

Senate Engrossed

AHCCCS; enrollment verification; presumptive eligibility.

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

SENATE BILL 1236

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTIONS 36-2903.18 AND 36-2903.19; RELATING 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. Title 36, chapter 29, article 1, Arizona Revised
3 Statutes, is amended by adding sections 36-2903.18 and 36-2903.19, to
4 read:

5 36-2903.18. Data matching agreements; review of member
6 eligibility information; quarterly eligibility
7 redetermination; waiver requests

8 A. THE ADMINISTRATION SHALL ENTER INTO A DATA MATCHING AGREEMENT
9 WITH THE DEPARTMENT OF REVENUE TO IDENTIFY MEMBERS WHO HAVE LOTTERY OR
10 GAMBLING WINNINGS OF \$3,000 OR MORE. THE ADMINISTRATION SHALL REVIEW THIS
11 INFORMATION ON AT LEAST A MONTHLY BASIS. IF A MEMBER FAILS TO DISCLOSE
12 WINNINGS OF \$3,000 OR MORE AND IS IDENTIFIED THROUGH THE DATABASE MATCH,
13 THE ADMINISTRATION SHALL CONSIDER THE MEMBER'S FAILURE TO DISCLOSE THE
14 INFORMATION A VIOLATION OF THE SYSTEM'S TERMS OF ELIGIBILITY.

15 B. ON AT LEAST A MONTHLY BASIS, THE ADMINISTRATION SHALL:

16 1. RECEIVE AND REVIEW DEATH RECORDS INFORMATION FROM THE DEPARTMENT
17 OF HEALTH SERVICES CONCERNING MEMBERS AND SHALL ADJUST SYSTEM ELIGIBILITY
18 ACCORDINGLY.

19 2. REVIEW INFORMATION CONCERNING MEMBERS THAT INDICATES A CHANGE IN
20 CIRCUMSTANCES THAT MAY AFFECT ELIGIBILITY, INCLUDING POTENTIAL CHANGES IN
21 RESIDENCY AS IDENTIFIED BY OUT-OF-STATE ELECTRONIC BENEFIT TRANSFER CARD
22 TRANSACTIONS.

23 C. ON A QUARTERLY BASIS, THE ADMINISTRATION SHALL REDETERMINE THE
24 ELIGIBILITY OF ABLE-BODIED ADULTS WHO ARE ELIGIBLE PURSUANT TO SECTION
25 36-2901, 36-2901.01 OR 36-2901.07 AND WHO ARE NOT AMERICAN INDIANS OR
26 ALASKAN NATIVES. FOR THE PURPOSES OF THE REDETERMINATION PROCESS, THE
27 ADMINISTRATION SHALL RECEIVE AND REVIEW INFORMATION FROM BOTH:

28 1. THE DEPARTMENT OF REVENUE CONCERNING MEMBERS THAT INDICATES A
29 CHANGE IN CIRCUMSTANCES THAT MAY AFFECT ELIGIBILITY FOR THE SYSTEM,
30 INCLUDING POTENTIAL CHANGES IN INCOME, WAGES OR RESIDENCY AS IDENTIFIED BY
31 TAX RECORDS.

32 2. THE DEPARTMENT OF ECONOMIC SECURITY CONCERNING MEMBERS THAT
33 INDICATES A CHANGE IN CIRCUMSTANCES THAT MAY AFFECT ELIGIBILITY, INCLUDING
34 CHANGES TO UNEMPLOYMENT BENEFITS, EMPLOYMENT STATUS OR WAGES.

35 D. UNLESS REQUIRED BY FEDERAL LAW, THE ADMINISTRATION MAY NOT
36 ACCEPT SELF-ATTESTATION OF INCOME, RESIDENCY, AGE, HOUSEHOLD COMPOSITION,
37 CARETAKER OR RELATIVE STATUS OR RECEIPT OF OTHER HEALTH INSURANCE COVERAGE
38 WITHOUT INDEPENDENT VERIFICATION BEFORE ENROLLMENT. THE ADMINISTRATION
39 MAY NOT REQUEST AUTHORITY TO WAIVE OR DECLINE TO PERIODICALLY CHECK ANY
40 AVAILABLE INCOME-RELATED DATA SOURCES TO VERIFY ELIGIBILITY.

41 E. THE ADMINISTRATION MAY NOT ACCEPT ELIGIBILITY DETERMINATIONS FOR
42 THE SYSTEM FROM AN EXCHANGE ESTABLISHED PURSUANT TO 42 UNITED STATES CODE
43 SECTION 18041(c). THE ADMINISTRATION MAY ACCEPT ASSESSMENTS FROM AN
44 EXCHANGE ESTABLISHED PURSUANT TO 42 UNITED STATES CODE SECTION 18041(c)

1 BUT SHALL INDEPENDENTLY VERIFY ELIGIBILITY AND MAKE ELIGIBILITY
2 DETERMINATIONS.

3 F. IF THE ADMINISTRATION RECEIVES INFORMATION CONCERNING A MEMBER
4 THAT INDICATES A CHANGE IN THE MEMBER'S CIRCUMSTANCES THAT MAY AFFECT
5 ELIGIBILITY, THE ADMINISTRATION SHALL REVIEW THE MEMBER'S ELIGIBILITY.

6 G. THE ADMINISTRATION MAY EXECUTE A MEMORANDUM OF UNDERSTANDING
7 WITH ANY OTHER DEPARTMENT OF THIS STATE FOR INFORMATION REQUIRED TO BE
8 SHARED PURSUANT TO THIS SECTION. THE ADMINISTRATION MAY CONTRACT WITH ONE
9 OR MORE INDEPENDENT VENDORS TO PROVIDE ADDITIONAL DATA OR INFORMATION THAT
10 MAY INDICATE A CHANGE IN CIRCUMSTANCES AND AFFECT AN INDIVIDUAL'S
11 ELIGIBILITY.

12 H. ON OR BEFORE APRIL 1, 2027, THE ADMINISTRATION SHALL SUBMIT TO
13 THE CENTERS FOR MEDICARE AND MEDICAID SERVICES ANY WAIVER REQUESTS
14 NECESSARY TO IMPLEMENT THIS SECTION.

15 36-2903.19. Presumptive eligibility; limits; standards;
16 notification; training

17 A. THE ADMINISTRATION SHALL REQUEST APPROVAL FROM THE CENTERS FOR
18 MEDICARE AND MEDICAID SERVICES FOR A SECTION 1115 WAIVER TO ALLOW THE
19 ADMINISTRATION TO ELIMINATE MANDATORY HOSPITAL PRESUMPTIVE ELIGIBILITY AND
20 RESTRICT PRESUMPTIVE ELIGIBILITY DETERMINATIONS TO CHILDREN AND PREGNANT
21 WOMEN ELIGIBILITY GROUPS. IF APPROVAL FOR THE SECTION 1115 WAIVER IS
22 DENIED, THE ADMINISTRATION SHALL RESUBMIT A SUBSEQUENT REQUEST FOR
23 APPROVAL WITHIN TWELVE MONTHS AFTER EACH DENIAL.

24 B. UNLESS REQUIRED BY FEDERAL LAW, THE ADMINISTRATION MAY NOT
25 DESIGNATE ITSELF AS A QUALIFIED HEALTH ENTITY FOR THE PURPOSE OF MAKING
26 PRESUMPTIVE ELIGIBILITY DETERMINATIONS OR FOR ANY PURPOSE NOT EXPRESSLY
27 AUTHORIZED BY STATE LAW.

28 C. WHEN MAKING PRESUMPTIVE ELIGIBILITY DETERMINATIONS, A QUALIFIED
29 HOSPITAL SHALL DO ALL OF THE FOLLOWING:

30 1. NOTIFY THE ADMINISTRATION OF EACH PRESUMPTIVE ELIGIBILITY
31 DETERMINATION WITHIN FIVE WORKING DAYS AFTER THE DATE THE DETERMINATION IS
32 MADE.

33 2. ASSIST INDIVIDUALS WHO ARE DETERMINED PRESUMPTIVELY ELIGIBLE
34 UNDER THE SYSTEM WITH COMPLETING AND SUBMITTING A FULL APPLICATION FOR
35 SYSTEM ELIGIBILITY.

36 3. NOTIFY EACH APPLICANT IN WRITING AND ON ALL RELEVANT FORMS WITH
37 PLAIN LANGUAGE AND LARGE PRINT THAT IF THE APPLICANT DOES NOT FILE A FULL
38 APPLICATION FOR SYSTEM ELIGIBILITY WITH THE ADMINISTRATION BEFORE THE LAST
39 DAY OF THE FOLLOWING MONTH, PRESUMPTIVE ELIGIBILITY COVERAGE WILL END ON
40 THE LAST DAY OF THE FOLLOWING MONTH.

41 4. NOTIFY EACH APPLICANT THAT IF THE APPLICANT FILES A FULL
42 APPLICATION FOR SYSTEM ELIGIBILITY WITH THE ADMINISTRATION BEFORE THE LAST
43 DAY OF THE FOLLOWING MONTH, PRESUMPTIVE ELIGIBILITY COVERAGE WILL CONTINUE
44 UNTIL AN ELIGIBILITY DETERMINATION IS MADE ON THE APPLICATION THAT IS
45 FILED.

1 D. THE ADMINISTRATION SHALL APPLY THE FOLLOWING STANDARDS TO
2 ESTABLISH AND ENSURE THAT ACCURATE PRESUMPTIVE ELIGIBILITY DETERMINATIONS
3 ARE MADE BY EACH QUALIFIED HOSPITAL:

4 1. WHETHER THE QUALIFIED HOSPITAL SUBMITTED TO THE ADMINISTRATION
5 THE PRESUMPTIVE ELIGIBILITY CARD WITHIN FIVE WORKING DAYS AFTER THE
6 DETERMINATION DATE.

7 2. WHETHER A FULL APPLICATION FOR SYSTEM ELIGIBILITY WAS RECEIVED
8 BY THE ADMINISTRATION BEFORE THE EXPIRATION OF THE PRESUMPTIVE ELIGIBILITY
9 PERIOD.

10 3. IF A FULL APPLICATION WAS RECEIVED BY THE ADMINISTRATION,
11 WHETHER THE INDIVIDUAL WAS FOUND TO BE ELIGIBLE UNDER THE SYSTEM.

12 E. IF THE ADMINISTRATION DETERMINES THAT A QUALIFIED HOSPITAL FAILS
13 TO MEET ANY OF THE STANDARDS ESTABLISHED UNDER SUBSECTION D OF THIS
14 SECTION FOR ANY PRESUMPTIVE ELIGIBILITY DETERMINATION THAT THE QUALIFIED
15 HOSPITAL MADE, THE ADMINISTRATION SHALL NOTIFY THE QUALIFIED HOSPITAL IN
16 WRITING WITHIN FIVE DAYS AFTER THE DETERMINATION. THE NOTICE SHALL
17 INCLUDE:

18 1. FOR THE FIRST VIOLATION, BOTH OF THE FOLLOWING:

19 (a) A DESCRIPTION OF THE STANDARD THAT WAS NOT MET AND AN
20 EXPLANATION OF WHY IT WAS NOT MET.

21 (b) CONFIRMATION THAT A SECOND FINDING WILL REQUIRE THAT ALL
22 APPLICABLE HOSPITAL STAFF PARTICIPATE IN MANDATORY TRAINING BY THE
23 ADMINISTRATION ON HOSPITAL PRESUMPTIVE ELIGIBILITY RULES.

24 2. FOR THE SECOND VIOLATION, ALL OF THE FOLLOWING:

25 (a) A DESCRIPTION OF THE STANDARD THAT WAS NOT MET AND AN
26 EXPLANATION OF WHY IT WAS NOT MET.

27 (b) CONFIRMATION THAT ALL APPLICABLE HOSPITAL STAFF WILL BE
28 REQUIRED TO PARTICIPATE IN MANDATORY TRAINING BY THE ADMINISTRATION ON
29 HOSPITAL PRESUMPTIVE ELIGIBILITY RULES, INCLUDING THE DATE, TIME AND
30 LOCATION OF THE TRAINING AS DETERMINED BY THE ADMINISTRATION.

31 (c) A DESCRIPTION OF AVAILABLE APPEALS PROCEDURES BY WHICH A
32 QUALIFIED HOSPITAL MAY DISPUTE THE FINDING AND REMOVE THE FINDING FROM THE
33 QUALIFIED HOSPITAL'S RECORD BY PROVIDING CLEAR AND CONVINCING EVIDENCE
34 THAT THE STANDARD WAS MET.

35 (d) CONFIRMATION THAT IF THE QUALIFIED HOSPITAL SUBSEQUENTLY FAILS
36 TO MEET ANY STANDARD FOR PRESUMPTIVE ELIGIBILITY FOR ANY DETERMINATION,
37 THE QUALIFIED HOSPITAL WILL NO LONGER BE QUALIFIED TO MAKE PRESUMPTIVE
38 ELIGIBILITY DETERMINATIONS UNDER THE SYSTEM.

39 3. FOR THE THIRD VIOLATION, ALL OF THE FOLLOWING:

40 (a) A DESCRIPTION OF THE STANDARD THAT WAS NOT MET AND AN
41 EXPLANATION OF WHY IT WAS NOT MET.

1 (b) A DESCRIPTION OF AVAILABLE APPEALS PROCEDURES BY WHICH A
2 QUALIFIED HOSPITAL MAY DISPUTE THE FINDING AND REMOVE THE FINDING FROM THE
3 QUALIFIED HOSPITAL'S RECORD BY PROVIDING CLEAR AND CONVINCING EVIDENCE
4 THAT THE STANDARD WAS MET.

5 (c) CONFIRMATION THAT, EFFECTIVE IMMEDIATELY, THE QUALIFIED
6 HOSPITAL IS NO LONGER QUALIFIED TO MAKE PRESUMPTIVE ELIGIBILITY
7 DETERMINATIONS UNDER THE SYSTEM.

8 Sec. 2. Effective date

9 This act is effective from and after December 31, 2026.