of medicine that appear to show
43 that the doctor of medicine is or may be medically incompetent, is or may
44 be guilty of unprofessional conduct or is or may be unable to engage
45 safely in the practice of medicine.

1 (rr) Claiming to be a current member of the board or its staff or a
2 board medical consultant if this is not true.

3 (ss) Failing to make patient medical records in the physician's
4 possession promptly available to a physician assistant, a nurse
5 practitioner, a person licensed pursuant to this chapter or a podiatrist,
6 chiropractor, naturopathic physician, osteopathic physician or homeopathic
7 physician licensed under chapter 7, 8, 14, 17 or 29 of this title on
8 receipt of proper authorization to do so from the patient, a minor
9 patient's parent, the patient's legal guardian or the patient's authorized
10 representative or failing to comply with title 12, chapter 13,
11 article 7.1.

12 (tt) Prescribing, dispensing or furnishing a prescription
13 medication or a prescription-only device as defined in section 32-1901 to
14 a person unless the licensee first conducts a physical or mental health
15 status examination of that person or has previously established a
16 doctor-patient relationship. The physical or mental health status
17 examination may be conducted through telehealth as defined in section
18 36-3601 with a clinical evaluation that is appropriate for the patient and
19 the condition with which the patient presents, unless the examination is
20 for the purpose of obtaining a written certification from the physician
21 for the purposes of title 36, chapter 28.1. This subdivision does not
22 apply to:

23 (i) A physician who provides temporary patient supervision on
24 behalf of the patient's regular treating licensed health care professional
25 or provides a consultation requested by the patient's regular treating
26 licensed health care professional.

27 (ii) Emergency medical situations as defined in section 41-1831.

28 (iii) Prescriptions written to prepare a patient for a medical
29 examination.

30 (iv) Prescriptions written or prescription medications issued for
31 use by a county or tribal public health department for immunization
32 programs or emergency treatment or in response to an infectious disease
33 investigation, public health emergency, infectious disease outbreak or act
34 of bioterrorism. For the purposes of this item, "bioterrorism" has the
35 same meaning prescribed in section 36-781.

36 (v) Prescriptions written or antimicrobials dispensed to a contact
37 as defined in section 36-661 who is believed to have had significant
38 exposure risk as defined in section 36-661 with another person who has
39 been diagnosed with a communicable disease as defined in section 36-661 by
40 the prescribing or dispensing physician.

41 (vi) Prescriptions written or prescription medications issued for
42 administration of immunizations or vaccines listed in the United States
43 centers for disease control and prevention's recommended immunization
44 schedule to a household member of a patient.

(vii) Prescriptions for epinephrine delivery systems that are written or dispensed for a school district or charter school to be stocked for emergency use pursuant to section 15-157 or for an authorized entity to be stocked pursuant to section 36-2226.01.

(viii) Prescriptions for glucagon written or dispensed for a school district or charter school to be stocked for emergency use pursuant to section 15-344.01.

(ix) Prescriptions written by a licensee through a telehealth program that is covered by the policies and procedures adopted by the administrator of a hospital or outpatient treatment center.

(x) Prescriptions for naloxone hydrochloride or any other opioid antagonist approved by the United States food and drug administration that are written or dispensed for use pursuant to section 36-2228 or 36-2266.

(uu) Performing office-based surgery using sedation in violation of board rules.

(vv) Practicing medicine under a false or assumed name in this state.

(ww) ADVISING A PATIENT, WHETHER DIRECTLY OR INDIRECTLY THROUGH STAFF, TO ENROLL IN OR DISENROLL FROM A SPECIFIC HEALTH INSURANCE POLICY OR PLAN ISSUED BY A SPECIFIC INSURANCE COMPANY UNLESS THE LICENSEE OR STAFF MEMBER IS A LICENSED INSURANCE PRODUCER IN THIS STATE. THIS SUBDIVISION DOES NOT PROHIBIT OR PREVENT A LICENSEE FROM DISCUSSING WITH PATIENTS WHETHER THE LICENSEE IS IN NETWORK OR OUT OF NETWORK WITH ANY SPECIFIC INSURANCE COMPANY OR UNDER ANY SPECIFIC INSURANCE POLICY OR PLAN.

Sec. 5. Section 32-1601, Arizona Revised Statutes, is amended to read:

32-1601. Definitions

In this chapter, unless the context otherwise requires:

1. "Absolute discharge from the sentence" means completion of any sentence, including imprisonment, probation, parole, community supervision or any form of court supervision.

2. "Appropriate health care professional" means a licensed health care professional whose scope of practice, education, experience, training and accreditation are appropriate for the situation or condition of the patient who is the subject of a consultation or referral.

3. "Approval" means that a regulated training or educational program to prepare persons for licensure, certification or registration has met standards established by the board.

4. "Board" means the Arizona state board of nursing.

5. "Certified nurse midwife" means a registered nurse who:

(a) Is certified by the board.

(b) Has completed a nurse midwife education program THAT IS approved or recognized by the board and educational requirements prescribed by the board by rule.

1 (c) Holds a national certification as a certified nurse midwife
2 from a national certifying body **THAT IS** recognized by the board.

3 (d) Has an expanded scope of practice in providing health care
4 services for women from adolescence to beyond menopause, including
5 antepartum, intrapartum, postpartum, reproductive, gynecologic and primary
6 care, for normal newborns during the first twenty-eight days of life and
7 for men for the treatment of sexually transmitted diseases. The expanded
8 scope of practice under this subdivision includes:

9 (i) Assessing patients, synthesizing and analyzing data and
10 understanding and applying principles of health care at an advanced level.

11 (ii) Managing the physical and psychosocial health care of
12 patients.

13 (iii) Analyzing multiple sources of data, identifying alternative
14 possibilities as to the nature of a health care problem and selecting,
15 implementing and evaluating appropriate treatment.

16 (iv) Making independent decisions in solving complex patient care
17 problems.

18 (v) Diagnosing, performing diagnostic and therapeutic procedures
19 and prescribing, administering and dispensing therapeutic measures,
20 including legend drugs, medical devices and controlled substances, within
21 the scope of the certified nurse midwife practice after meeting
22 requirements established by the board.

23 (vi) Recognizing the limits of the ~~nurse's~~ **CERTIFIED NURSE**
24 **MIDWIFE'S** knowledge and experience by consulting with or referring
25 patients to other appropriate health care professionals if a situation or
26 condition occurs that is beyond the knowledge and experience of the
27 **CERTIFIED** nurse **MIDWIFE** or if the referral will protect the health and
28 welfare of the patient.

29 (vii) Delegating to a medical assistant pursuant to section
30 32-1456.

31 (viii) Performing additional acts that require education and
32 training as prescribed by the board and that are recognized by the nursing
33 profession as proper to be performed by a certified nurse midwife.

34 6. "Certified nursing assistant" means a person who is registered
35 on the registry of nursing assistants pursuant to this chapter to provide
36 or assist in delivering nursing or nursing-related services under the
37 supervision and direction of a licensed nursing staff member. Certified
38 nursing assistant does not include a person who:

39 (a) Is a licensed health care professional.

40 (b) Volunteers to provide nursing assistant services without
41 monetary compensation.

42 (c) Is a licensed nursing assistant.

43 7. "Certified registered nurse" means a registered nurse who has
44 been certified by a national nursing credentialing agency **THAT IS**
45 recognized by the board.

1 8. "Certified registered nurse anesthetist" means a registered
2 nurse who meets the requirements of section 32-1634.03 and who practices
3 pursuant to the requirements of section 32-1634.04.

4 9. "Clinical nurse specialist" means a registered nurse who:

5 (a) Is certified by the board as a clinical nurse specialist.

6 (b) Holds a graduate degree with a major in nursing and completes
7 educational requirements as prescribed by the board by rule.

8 (c) Is nationally certified as a clinical nurse specialist or, if
9 certification is not available, provides proof of competence to the board.

10 (d) Has an expanded scope of practice based on advanced education
11 in a clinical nursing specialty that includes:

12 (i) Assessing clients, synthesizing and analyzing data and
13 understanding and applying nursing principles at an advanced level.

14 (ii) Managing directly and indirectly a client's physical and
15 psychosocial health status.

16 (iii) Analyzing multiple sources of data, identifying alternative
17 possibilities as to the nature of a health care problem and selecting
18 appropriate nursing interventions.

19 (iv) Developing, planning and guiding programs of care for
20 populations of patients.

21 (v) Making independent nursing decisions to solve complex client
22 care problems.

23 (vi) Using research skills and acquiring and applying critical new
24 knowledge and technologies to nursing practice.

25 (vii) Prescribing and dispensing durable medical equipment.

26 (viii) Consulting with or referring a client to other health care
27 providers based on assessment of the client's health status and needs.

28 (ix) Facilitating collaboration with other disciplines to attain
29 the desired client outcome across the continuum of care.

30 (x) Performing additional acts that require education and training
31 as prescribed by the board and that are recognized by the nursing
32 profession as proper to be performed by a clinical nurse specialist.

33 (xi) Prescribing, ordering and dispensing pharmacological agents
34 THAT ARE subject to the requirements and limits specified in section
35 32-1651.

36 10. "Conditional license" or "conditional approval" means a license
37 or approval that specifies the conditions under which the regulated party
38 is allowed to practice or to operate and that is prescribed by the board
39 pursuant to section 32-1644 or 32-1663.

40 11. "Delegation" means transferring to a competent individual the
41 authority to perform a selected nursing task in a designated situation in
42 which the nurse making the delegation retains accountability for the
43 delegation.

1 12. "Disciplinary action" means a regulatory sanction of a license,
2 certificate or approval pursuant to this chapter in any combination of the
3 following:

4 (a) A civil penalty for each violation of this chapter, not to
5 exceed \$1,000 for each violation.

6 (b) Restitution made to an aggrieved party.

7 (c) A decree of censure.

8 (d) A conditional license or a conditional approval that ~~fixed~~
9 ~~FIXES~~ a period and terms of probation.

10 (e) Limited licensure.

11 (f) Suspension of a license, a certificate or an approval.

12 (g) Voluntary surrender of a license, a certificate or an approval.

13 (h) Revocation of a license, a certificate or an approval.

14 13. "Health care institution" has the same meaning prescribed in
15 section 36-401.

16 14. "Licensed health aide" means a person who:

17 (a) Is licensed pursuant to this chapter to provide or to assist in
18 providing nursing-related services authorized pursuant to section 36-2939.

19 (b) Is the parent, guardian or family member by affinity or
20 consanguinity of the Arizona long-term care system member receiving
21 services who may provide licensed health aide services only to that member
22 and only consistent with that member's plan of care.

23 (c) Has a scope of practice that is the same as a licensed nursing
24 assistant and may also provide medication administration, tracheostomy
25 care, enteral care and routine ventilator care and therapy and any other
26 tasks approved by the board in rule.

27 (d) Has supervision requirements that are the same as a certified
28 nursing assistant.

29 15. "Licensed nursing assistant" means a person who is licensed
30 pursuant to this chapter to provide or assist in delivering nursing or
31 nursing-related services under the supervision and direction of a licensed
32 nursing staff member. Licensed nursing assistant does not include a
33 person who:

34 (a) Is a licensed health care professional.

35 (b) Volunteers to provide nursing assistant services without
36 monetary compensation.

37 (c) Is a certified nursing assistant.

38 16. "Licensee" means a person who is licensed pursuant to this
39 chapter or in a party state as defined in section 32-1668.

40 17. "Limited license" means a license that restricts the scope or
41 setting of a licensee's practice.

42 18. "Medication order" means a written or verbal communication
43 given by a certified registered nurse anesthetist to a health care
44 professional to administer a drug or medication, including controlled
45 substances.

1 19. "Practical nurse" means a person who holds a practical nurse
2 license issued pursuant to this chapter or pursuant to a multistate
3 compact privilege and who practices practical nursing ~~as defined in this~~
4 ~~section.~~

5 20. "Practical nursing" includes the following activities that are
6 performed under the supervision of a physician or a registered nurse:

7 (a) Contributing to the assessment of the health status of
8 individuals and groups.

9 (b) Participating in the development and modification of the
10 strategy of care.

11 (c) Implementing aspects of the strategy of care within the nurse's
12 scope of practice.

13 (d) Maintaining safe and effective nursing care that is rendered
14 directly or indirectly.

15 (e) Participating in the evaluation of responses to interventions.

16 (f) Delegating nursing activities within the scope of practice of a
17 practical nurse.

18 (g) Performing additional acts that require education and training
19 as prescribed by the board and that are recognized by the nursing
20 profession as proper to be performed by a practical nurse.

21 21. "Presence" means within the same health care institution or
22 office as specified in section 32-1634.04, subsection A, ~~and~~ and available as
23 necessary.

24 22. "Registered nurse" or "professional nurse" means a person who
25 practices registered nursing and who holds a registered nurse license
26 issued pursuant to this chapter or pursuant to a multistate compact
27 privilege.

28 23. "Registered nurse practitioner" means a registered nurse who:

29 (a) Is certified by the board.

30 (b) Has completed a nurse practitioner education program **THAT IS**
31 approved or recognized by the board and educational requirements
32 prescribed by the board by rule.

33 (c) If applying for certification after July 1, 2004, holds
34 national certification as a nurse practitioner from a national certifying
35 body **THAT IS** recognized by the board.

36 (d) Has an expanded scope of practice within a specialty area that
37 includes:

38 (i) Assessing clients, synthesizing and analyzing data and
39 understanding and applying principles of health care at an advanced level.

40 (ii) Managing the physical and psychosocial health status of
41 patients.

42 (iii) Analyzing multiple sources of data, identifying alternative
43 possibilities as to the nature of a health care problem and selecting,
44 implementing and evaluating appropriate treatment.

1 (iv) Making independent decisions in solving complex patient care
2 problems.

3 (v) Diagnosing, performing diagnostic and therapeutic procedures,
4 and prescribing, administering and dispensing therapeutic measures,
5 including legend drugs, medical devices and controlled substances within
6 the scope of registered nurse practitioner practice on meeting the
7 requirements established by the board.

8 (vi) Recognizing the limits of the ~~nurse's~~ REGISTERED NURSE
9 PRACTITIONER'S knowledge and experience by consulting with or referring
10 patients to other appropriate health care professionals if a situation or
11 condition occurs that is beyond the knowledge and experience of the
12 REGISTERED nurse PRACTITIONER or if the referral will protect the health
13 and welfare of the patient.

14 (vii) Delegating to a medical assistant pursuant to section
15 32-1456.

16 (viii) Performing additional acts that require education and
17 training as prescribed by the board and that are recognized by the nursing
18 profession as proper to be performed by a REGISTERED nurse practitioner.

19 24. "Registered nursing" includes the following:

20 (a) Diagnosing and treating human responses to actual or potential
21 health problems.

22 (b) Assisting individuals and groups to maintain or attain optimal
23 health by implementing a strategy of care to accomplish defined goals and
24 evaluating responses to care and treatment.

25 (c) Assessing the health status of individuals and groups.

26 (d) Establishing a nursing diagnosis.

27 (e) Establishing goals to meet identified health care needs.

28 (f) Prescribing nursing interventions to implement a strategy of
29 care.

30 (g) Delegating nursing interventions to others who are qualified to
31 do so.

32 (h) Providing for the maintenance of safe and effective nursing
33 care that is rendered directly or indirectly.

34 (i) Evaluating responses to interventions.

35 (j) Teaching nursing knowledge and skills.

36 (k) Managing and supervising the practice of nursing.

37 (l) Consulting and coordinating with other health care
38 professionals in the management of health care.

39 (m) Performing additional acts that require education and training
40 as prescribed by the board and that are recognized by the nursing
41 profession as proper to be performed by a registered nurse.

42 25. "Registry of nursing assistants" means the nursing assistants
43 registry maintained by the board pursuant to the omnibus budget
44 reconciliation act of 1987 (P.L. 100-203; 101 Stat. 1330), as amended by

1 the medicare catastrophic coverage act of 1988 (P.L. 100-360; 102 Stat.
2 683).

3 26. "Regulated party" means any person or entity that is licensed,
4 certified, registered, recognized or approved pursuant to this chapter.

5 27. "Unprofessional conduct" includes the following, whether
6 occurring in this state or elsewhere:

7 (a) Committing fraud or deceit in obtaining, attempting to obtain
8 or renewing a license or a certificate issued pursuant to this chapter.

9 (b) Committing a felony, whether or not involving moral turpitude,
10 or a misdemeanor involving moral turpitude. In either case, conviction by
11 a court of competent jurisdiction or a plea of no contest is conclusive
12 evidence of the commission.

13 (c) Aiding or abetting in a criminal abortion or attempting,
14 agreeing or offering to procure or assist in a criminal abortion.

15 (d) ENGAGING IN any conduct or practice that is or might be harmful
16 or dangerous to the health of a patient or the public.

17 (e) Being mentally incompetent or physically unsafe to a degree
18 that is or might be harmful or dangerous to the health of a patient or the
19 public.

20 (f) Having a license, certificate, permit or registration to
21 practice a health care profession denied, suspended, conditioned, limited
22 or revoked in another jurisdiction and not reinstated by that
23 jurisdiction.

24 (g) Wilfully or repeatedly violating a provision of this chapter or
25 a rule adopted pursuant to this chapter.

26 (h) Committing an act that deceives, defrauds or harms the public.

27 (i) Failing to comply with a stipulated agreement, consent
28 agreement or board order.

29 (j) Violating this chapter or a rule that is adopted by the board
30 pursuant to this chapter.

31 (k) Failing to report to the board any evidence that a registered
32 ~~OT~~ NURSE, practical nurse or ~~a~~ nursing assistant is or may be:

33 (i) Incompetent to practice.

34 (ii) Guilty of unprofessional conduct.

35 (iii) Mentally or physically unable to safely practice nursing or
36 to perform nursing-related duties. A nurse who is providing therapeutic
37 counseling for a nurse who is in a drug rehabilitation program is required
38 to report that nurse only if the nurse providing therapeutic counseling
39 has personal knowledge that patient safety is being jeopardized.

40 (l) Failing to self-report a conviction for a felony or
41 undesignated offense within ten days after the conviction.

42 (m) Cheating or assisting another to cheat on a licensure or
43 certification examination.

44 (n) ADVISING A PATIENT, WHETHER DIRECTLY OR INDIRECTLY THROUGH
45 STAFF, TO ENROLL IN OR DISENROLL FROM A SPECIFIC HEALTH INSURANCE POLICY

1 OR PLAN ISSUED BY A SPECIFIC INSURANCE COMPANY UNLESS THE LICENSEE OR
2 STAFF MEMBER IS A LICENSED INSURANCE PRODUCER IN THIS STATE. THIS
3 SUBDIVISION DOES NOT PROHIBIT OR PREVENT A LICENSEE FROM DISCUSSING WITH
4 PATIENTS WHETHER THE LICENSEE IS IN NETWORK OR OUT OF NETWORK WITH ANY
5 SPECIFIC INSURANCE COMPANY OR UNDER ANY SPECIFIC INSURANCE POLICY OR PLAN.

6 Sec. 6. Section 32-1854, Arizona Revised Statutes, is amended to
7 read:

8 32-1854. Definition of unprofessional conduct

9 For the purposes of this chapter, "unprofessional conduct" includes
10 the following acts, whether occurring in this state or elsewhere:

11 1. Knowingly betraying a professional secret or wilfully violating
12 a privileged communication except as either of these may otherwise be
13 required by law. This paragraph does not prevent members of the board
14 from exchanging information with the licensing and disciplinary boards of
15 other states, territories or districts of the United States or with
16 foreign countries or with osteopathic medical organizations located in
17 this state or in any state, district or territory of this country or in
18 any foreign country.

19 2. Committing a felony or a misdemeanor involving moral turpitude.
20 In either case conviction by any court of competent jurisdiction is
21 conclusive evidence of the commission of the offense.

22 3. Practicing medicine while under the influence of alcohol, a
23 dangerous drug as defined in section 13-3401, narcotic or hypnotic drugs
24 or any substance that impairs or may impair the licensee's ability to
25 safely and skillfully practice medicine.

26 4. Being diagnosed by a physician licensed under this chapter or
27 chapter 13 of this title or a psychologist licensed under chapter 19.1 of
28 this title as excessively or illegally using alcohol or a controlled
29 substance.

30 5. Prescribing, dispensing or administering controlled substances
31 or prescription-only drugs for other than accepted therapeutic purposes.

32 6. Engaging in the practice of medicine in a manner that harms or
33 may harm a patient or that the board determines falls below the community
34 standard.

35 7. Impersonating another physician.

36 8. Acting or assuming to act as a member of the board if this is
37 not true.

38 9. Procuring, renewing or attempting to procure or renew a license
39 to practice osteopathic medicine by fraud or misrepresentation.

40 10. Having professional connection with or lending one's name to an
41 illegal practitioner of osteopathic medicine or any of the other healing
42 arts.

43 11. Representing that a manifestly incurable disease, injury,
44 ailment or infirmity can be permanently cured or that a curable disease,

1 injury, ailment or infirmity can be cured within a stated time if this is
2 not true.

3 12. Failing to reasonably disclose and inform the patient or the
4 patient's representative of the method, device or instrumentality the
5 licensee uses to treat the patient's disease, injury, ailment or
6 infirmity.

7 13. Refusing to divulge to the board on demand the means, method,
8 device or instrumentality used to treat a disease, injury, ailment or
9 infirmity.

10 14. Charging a fee for services not rendered or dividing a
11 professional fee for patient referrals. This paragraph does not apply to
12 payments from a medical researcher to a physician in connection with
13 identifying and monitoring patients for clinical trial regulated by the
14 United States food and drug administration.

15 15. Knowingly making any false or fraudulent statement, written or
16 oral, in connection with the practice of medicine or when applying for or
17 renewing privileges at a health care institution or a health care program.

18 16. Advertising in a false, deceptive or misleading manner.

19 17. Representing or claiming to be an osteopathic medical
20 specialist if the physician has not satisfied the applicable requirements
21 of this chapter or board rules.

22 18. Having a license denied or disciplinary action taken against a
23 license by any other state, territory, district or country, unless it can
24 be shown that this occurred for reasons that did not relate to the
25 person's ability to safely and skillfully practice osteopathic medicine or
26 to any act of unprofessional conduct as provided in this section.

27 19. Committing any conduct or practice contrary to recognized
28 standards of ethics of the osteopathic medical profession.

29 20. Violating or attempting to violate, directly or indirectly, or
30 assisting in or abetting the violation of or conspiring to violate any of
31 the provisions of this chapter.

32 21. Failing or refusing to establish and maintain adequate records
33 on a patient as follows:

34 (a) If the patient is an adult, for at least six years after the
35 last date the licensee provided the patient with medical or health care
36 services.

37 (b) If the patient is a child, either for at least three years
38 after the child's eighteenth birthday or for at least six years after the
39 last date the licensee provided that patient with medical or health care
40 services, whichever date occurs later.

41 22. Using controlled substances or prescription-only drugs unless
42 they are provided by a medical practitioner, as defined in section
43 32-1901, as part of a lawful course of treatment.

1 23. Prescribing controlled substances to members of one's immediate
2 family unless there is no other physician available within fifty miles to
3 treat a member of the family and an emergency exists.

4 24. Committing nontherapeutic use of injectable amphetamines.

5 25. Violating a formal order, probation or a stipulation issued by
6 the board under this chapter.

7 26. Charging or collecting an inappropriate fee. This paragraph
8 does not apply to a fee that is fixed in a written contract between the
9 physician and the patient and entered into before treatment begins.

10 27. Using experimental forms of therapy without adequate informed
11 patient consent or without conforming to generally accepted criteria and
12 complying with federal and state statutes and regulations governing
13 experimental therapies.

14 28. Failing to make patient medical records in the physician's
15 possession promptly available to a physician assistant, a nurse
16 practitioner, a person licensed pursuant to this chapter or a podiatrist,
17 chiropractor, naturopathic physician, physician or homeopathic physician
18 licensed under chapter 7, 8, 13, 14 or 29 of this title on receipt of
19 proper authorization to do so from the patient, a minor patient's parent,
20 the patient's legal guardian or the patient's authorized representative or
21 failing to comply with title 12, chapter 13, article 7.1.

22 29. Failing to allow properly authorized board personnel to have,
23 on presentation of a subpoena, access to any documents, reports or records
24 that are maintained by the physician and that relate to the physician's
25 medical practice or medically related activities pursuant to section
26 32-1855.01.

27 30. Signing a blank, undated or predated prescription form.

28 31. Obtaining a fee by fraud, deceit or misrepresentation.

29 32. Failing to report to the board an osteopathic physician and
30 surgeon who is or may be guilty of unprofessional conduct or is or may be
31 mentally or physically unable safely to engage in the practice of
32 medicine.

33 33. Referring a patient to a diagnostic or treatment facility or
34 prescribing goods and services without disclosing that the physician has a
35 direct pecuniary interest in the facility, goods or services to which the
36 patient has been referred or prescribed. This paragraph does not apply to
37 a referral by one physician to another physician within a group of
38 physicians practicing together.

39 34. Exhibiting a lack of or inappropriate direction, collaboration
40 or supervision of a licensed, certified or registered health care provider
41 or office personnel employed by or assigned to the physician in the
42 medical care of patients.

43 35. Violating a federal law, a state law or a rule applicable to
44 the practice of medicine.

1 36. Prescribing or dispensing controlled substances or
2 prescription-only medications without establishing and maintaining
3 adequate patient records.

4 37. Dispensing a schedule II controlled substance that is an
5 opioid, except as provided in sections 32-1871 and 32-3248.03.

6 38. Failing to dispense drugs and devices in compliance with
7 article 4 of this chapter.

8 39. Committing any conduct or practice that endangers a patient's
9 or the public's health or may reasonably be expected to do so.

10 40. Committing any conduct or practice that impairs the licensee's
11 ability to safely and skillfully practice medicine or that may reasonably
12 be expected to do so.

13 41. With the exception of heavy metal poisoning, using chelation
14 therapy in the treatment of arteriosclerosis or as any other form of
15 therapy without adequate informed patient consent and without conforming
16 to generally accepted experimental criteria, including protocols, detailed
17 records, periodic analysis of results and periodic review by a medical
18 peer review committee.

19 42. Prescribing, dispensing or administering anabolic-androgenic
20 steroids to a person for other than therapeutic purposes.

21 43. Engaging in sexual conduct with a current patient or with a
22 former patient within six months after the last medical consultation
23 unless the patient was the licensee's spouse at the time of the contact
24 or, immediately preceding the physician-patient relationship, was in a
25 dating or engagement relationship with the licensee. For the purposes of
26 this paragraph, "sexual conduct includes:

27 (a) Engaging in or soliciting sexual relationships, whether
28 consensual or nonconsensual.

29 (b) Making sexual advances, requesting sexual favors or engaging in
30 any other verbal conduct or physical conduct of a sexual nature.

31 44. Committing conduct that is in violation of section 36-2302.

32 45. Committing conduct that the board determines constitutes gross
33 negligence, repeated negligence or negligence that results in harm or
34 death of a patient.

35 46. Committing conduct in the practice of medicine that evidences
36 unfitness to practice medicine.

37 47. Engaging in disruptive or abusive behavior in a professional
38 setting.

39 48. Failing to disclose to a patient that the licensee has a direct
40 financial interest in a prescribed treatment, good or service if the
41 treatment, good or service is available on a competitive basis. This
42 paragraph does not apply to a referral by one licensee to another licensee
43 within a group of licensees who practice together. A licensee meets the
44 disclosure requirements of this paragraph if both of the following are
45 true:

1 (a) The licensee makes the disclosure on a form prescribed by the
2 board.

3 (b) The patient or the patient's guardian or parent acknowledges by
4 signing the form that the licensee has disclosed the licensee's direct
5 financial interest.

6 49. Prescribing, dispensing or furnishing a prescription medication
7 or a prescription-only device to a person if the licensee has not
8 conducted a physical or mental health status examination of that person or
9 has not previously established a physician-patient relationship. The
10 physical or mental health status examination may be conducted through
11 telehealth as defined in section 36-3601 with a clinical evaluation that
12 is appropriate for the patient and the condition with which the patient
13 presents, unless the examination is for the purpose of obtaining a written
14 certification from the physician for the purposes of title 36,
15 chapter 28.1. This paragraph does not apply to:

16 (a) Emergencies.

17 (b) A licensee who provides patient care on behalf of the patient's
18 regular treating licensed health care professional or provides a
19 consultation requested by the patient's regular treating licensed health
20 care professional.

21 (c) Prescriptions written or antimicrobials dispensed to a contact
22 as defined in section 36-661 who is believed to have had significant
23 exposure risk as defined in section 36-661 with another person who has
24 been diagnosed with a communicable disease as defined in section 36-661 by
25 the prescribing or dispensing physician.

26 (d) Prescriptions for epinephrine delivery systems that are written
27 or dispensed for a school district or charter school to be stocked for
28 emergency use pursuant to section 15-157 or for an authorized entity to be
29 stocked pursuant to section 36-2226.01.

30 (e) Prescriptions for glucagon written or dispensed for a school
31 district or charter school to be stocked for emergency use pursuant to
32 section 15-344.01.

33 (f) Prescriptions written by a licensee through a telehealth
34 program that is covered by the policies and procedures adopted by the
35 administrator of a hospital or outpatient treatment center.

36 (g) Prescriptions for naloxone hydrochloride or any other opioid
37 antagonist approved by the United States food and drug administration that
38 are written or dispensed for use pursuant to section 36-2228 or 36-2266.

39 50. If a licensee provides medical care by computer, failing to
40 disclose the licensee's license number and the board's address and
41 telephone number.

42 51. ADVISING A PATIENT, WHETHER DIRECTLY OR INDIRECTLY THROUGH
43 STAFF, TO ENROLL IN OR DISENROLL FROM A SPECIFIC HEALTH INSURANCE POLICY
44 OR PLAN ISSUED BY A SPECIFIC INSURANCE COMPANY UNLESS THE LICENSEE OR
45 STAFF MEMBER IS A LICENSED INSURANCE PRODUCER IN THIS STATE. THIS

1 PARAGRAPH DOES NOT PROHIBIT OR PREVENT A LICENSEE FROM DISCUSSING WITH
2 PATIENTS WHETHER THE LICENSEE IS IN NETWORK OR OUT OF NETWORK WITH ANY
3 SPECIFIC INSURANCE COMPANY OR UNDER ANY SPECIFIC INSURANCE POLICY OR PLAN.

4 Sec. 7. Section 36-407, Arizona Revised Statutes, is amended to
5 read:

6 36-407. Prohibited acts; required acts

7 A. A person shall not establish, conduct or maintain in this state
8 a health care institution or any class or subclass of health care
9 institution unless that person holds a current and valid license issued by
10 the department specifying the class or subclass of health care institution
11 the person is establishing, conducting or maintaining. The license is
12 valid only for the establishment, operation and maintenance of the class
13 or subclass of health care institution, the type of services and, except
14 for emergency admissions as prescribed by the director by rule, the
15 licensed capacity specified by the license.

16 B. The licensee shall not imply by advertising, directory listing
17 or otherwise that the licensee is authorized to perform services more
18 specialized or of a higher degree of care than is authorized by this
19 chapter and the underlying rules for the particular class or subclass of
20 health care institution within which the licensee is licensed.

21 C. The licensee may not transfer or assign the license. A license
22 is valid only for the premises occupied by the institution at the time of
23 its issuance.

24 D. The licensee shall not personally or through an agent offer or
25 imply an offer of rebate or fee splitting to any person regulated by title
26 32 or chapter 17 of this title.

27 E. THE LICENSEE SHALL NOT ADVISE A PATIENT, WHETHER DIRECTLY OR
28 INDIRECTLY THROUGH STAFF, TO ENROLL IN OR DISENROLL FROM A SPECIFIC HEALTH
29 INSURANCE POLICY OR PLAN ISSUED BY A SPECIFIC INSURANCE COMPANY UNLESS THE
30 LICENSEE OR STAFF MEMBER IS A LICENSED INSURANCE PRODUCER IN THIS STATE.
31 THIS SUBSECTION DOES NOT:

32 1. PROHIBIT OR PREVENT A LICENSEE FROM DISCUSSING WITH PATIENTS
33 WHETHER THE LICENSEE IS IN NETWORK OR OUT OF NETWORK WITH ANY SPECIFIC
34 INSURANCE COMPANY OR UNDER ANY SPECIFIC INSURANCE POLICY OR PLAN.

35 2. PROHIBIT OR PREVENT HEALTH INSURANCE NAVIGATORS OR CERTIFIED
36 APPLICATION COUNSELORS ACTING WITHIN THE SCOPE OF THEIR LICENSE OR
37 REGISTRATION FROM ASSISTING PERSONS WITH ENROLLMENT IN A HEALTH INSURANCE
38 POLICY OR PLAN.

39 ~~F.~~ F. The licensee shall submit an itemized statement of charges
40 to each patient.

41 ~~F.~~ G. A health care institution shall refer a patient who is
42 discharged after receiving emergency services for a drug-related overdose
43 to a behavioral health services provider.

S.B. 1494

APPROVED BY THE GOVERNOR JUNE 19, 2026.

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