

AHCCCS 2016 Legislative Summary



2016 AHCCCS Legislative Summary

Enacted Legislation

HB 2100	state agency report; electronic submission (Rep. Allen)
Disposition	Enacted; Chapter 115
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> State government is authorized to submit all statutorily required reports and budget estimates electronically, and is required to post all statutorily required reports and budget estimates online and consult with the Secretary of State to ensure that the Arizona State Library, archives, and Public Records receives an adequate number of copies

HB 2312	advisory council; Indian healthcare (Rep. Hale)
Disposition	Enacted; Chapter 190
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> Membership of the Arizona Advisory Council on Indian Health Care is expanded to 28 members by adding two additional tribal representatives and modifying requirements for tribal representatives, and adding one representative from the Inter Tribal Council of Arizona, one representative from an urban Indian health organization, and one representative from the Arizona Early Childhood Development and Health Board The duties of the Council are also modified

HB 2388	qualified disability expenses; eligible individuals (Rep. Allen)
Disposition	Enacted; Chapter 214
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> Establishes a new chapter in Title 46 requiring the Department of Economic Security to develop and implement the Qualified Achieving a Better Life Experience (ABLE) Act Program through the adoption of rules, guidelines and procedures in consultation with the newly established 7-member ABLE Act Oversight Committee

HB 2442	behavioral health; urgent need; children (Rep. E Farnsworth)
Disposition	Enacted; Chapter 71
Effective Date	March 24, 2016
Summary	<ul style="list-style-type: none"> The out-of-home-placement shall receive immediately on placement of the child from the Department of Child Safety (DCS) an updated complete placement packet that includes: <ul style="list-style-type: none"> The child's RBHA designated point of contact; AHCCCS customer service line;

- A list of AHCCCS registered providers; and
- Information regarding the out-of-home placement's rights
- If it is determined the foster or adoptive child is in need of behavioral health services, and the child is eligible for either Title XIX or Title XXI services, the out-of-home placement or adoptive parent may directly contact the RBHA for a screening and evaluation. The process includes the following:
 - The RBHA shall dispatch an assessment team within seventy-two hours after being notified that the child has entered care in an out-of-home placement, or within two hours after being notified that the child has an urgent need;
 - The RBHA shall provide an initial evaluation of the child within seven calendar days after referral or request for services; and
 - If after the screening and evaluation it is determined that the child is in need of behavioral health services, the RBHA shall provide an initial appointment for the child within twenty-one calendar days
- On completion of the initial evaluation, the out-of-home placement or adoptive parents:
 - Shall call the RBHA designated point of contact and the AHCCCS customer service line if services are not received within twenty-one days to document the failure to receive services
 - May access services directly from any AHCCCS registered provider regardless of whether the provider is contracted with the RBHA and the provider must submit claims to the RBHA and accept the lesser of one hundred thirty percent of the AHCCCS fee schedule
- If a request is made by the out-of-home placement or the adoptive parent for the child to be admitted to a residential treatment facility because the child is displaying threatening behavior, the RBHA shall respond within seventy-two hours after the request was made
- If the child was hospitalized due to threatening behavior before the RBHA responds, the RBHA shall reimburse the hospital for all medically necessary care, including any days of the hospital stay during which the child does not meet criteria for an inpatient stay but is not discharged because the RBHA has not authorized a safe and appropriate placement
- If the foster child moves into a different county because of the location of the child's out-of-home placement, the child's out-of-home placement may choose to have the child continue any current treatment in the previous county, or seek any new or additional treatment for the child in the out-of-home placement's county of residence
- AHCCCS shall track and report the following:
 - The number of times the RBHA coordinated crisis services because a crisis services provider was unresponsive;
 - The number of times services were not provided within the twenty-one day timeframe;
 - The amount of services accessed directly by an out-of-home placement or adoptive parents that were provided by non-contracted providers;
 - The list of providers that were formerly contracted with the RBHA but that

	<p>terminated the contract and provided services pursuant to this section for one hundred thirty percent of the AHCCCS fee schedule; and</p> <ul style="list-style-type: none"> ○ The amount AHCCCS spent on services pursuant to the bill ○ On or before July 1, 2017, AHCCCS shall complete a network adequacy study for behavioral health service providers that provide behavioral health services to children enrolled in the CMDP program <ul style="list-style-type: none"> ● AHCCCS shall adopt corrective action plans, sanctions or other measures to address noncompliance by the RBHAs, including compliance with the timely payment requirements pursuant to section 36-2904
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HB 2599	AHCCCS; provider participation; exclusions (Rep. Olson)
Disposition	Enacted; Chapter 302
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> ● AHCCCS is required to "exclude" from participation any individual or entity that meets any basis for mandatory exclusion described in federal law ● The AHCCCS Administration, in its sole discretion, is permitted to exclude from participation in AHCCCS any individual or entity that has met any basis for permissive exclusion described in federal law or committed a list of prohibited acts

SB 1237	s/e: Governor's office on tribal relations (Sen. Begay)
Disposition	Enacted; Chapter 150
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> ● Renames the Arizona Commission on Indian Affairs to the "Governor's Office on Tribal Relations" and continues the new office for eight years ● State agencies are required to do the following: <ul style="list-style-type: none"> ○ Develop and implement tribal consultation policies to guide the agency's work and interaction with the tribal nations of this state; ○ Seek input from appropriate elected or appointed tribal officials before undertaking any action or policy that will, or is reasonably believed to, have the potential to affect a tribal community or its members; ○ Integrate the input generated from tribal consultation into the agency's decision-making processes to achieve mutually acceptable solutions; ○ Designate a state member to assume responsibility for the agency's implementation of the tribal consultation policies and to act as the principal point of contact for tribal affairs; and ○ On or before October 1 of each year, review the agency's tribal consultation policies and submit an electronic progress report with performance measures to the office

SB 1238	tribes; child safety; health care (Sen. Begay)
Disposition	Enacted; Chapter 151
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> Allows an authorized tribe to request a federal name-based background check and within 15 days the submission of a full set of fingerprints to obtain a state and federal criminal records check when an emergency placement for child is offered Updates the Arizona Advisory Council on Indian Health Care's (Council) membership and duties

SB 1283	controlled substances prescription monitoring program (Sen. Kavanagh)
Disposition	Enacted; Chapter 211
Effective Date	October 1, 2017 or 60 days following HIE integration
Summary	<ul style="list-style-type: none"> Beginning October 1, 2017, or 60 days after the statewide health information exchange has integrated the Controlled Substances Prescription Monitoring Program data in the exchange, a medical practitioner before prescribing an opioid analgesic or benzodiazepine controlled substance listed in schedule II, III or IV for a patient is required to do the following: <ul style="list-style-type: none"> Obtain a patient utilization report regarding the patient for the preceding 12 months from the program's central database tracking system at the beginning of each new course of treatment; and Reference the database at least quarterly while that prescription remains a part of the treatment Exceptions to the requirements include: <ul style="list-style-type: none"> A patient receiving hospice care or palliative care for a serious or chronic illness; A patient receiving care for cancer, a cancer-related illness or condition or dialysis treatment; A medical practitioner will administer the controlled substance; A patient is receiving the controlled substance during the course of inpatient or residential treatment in a hospital, nursing care facility, assisted living facility, correctional facility or mental health facility; A medical practitioner is prescribing the controlled substance to the patient for no more than a ten-day period for an invasive medical or dental procedure or a medical or dental procedure that results in acute pain to the patient; A medical practitioner is prescribing no more than a five-day prescription and has reviewed the program's central database tracking system for that patient within the last thirty days, and the system shows that no other prescriber has prescribed a controlled substance in the preceding thirty-day period; and A medical practitioner that uses electronic medical records that integrate data from the controlled substances prescription monitoring program

SB 1326	behavioral health; dependent children; reporting (Sen. Barto)
Disposition	Enacted; Chapter 273
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> • Retroactive to December 31, 2015 and through December 31, 2018, AHCCCS is required to prepare and issue a quarterly financial and program accountability trends report on the Comprehensive Medical and Dental Program (CMDP). The report will include: <ul style="list-style-type: none"> ○ The number and percentage of children in CMDP who have received behavioral health services, excluding the original assessment, through a RBHA as of the end of each month; ○ The number of new behavioral health cases opened each month, the total number of cases that remain open from the current and previous months and the total number of cases that have been closed each month; ○ The type of behavioral health services the children received and the costs of each of those services; ○ The number of notices of action received and for what reason and the outcome of those notices; and ○ The number of notice of appeals filed and for what reason, the outcomes of those appeals by the administrative law judge and the final decisions reached by the director of AHCCCS

SB 1388	rulemaking exemption; one-year review (Sen. Burges)
Disposition	Enacted; Chapter 355
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> • For an agency that has been granted a one-time rulemaking exemption from the Administrative Procedures Act, within one year after a rule has been adopted each agency is required to review the rule to determine whether it should be amended or repealed, summarize its findings, its supporting reasons, and any proposed course of action, in a written report to the Governor's Regulatory Review Council (GRRC) and obtain GRRC approval of the report

SB 1442	mental health services; information disclosure (Sen. Barto)
Disposition	Enacted; Chapter 281
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> • Requirements for a health care provider or entity to disclose confidential health care records are modified to allow the disclosure to relatives, close personal friends or any other person identified by the patient as otherwise authorized or required by state or federal law

SB 1457	eligibility; empowerment scholarships; health insurance (Sen. Bradley)
Disposition	Enacted; Chapter 112
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> • Outlines procedures to allow Empowerment Scholarship Accounts (ESA) students identified as having a disability to continue receiving monies until the age of 22 • Restores the CHIP (KidsCare) program: <ul style="list-style-type: none"> ○ Eliminates the CHIP enrollment cap ○ Provides that if the federal government eliminates federal funding for CHIP, as specified in 42 United States Code Section 1397ee , the Administration must immediately stop processing all applications and must provide at least 30 days advance notice to contractors and members that the program will terminate ○ Requires AHCCCS to submit to CMS a State Plan Amendment within 5 days of the effective date to resume enrollment in the program ○ The Administration must project the enrollment rate for the KidsCare program for the remainder of federal fiscal years 2015-2016 and 2016-2017 and request from CMS any additional allotment needed to resume enrollment in the children's health insurance program ○ Restoration is conditionally enacted on CMS approving the plan amendment to resume enrollment by July 1, 2017 ○ The Administration shall notify in writing the director of the Arizona Legislative Council on or before July 15, 2017 either: <ul style="list-style-type: none"> ▪ Of the date on which the condition was met; or ▪ That the condition was not met

SB 1524	Regulatory actions; limitation (Sen. Smith)
Disposition	Enacted; Chapter 209
Effective Date	August 6, 2016
Summary	<ul style="list-style-type: none"> • Prohibits a city, town, county, or state agency from taking any new action to increase the regulatory burden on a person unless there is a critical or urgent need not already addressed by legislation or self-regulation within the proposed field • Prohibits a city, town, county, or state agency from imposing a new regulation on a business using a Qualified Marketplace Platform that allows people to offer goods or services to the public or each other, if the purpose is to regulate such a business • Clarifies the provisions do not affect existing law or any ordinance that gives specific authority to a city, town, county, or state agency • Requires a threat to the health, safety and welfare of the public in order for the new regulation to be enacted • Defines Qualified Marketplace Contractor as any person or organization, including an individual, corporation, limited liability company, partnership, sole proprietor or other entity, that enters into an agreement with a qualified marketplace platform to use the qualified marketplace platform's digital platform to provide goods or services to third-party individuals or entities seeking those services

	<ul style="list-style-type: none"> Defines Qualified Marketplace Platform as an organization, including a corporation, limited liability company, partnership, sole proprietor or any other entity, that operates a digital platform that facilitates the provision of goods or services by qualified marketplace contractors to third-party individuals or entities seeking those goods or services
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SCR 1005	Rights of caregivers; recognition (Sen. Barto)
Disposition	Transmitted to Secretary of State
Effective Date	March 14, 2016
Summary	<ul style="list-style-type: none"> A concurrent resolution, the members of the Legislature recognize a list of specified rights that family members, caregivers and guardians of individuals with serious mental illness have

Failed Legislation

HB 2290	AHCCCS; disproportionate share hospital payments (Rep. Bowers)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Establishes procedures and calculations for Disproportionate Share Hospital (DSH) payments to qualifying hospitals owned or leased by special health care district hospitals

HB 2309	children's health insurance program (Rep. Cobb)
Disposition	Failed to pass out of the Senate
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Restores the CHIP (KidsCare) program Requires AHCCCS to submit to CMS a SPA within 5 days of enactment to resume enrollment in the program Conditionally enacted on CMS approving the plan amendment to resume enrollment by July 1, 2017 KidsCare restoration enacted through SB 1457

HB 2368	county contributions; hospitalization; medical; repeal (Rep. Thorpe)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Repeals the county contributions for AHCCCS hospitalization and medical care for FY2015-16 contained in the FY2015-16 budget The state has no obligation to refund monies paid

HB 2517	business; professions; regulation restrictions (Rep. Petersen)
Disposition	Failed to pass out of the Senate
Effective Date	N/A
Summary	<ul style="list-style-type: none"> State agencies, counties and municipalities are required to limit all "entry regulations" and "public service restrictions" applicable to businesses and professions to those that are demonstrably necessary and carefully tailored to fulfill legitimate public health, safety or welfare objectives

HB 2659	AHCCCS contractors; requirements; prohibitions (Rep. Larkin)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> AHCCCS contractors are required to provide information to any subcontracted health care provider regarding the system's grievance and appeals process, maintain a claims billing management center and a claims resolution coordinator, and assist a subcontracted health care provider in taking a grievance or appeal to the AHCCCS Administration in a case of a claim dispute between the contractor and a subcontractor AHCCCS contractors are prohibited from mandating arbitration for a subcontracted health care provider, and are required to allow the subcontracted health care provider to litigate if litigation is the only remaining recourse for final dispute resolution

HB 2663	behavioral health; uniform patient reporting (Rep. Rios)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> AHCCCS is required to prescribe and implement a uniform patient reporting system for any persons receiving behavioral health services AHCCCS must require service providers to report statistical data designed to promote and provide information on the utilization of services, the effectiveness of the services and the impact of the services on the disabilities

HB 2664	healthcare providers; religious beliefs (Rep. Friese)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> A health care entity that does not provide certain health care services based on the entity's religious beliefs is required to adopt a policy that provides a complete list of health care services that the entity will not provide to patients, before treatment is initiated, and the patient or patient's representative must acknowledge receipt of the notice Group health plan providers and health insurers are required to provide enrollees with a list of any health care entity within the provider's or insurer's network that does not provide certain health care services based on religious beliefs

SB 1305	AHCCCS; covered services (Sen. Barto)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> The list of medically necessary health and medical services covered by AHCCCS is expanded to include occupational therapy

SB 1509	AHCCCS; dental services; informed consent (Sen. Begay)
Disposition	Failed to pass out of the Senate
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Valid informed consent for AHCCCS contractors performing mobile dentistry services is amended to include either written or verbal consent Verbal consent must be recorded by an electronic or digital device and that authorizes specific treatment before it is performed The written or verbal consent shall be maintained as part of the patient's record as required by 32-1264

SB 1514	AHCCCS; disproportionate share hospital payments (Sen. Driggs)
Disposition	Failed to pass out of the Senate
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Establishes procedures and calculations for Disproportionate Share Hospital (DSH) payments to qualifying hospitals owned or leased by special health care district hospitals

Failed Legislation – Included in Budget

HB 2357	AHCCCS; podiatry services (Rep. Carter)
Disposition	Failed to pass out of the Senate
Effective Date	N/A
Summary	<ul style="list-style-type: none"> Podiatry services performed by a podiatrist and orthotics are no longer excluded from AHCCCS coverage for persons who are at least 21 years of age Podiatry services performed by a podiatrist included in budget

SB 1507	ALTCS; dental services (Sen. Begay)
Disposition	Failed to pass out of the House
Effective Date	N/A
Summary	<ul style="list-style-type: none"> The list of services that are required to be provided by Arizona Long-Term Care System (ALTCS) program contractors to ALTCS members is expanded to include dental services in an annual amount of not more than \$1,000 per member ALTCS dental benefits included in budget

Budget Legislation

HB 2695 - general appropriations; 2016-2017 (Rep. Montenegro)

Item	Page #	Appropriation
FTEs	10	2,326.3
Operating Lump Sum	10	\$91.4 M
DES Eligibility	10	\$54.9 M
Prop 204 Acute Care Administration	10	\$6.8 M
Prop 204 Behavioral Health Administration	10	\$5.8 M
Prop 204 DES Eligibility	10	\$38.4 M
Medical Services	Page #	Appropriation
Traditional Medicaid Services	10	\$3.9 B
Prop 204 Services	10	\$2.8 B
Adult Expansion Services	10	\$462.3 M
Children’s Rehabilitative Services	10	\$275.4 M
KidsCare Services	10	\$2 M
ALTCS Services	10	\$1.4 B
Behavioral Health Services	Page #	Appropriation
Traditional Services	10	\$960.2 M
Proposition 204 Services	10	\$612.8 M
Adult Expansion Services	10	\$77.7 M
CMDP Program	10	\$208 M
Crisis Services	11	\$16.4 M
Non-Medicaid SMI Services	11	\$78.8 M
Supported Housing	11	\$5.3 M
Hospital Payments	Page #	Appropriation
DSH Payments	11	\$5.1 M
DSH Voluntary Match	11	\$19.9 M
Rural Hospitals	11	\$22.7 M
GME	11	\$163 M
SNCP	11	\$137 M
Total Appropriation & Expenditure Authority	11	\$11.4 B
APPROPRIATED FUND SOURCES:		
State General Fund	11	\$1.8 B
Budget Neutrality Compliance Fund	11	\$3.6 M
Children’s Health Insurance Program Fund	11	\$3.7 M
Prescription Drug Rebate Fund - State	11	\$114 M
Substance Abuse Services Fund	11	\$2.3 M
Tobacco Products Tax Fund- Emergency Health Services Account	11	\$18.7 M
Tobacco Tax & Healthcare Fund-	11	\$73 M

Medically Needy Account		
EXPENDITURE AUTHORITY	11	\$9.4 B

Medical and Behavioral Health Services

- Provides that prior to making fee-for-service program changes that pertain to fee-for-service categories AHCCCS must report the expenditure plan for review by JLBC (Page 12, Section 17)
- Requires the Administration to report capitation rate changes for the following fiscal year to JLBC on or before March 1, 2017 (Page 12, Section 17)
 - Before implementation of any changes in capitation rates, the Administration shall report its expenditure plan for review by JLBC
- Requires the Administration to report proposed policy changes that would impact the amount, sufficiency, duration and scope of health care services and who may provide services (Page 12, Section 17)
 - The Administration must prepare a fiscal analysis on the impact of proposed changes on the following year's capitation rates
 - If the analysis suggests additional state costs equal to or greater than \$500K, the Administration shall submit the proposed policy changes to JLBC
- Requires the Administration to report on or before December 1, 2016 on estimates of retroactive capitation rate changes to calendar year 2015 rates for reimbursement of the Affordable Care Act's health insurer fee (Page 12, Section 17)
- Any federal monies that pass through the Administration to DES for use in long-term administration care for persons with developmental disabilities does not count against ALTCS expenditure authority (Page 12, Section 17)
- The county portion of the FY 2016-2017 nonfederal portion of the costs of providing long-term care system services is \$249,980,000. This amount is included in the expenditure authority fund source (Page 12, Section 17)
- The nonappropriated portion of the prescription drug rebate fund is included in the federal portion of the expenditure authority fund source (Page 12, Section 17)
- Provides that any supplemental payments received in excess of \$71,950,100 for nursing facilities that serve Medicaid patients are appropriated in FY 2016-2017 (Page 13, Section 17)
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended
- The Administration shall transfer up to \$1,200,000 from the traditional Medicaid services line item for FY 2016-2017 to the attorney general for costs associated with tobacco settlement litigation (Page 13, Section 17)
- The Administration shall transfer \$436,000 from the traditional Medicaid services line item for FY 2016-2017 to the Department of Revenue for enforcement costs associated with the March 13, 2013 master settlement agreement with tobacco companies (Page 13, Section 17)
- The Administration shall transfer \$1,200,000 from the non-Medicaid Seriously Mentally Ill services line item for FY 2016-2017 to the Department of Health Services for the costs of

prescription medications for persons with a serious mental illness at the Arizona State Hospital (Page 13, Section 17)

- On or before December 31, 2016, and June 30, 2017, the Administration shall report to JLBC on the progress in implementing the Arnold v. Sarn lawsuit settlement (Page 13, Section 17). See “Reporting Requirements” section for further details

Payments to Hospitals

- Stipulates that the \$5,087,100 appropriation for disproportionate share payments for FY 2016-2017 includes \$4,202,300 for Maricopa County Healthcare District and \$884,800 for private qualifying disproportionate share hospitals (Page 13, Section 17).
- Provides that any monies received for DSH payments in excess of \$19,896,000 are appropriated in FY 2016-2017 (Page 13, Section 17):
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended
- Provides that any monies for GME received in excess of \$162,992,600 are appropriated in FY 2016-2017 (Page 14, Section 17):
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended
- Provides that any monies for SNCP received in excess of \$137,000,000 are appropriated in FY 2016-2017 (Page 4, Section 17):
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended

Other Provisions

- In addition to any other appropriations made in FY 2015-2016, the appropriation to the Administration is increase by \$22,100,000 from the prescription drug rebate fund in FY 2015-2016 (Page 74, Section 112)
- In addition to any other appropriations made in FY 2015-2016, the appropriation to the Administration is increased by \$830,800 from tobacco products tax fund – emergency health services account, in FY 2015-2016 (Page 74, Section 112)
- In addition to any other appropriations made in FY 2015-2016, the appropriation to the Administration is increased by \$3,318,500 from tobacco tax and healthcare fund – medically needy account, in FY 2015-2016 (Page 74, Section 112)
- In addition to any other appropriations made in FY 2015-2016, the sum of \$539,311,600 is increased from the Administration appropriation from the expenditure authority in FY 2015-2016 (Page 74-75, Section 112)
 - The total includes the following increases by fund:
 - \$421,394,400 from federal Medicaid authority
 - \$78,318,300 from the prescription drug rebate fund
 - \$34,502,000 from the hospital assessment fund
 - \$5,096,900 from the tobacco products tax fund – proposition 204 protection account
- Of the \$5,096,900 appropriated, the Administration shall transfer not more than \$3,352,200 to the Department of Health Services in FY 2015-2016 for Medicaid behavioral health

capitation payments for persons who are eligible for services pursuant to 36-2901.01 (Page 75, Section 112)

- Stipulates it is the intent of the legislature that all departments, agencies, and budget units receiving appropriations continue to report actual, estimated, and requested expenditures by budget programs and budget classes in a format similar to the budget programs and budget classes used for budgetary purposes in prior years (Page 96, Section 165)
- On or before October 1, 2016, each agency, including the judiciary and universities, shall submit a report to the director of JLBC on the number of filled appropriated and non-appropriated FTE positions, by fund source, as of September 1, 2016 (Page 97, Section 167)

HB 2701 – criminal justice; budget reconciliation; 2016-2017 (Rep. Montenegro)

Item	Summary
<p>Enrollment Suspense Agreements – Section 7, p. 6</p>	<ul style="list-style-type: none"> • The Department of Corrections shall establish conditions of community supervision it deems appropriate in order to ensure that the best interests of the prisoner and the citizens of this state are served. As a condition of community supervision, the director of the Department of Corrections: <ul style="list-style-type: none"> ○ May order a prisoner to apply for health care benefits through AHCCCS before being released; ○ The state Department of Corrections shall enter into an enrollment suspense agreement with AHCCCS to reinstate benefits for prisoners who were sentenced to twelve months or less and who were previously enrolled in AHCCCS immediately before incarceration; ○ For all other prisoners, the state Department of Corrections shall submit a prerelease application to AHCCCS at least thirty days before the prisoner's release date. The state Department of Corrections may coordinate with community-based organizations or the Department of Economic Security to assist prisoners in applying for enrollment in AHCCCS; ○ May exchange a prisoner's health care information with the RBHA or AHCCCS justice system contact to facilitate the transition to care for released prisoners to access the full array of behavioral and physical health care services, including medication, counseling, case management, substance abuse treatment, and parenting skills and family reunification training; ○ The director of the Department of Corrections shall adopt policies and procedures that establish a care team to convene and discuss the services and resources, including housing and employment supports, which may be needed for the released prisoner to safely transition into the community; ○ The care team shall be managed by the RBHA or AHCCCS contractor and may include the health care provider that is identified by and has a contract with the RBHA or AHCCCS contractor; and ○ The care team may also include representatives of nonprofit organizations that specialize in assisting prisoners who are transitioning back into the community and other organizations that link prisoners to additional services, including housing and employment

HB 2704 - budget reconciliation; health; 2016-2017 (Rep. Montenegro)

Item	Summary
Medically Needy Account – Section 3, p. 2	<ul style="list-style-type: none"> Seventy cents of each dollar in the tobacco tax and health care fund shall be deposited in the medically needy account to provide health care or behavioral health services to persons who are determined to be eligible for services pursuant to section 36-2901 or 36-2901.01 as provided by the Administration pursuant to chapter 29, article 1, or any other statute, or any expansion of that program or any substantially equivalent or expanded successor program established by the legislature providing health care or behavioral health care services to persons who cannot afford those services and for whom there would otherwise be no coverage
Addictive Behavior Services – Section 4, p. 3	<ul style="list-style-type: none"> The Administration shall establish services for addictive behavior, including alcohol abuse and drug abuse
Interagency coordinating council – Section 5, p. 3	<ul style="list-style-type: none"> Section 36-2002, Arizona Revised Statutes, is repealed
Powers and Duties – Section 6, p. 3	<ul style="list-style-type: none"> Transfers responsibility for the administration of programs and activities related to alcohol and drug abuse from the Department of Health Services to AHCCCS
Designation to Administer State Plan – Section 7, p. 4	<ul style="list-style-type: none"> The Administration is designated as the single state agency to develop and administer the state plans for alcohol and drug abuse and for alcoholism as provided in Public Law 91-616
Substance Abuse Services Fund – Section 8, p. 4	<ul style="list-style-type: none"> The Administration shall administer the fund and may expend monies in the fund for administration of the fund and for alcohol and other drug screening, education, or treatment for person who have been ordered by the court to attend pursuant to section 5-395.01, 8-343, 28-1381, 28-1382, and 28-1383 and who do not have sufficient financial ability to pay
Covered health and Medical Services – Section 9, p. 5	<ul style="list-style-type: none"> Section 36-2907, Arizona Revised Statutes, as amended by Laws 2015, chapter 195, section 57, is repealed
Covered Health and Medical Services – Section 10, p. 5	<ul style="list-style-type: none"> The list of covered health and medical services is amended to include podiatry services performed by a Podiatrist, who is licensed pursuant to Title 32, Chapter 7, and ordered by a primary care physician or primary care practitioner
Intergovernmental Agreements for County Behavioral	<ul style="list-style-type: none"> The intergovernmental agreements for county behavioral health services fund is established consisting of county monies received by the Administration to provide behavioral health services to persons identified through agreements with the counties. The Administration shall administer the fund, with monies continuously appropriated

Health Services Fund – Section 11, p. 9	
340B Drug Pricing – Section 11, p. 9	<ul style="list-style-type: none"> • Beginning the later of January 1, 2017, or on approval by CMS: <ul style="list-style-type: none"> ○ 340B covered entities shall submit point of sale prescription and physician-administered drug claims for members for drugs that are identified in the 340B pricing file, whether or not the drugs are purchased under the 340B drug pricing program. The claims shall include a professional fee and the lesser of either: <ul style="list-style-type: none"> ▪ The actual acquisition cost ▪ The 340B ceiling price ○ The Administration or contractor shall reimburse claims for drugs that are identified in the 340B pricing file and that are dispensed by 340B covered entities or administered by 340B covered entity providers, whether or not the drugs are purchased under the 340B drug pricing program, at the amount submitted to paragraph 1 of this subsection plus a professional fee as determined by the Administration unless a contract between the 340B covered entity and the Administration or a contractor specifies a different professional fee ○ The Administration and its contractors may not reimburse any contracted pharmacy for drugs dispensed as part of the 340B drug pricing program. The Administration and its contractors shall reimburse contracted pharmacies for drugs that are not purchased, dispensed, or administered as part of or subject to the 340B drug pricing program. A contracted pharmacy shall be reimbursed at the price and professional fee set forth in the contract between the contracted pharmacy and the Administration or its contractors • This section does not require the Administration or its contractors to reimburse a pharmacy that does not have a contract with the Administration or its contractors • This section does not apply to licensed hospitals and outpatient facilities that are owned or operated by a licensed hospital • On or before November 1, 2016, the Administration shall report to the Governor, President of the Senate, Speaker of the House, and JLBC regarding the technological feasibility and costs of applying this section to licensed hospitals and outpatient facilities that are owned or operated by a licensed hospital • For the purposes of implementing 340B drug pricing, the Administration is exempt from the rulemaking requirements of Title 41, Chapter 6, for one year after the effective date of this act
DSRIP Fund – Section 11, p. 10	<ul style="list-style-type: none"> • The Delivery System Reform Incentive Payment Fund is established. The fund shall be used to pay all costs incurred pursuant to the Section 1115 waiver authority associated with delivery system reform incentive payments and designated state health programs
Long-Term Care System Services – Section 12, p. 11	<ul style="list-style-type: none"> • The list of services that shall be provided by program contractors to members who are determined to need institutional services is expanded to include dental services in an annual amount of not more than \$1,000 per member
Third-Party Liability	<ul style="list-style-type: none"> • On or before December 31, 2016, the Administration shall report to the directors of JLBC and OSPB on the efforts to increase third-party liability payments for behavioral

Payments – Section 13, p. 14	<p>health services</p>
AHCCCS Capitation Rate Increases – Section 14, p. 14	<ul style="list-style-type: none"> • Laws 2015, chapter 14, section 26, is repealed
FY 2016-2017 ALTCS County Contributions – Section 15, p. 15	<ul style="list-style-type: none"> • Establishes the ALTCS County Contributions for FY2016-2017 as follows: <ul style="list-style-type: none"> ○ Apache: \$625,200 ○ Cochise: \$4,995,000 ○ Coconino: \$1,877,300 ○ Gila: \$2,112,600 ○ Graham: \$1,303,500 ○ Greenlee: \$33,500 ○ LaPaz: \$595,600 ○ Maricopa: \$155,173,500 ○ Mohave: \$7,948,800 ○ Navajo: \$2,588,200 ○ Pima: \$39,243,800 ○ Pinal: \$14,899,800 ○ Santa Cruz: \$1,930,900 ○ Yavapai: \$8,391,300 ○ Yuma: \$8,261,000 • If ALTCS costs exceed the amount specified in the General Appropriations Act, authorizes the State Treasurer to collect the difference between the amount collected and the county share of the actual costs from the counties
Disproportionate Share Payments – Section 18, p. 17	<ul style="list-style-type: none"> • Establishes FY 2016-2017 DSH distributions as follows: <ul style="list-style-type: none"> ○ \$113,818,500 for qualifying non-state operated public hospitals ○ \$28,474,900 for ASH ○ \$884,800 for private qualifying DSH hospitals: <ul style="list-style-type: none"> ▪ Limits payments to mandatory DSH qualifying hospitals; or Hospitals in Yuma County with at least 300 beds
County Proportional Share Contributions – Section 19, p. 18	<ul style="list-style-type: none"> • Requires AHCCCS to transfer funds to the counties by December 31, 2017 as necessary in order to comply with the proportional share requirements in the Patient Protection and Affordable Care Act
County Acute Care Contributions – Section 20, p. 19	<ul style="list-style-type: none"> • Establishes the Acute Care County Contributions for FY2016-2017 as follows: <ul style="list-style-type: none"> ○ Apache: \$268,800 ○ Cochise: \$2,214,800 ○ Coconino: \$742,900 ○ Gila: \$1,413,200 ○ Graham: \$536,200 ○ Greenlee: \$190,700 ○ LaPaz: \$212,100

	<ul style="list-style-type: none"> ○ Maricopa: \$19,011,200 ○ Mohave: \$1,237,700 ○ Navajo: \$310,800 ○ Pima: \$14,951,800 ○ Pinal: \$2,715,600 ○ Santa Cruz: \$482,800 ○ Yavapai: \$1,427,800 ○ Yuma: \$1,325,100 ● Authorizes the State Treasurer to withhold county funds as necessary to meet the requirements of this section ● Establishes payment procedures to comply with the requirements of this section and stipulates legislative intent that Maricopa County’s contribution shall be reduced each year in accordance with changes in the GDP price deflator
<p>Hospitalization & Medical Care Contributions – Section 21, p. 20</p>	<ul style="list-style-type: none"> ● Establishes county withholding for Hospitalization & Medical Care for FY2016-2017 as follows: <ul style="list-style-type: none"> ○ Apache: \$87,300 ○ Cochise: \$162,700 ○ Coconino: \$160,500 ○ Gila: \$65,900 ○ Graham: \$46,800 ○ Greenlee: \$12,000 ○ LaPaz: \$24,900 ○ Mohave: \$187,400 ○ Navajo: \$122,800 ○ Pima: \$1,115,900 ○ Pinal: \$218,300 ○ Santa Cruz: \$51,600 ○ Yavapai: \$206,200 ○ Yuma: \$183,900 ● Authorizes the State Treasurer to withhold county funds as necessary to meet the requirements of this section ● Establishes payment procedures to comply with the requirements of this section ● Allocates \$2,646,200 of amounts withheld for the county Acute Care contribution for hospitalization and medical care services administered by AHCCCS in FY 2016-2017
<p>Interagency Service Agreement for Behavioral Health Services Fund Monies – Section 22, p. 21</p>	<ul style="list-style-type: none"> ● All unexpended and unencumbered monies remaining in the interagency service agreement for behavioral health services fund established by 36-108.01 for FY 2017-2018, 2018-2019, and 2019-2020 are transferred to the state general fund. The transferred amount may be adjusted for reported but unpaid claims and estimated incurred but unreported claims, subject to the approval of the Administration and JLBC
<p>County Expenditure Limitation: Prop 204</p>	<ul style="list-style-type: none"> ● Stipulates that county contributions for the administration of Prop 204 are excluded from county expenditure limitations

Administration – Section 23, p. 21	
Risk Contingency Rate Setting – Section 24, p. 21	<ul style="list-style-type: none"> For the contract year beginning October 1, 2016 through September 30, 2017, the Administration may continue the risk contingency rate setting and funding for all managed care organizations that were imposed from October 1, 2010 through September 30, 2011
Voluntary Critical Access Hospital Payments – Section 25, p. 21	<ul style="list-style-type: none"> Any monies received for critical access hospital payments from political subdivisions of this state, tribal governments and any university under the jurisdiction of the Arizona board of regents, and any federal monies used to match those payments, that are received in FY 2016-2017 by the Administration are appropriated to the Administration in FY 2016-2017 Before the expenditure of these monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended
Special Disability Workload 1115 Demonstration Waiver – Section 26, p. 22	<ul style="list-style-type: none"> The Administration may participate in any special disability workload 1115 demonstration waiver offered by CMS. Any credits provided by the 1115 waiver process are to be used in the fiscal year when those credits are made available to fund the state share of any medical assistance expenditures that qualify for federal financial participation under the Medicaid program The Administration shall report the receipt of any credits to the director of JLBC on or before December 31, 2016 and June 30, 2017
Health Care Services for Native Americans Report – Section 29, p. 22	<ul style="list-style-type: none"> On or before December 1, 2016, the Administration shall submit a report for review to JLBC on Medicaid payments for healthcare services for the Native American population in this state. See “Reporting Requirements” section for further details
Emergency Department Use Report – Section 30, p. 23	<ul style="list-style-type: none"> On or before December 1, 2016, the Administration shall report to JLBC and OSPB on the use of emergency departments for non-emergency purposes by AHCCCS enrollees
Hospital Transparency Joint Report – Section 31, p. 23	<ul style="list-style-type: none"> On or before January 1, 2017, the Directors of AHCCCS and the Department of Health Services shall submit a joint report on hospital charge master transparency. See “Reporting Requirements” section for further details
Inpatient Psychiatric Treatment Report – Section 32, p. 23	<ul style="list-style-type: none"> On or before January 2, 2017, the Administration shall report to JLBC on the availability of inpatient psychiatric treatment both for adults and for children and adolescents who receive services from the regional behavioral health authorities. See “Reporting Requirements” section for further details
340B Drug	<ul style="list-style-type: none"> For the purposes of implementing section 36-2930.03 relating to 340B drug pricing,

Pricing Rulemaking Exemption – Section 33, p. 24	the Administration is exempt from the rulemaking requirements of Title 41, Chapter 6, Arizona Revised Statutes, for one year after the effective date of this act
Legislative Intent – Section 34, p. 24	<ul style="list-style-type: none"> It is the intent of the legislature that for fiscal year 2016-2017 the Administration implement a program within available appropriation

Reporting Requirements

HB 2442	behavioral health; urgent need; children (Rep. E Farnsworth)
Report Requirements	<ul style="list-style-type: none"> The Administration shall track and annually report the following: <ul style="list-style-type: none"> The number of times the RBHA coordinated crisis services because a crisis services provider was unresponsive; The number of times services were not provided within the twenty-one day timeframe; The amount of services accessed directly by an out-of-home placement or adoptive parents that were provided by non-contracted providers; The list of providers that were formerly contracted with the RBHA but that terminated the contract and provided services pursuant to this section for one hundred thirty percent of the AHCCCS fee schedule; and The amount AHCCCS spent on services pursuant to the bill On or before July 1, 2017, the Administration shall complete a network adequacy study for behavioral health service providers that provide behavioral health services to children enrolled in the CMDP program

HB 2695	general appropriations act; 2016-2017
Report Requirements	<ul style="list-style-type: none"> On or before March 1, 2017, AHCCCS shall report to JLBC on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum may not be more than two percent Before implementation of any changes in capitation rates, AHCCCS shall report its expenditure plan for review by JLBC Before the Administration implements any change in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal impact analysis demonstrates that this change will result in additional state costs of

- \$500,000 or more for any fiscal year, the Administration shall submit the policy change for review by JLBC
- On or before December 1, 2016, the Administration shall report to the directors of JLBC and OSPB on estimates of retroactive capitation rate changes to calendar year 2015 rates for reimbursement of the Affordable Care Act health insurer fee. These amendments to rates are not subject to JLBC review
 - Any supplemental payments received in excess of \$71,950,100 for nursing facilities that serve Medicaid patients in fiscal year 2016-2017, including any federal matching monies, are appropriated to the administration in fiscal year 2016-2017. Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended under this provision
 - On or before December 31, 2016, and June 30, 2017, the Administration shall report to JLBC on the progress in implementing the Arnold v. Sarn lawsuit settlement. The report shall include at a minimum:
 - The Administration's progress toward meeting all criteria specified in the 2014 joint stipulation, including the development and estimated cost of additional behavioral health service capacity in Maricopa county for supported housing services for 1,200 class members, supported employment services for 750 class members, 8 assertive community treatment teams and consumer operated services for 1,500 class members.
 - The administration shall also report by fund source the amounts it plans to use to pay for expanded services
 - Any monies received for disproportionate share payments from political subdivisions of this state, tribal governments and any university under the jurisdiction of the Arizona board of regents, and any federal monies used to match those payments, in fiscal year 2016-2017 by the Administration in excess of \$19,896,000 are appropriated to the Administration in fiscal year 2016-2017.
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended under this provision
 - Any monies for graduate medical education received in fiscal year 2016-2017, including any federal matching monies, by the Administration in excess of \$162,992,600 are appropriated to the Administration in fiscal year 2016-2017. Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended under this provision
 - Any monies received in excess of \$137,000,000 for the safety net care pool by the Administration in fiscal year 2016-2017, including any federal matching monies, are appropriated to the Administration in fiscal year 2016-2017.
 - Before the expenditure of these increased monies, the Administration shall notify JLBC and OSPB of the amount of monies that will be expended under this provision
 - On or before January 6, 2017, the Administration shall report to the director of JLBC the total amount of Medicaid reconciliation payments and penalties received on or before that date since July 1, 2016. On June 30, 2017, the Administration shall report the same information for all of fiscal year 2016-2017

	<ul style="list-style-type: none"> • AHCCCS shall report actual, estimated, and requested expenditures by budget programs and budget classes in a format similar to the budget programs and budget classes used for budgetary purposes in prior years • On or before October 1, 2016, AHCCCS shall submit a report to the director of JLBC on the number of filled appropriated and non-appropriated FTE positions, by fund source, as of September 1, 2016
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HB 2701	criminal justice; budget reconciliation; 2016-2017
Report Requirements	<ul style="list-style-type: none"> • On or before September 1 of each year, the Administration shall submit a report to JLBC for review that identifies the funding sources for the monies to be deposited in the attorney general legal services cost allocation fund for general agency counsel provided by the department of law. The funding sources may not include the state general fund, federal funds or other funds that are legally restricted from making such payments

HB 2704	budget reconciliation; health; 2016-2017
Report Requirements	<ul style="list-style-type: none"> • On or before November 1, 2016, the Administration shall report to the Governor, the President of the Senate, the Speaker of the House of Representatives and JLBC regarding the technological feasibility and costs of applying the 340B drug pricing provisions to licensed hospitals and outpatient facilities that are owned or operated by a licensed hospital • Before initial deposit of monies in the fund the Administration shall submit an expenditure plan for review by JLBC • On or before December 31, 2016, AHCCCS shall report to the directors of JLBC and OSPB on the efforts to increase third-party liability payments for behavioral health services • If the overall cost for the Arizona long-term care system exceeds the amount specified in the general appropriations act for fiscal year 2016-2017, the Administration shall notify the state treasurer of the counties' share of the state's contribution and report the amount to the director of JLBC • Maricopa county special health care district disproportionate share payment certification: <ul style="list-style-type: none"> ○ If the certification is equal to or less than \$113,818,500 and it is determined that the revised amount is correct pursuant to the methodology used by the Administration pursuant to section 36-2903.01, the Administration shall notify the Governor, the President of the Senate and the Speaker of the House of Representatives • Arizona State Hospital disproportionate share payment certification: <ul style="list-style-type: none"> ○ If the certification provided is for an amount less than \$28,474,900, the Administration shall notify the Governor, the President of the Senate and the Speaker of the House of Representatives • Before the expenditure of any monies received for critical access hospital payments or federal monies used to match these payments, the Administration shall notify

- JLBC and OSPB of the amount of monies that will be expended under this section
- The Administration shall report the receipt of any special disability workload 1115 demonstration waiver credits to the director of JLBC on or before December 31, 2016 and June 30, 2017
 - On or before December 1, 2016, the Administration shall submit a report for review to JLBC on Medicaid payments for health care services for the Native American population in this state. The report shall include:
 - An estimate of the Administration's annual total fund expenditures on acute care, long-term care and behavioral health services for Native Americans in this state, including an estimate of total state expenditures on such services. The Administration shall provide separate estimates of total Medicaid fee-for-service expenditures and total Medicaid capitation expenditures for services furnished to Native Americans in this state.
 - An assessment of the state fiscal implications associated with federal policy guidance issued by CMS in the state health official letter #16-002 dated February 26, 2016. The assessment shall include an estimate of the state fiscal impact of the following policies addressed in the letter:
 - The one hundred percent federal matching assistance percentage for services furnished by non-Indian health service providers to Native Americans in this state through a written care coordination agreement.
 - The one hundred percent federal matching assistance percentage for services furnished by an Indian Health Service facility or tribal facility that did not previously qualify for a one hundred percent federal matching assistance percentage, including home and community-based services, transportation services and other nonfacility-based services.
 - A report on the Administration's strategies to encourage written care coordination agreements, as prescribed in the state health official letter #16-002 dated February 26, 2016, between Indian health service providers and non-Indian health service providers.
 - An analysis of the impact of the federal policy guidance issued by CMS in the state health official letter #16-002 dated February 26, 2016 on access to care, continuity of care and population health for Native Americans in this state
 - On or before December 1, 2016, the Administration shall report to the directors of JLBC and OSPB on the use of emergency departments for nonemergency purposes by AHCCCS enrollees
 - On or before January 1, 2017, the Administration and the Department of Health Services shall submit a joint report on hospital charge master transparency to the Governor, the Speaker of the House of Representatives and the President of the Senate, and shall provide a copy to the Secretary of State
 - The report shall provide a summary of the current charge master reporting process, a summary of hospital billed charges compared to costs and examples of how charge masters or hospital prices are reported and used in other states, and recommendations to improve Arizona's use of hospital

	<p>charge master information, including reporting and oversight changes</p> <ul style="list-style-type: none"> • On or before January 2, 2017, the Administration shall report to the director of JLBC on the availability of inpatient psychiatric treatment both for adults and for children and adolescents who receive services from the Regional Behavioral Health Authorities. The report shall include all of the following information: <ul style="list-style-type: none"> ○ The total number of inpatient psychiatric treatment beds available and the occupancy rate for those beds; ○ Expenditures on inpatient psychiatric treatment; ○ The total number of individuals in this state who are sent out of state for inpatient psychiatric care; and ○ The prevalence of psychiatric boarding or the holding of psychiatric patients in emergency rooms for at least twenty-four hours before transferring the patient to a psychiatric facility. ○ The report shall provide the information specified above separately for adults who are at least twenty-two years of age and for children and adolescents who are twenty-one years of age or younger
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SB 1237	s/e: Governor’s office on tribal relations (Sen. Begay)
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Report Requirements	<ul style="list-style-type: none"> • On or before October 1 of each year, the Administration shall review the agency’s tribal consultation policies and submit an electronic progress report with performance measures to the Governor’s Office on Tribal Relations
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SB 1326	behavioral health; dependent children; reporting (Sen. Barto)
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Report Requirements	<ul style="list-style-type: none"> • Retroactive to December 31, 2015 and through December 31, 2018, the Administration is required to prepare and issue a quarterly financial and program accountability trends report on the Comprehensive Medical and Dental Program (CMDP) to the Governor, the Chairpersons of the House of Representatives Health and Children and Family Affairs Committees, the Chairperson of the Senate Health and Human Services Committee, the Director of JLBC, and the Director of OSPB. A copy of each report will also be provided to the Secretary of State. The report shall include: <ul style="list-style-type: none"> ○ The number and percentage of children in CMDP who have received behavioral health services, excluding the original assessment, through a RBHA as of the end of each month; ○ The number of new behavioral health cases opened each month, the total number of cases that remain open from the current and previous months and the total number of cases that have been closed each month; ○ The type of behavioral health services the children received and the costs of each of those services; ○ The number of notices of action received and for what reason and the outcome of those notices; and ○ The number of notice of appeals filed and for what reason, the outcomes of those appeals by the administrative law judge and the final decisions reached by the director of AHCCCS
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SB 1388	rulemaking exemption; one-year review (Sen. Burges)
Report Requirements	<ul style="list-style-type: none"> • For an agency that has been granted a one-time rulemaking exemption from the Administrative Procedures Act, within one year after a rule has been adopted each agency is required to review the rule to determine whether it should be amended or repealed. The Administration may request a six month extension by sending a written request to the Council. • The Administration must prepare a report summarizing its findings; the report must include a concise analysis of: <ul style="list-style-type: none"> ○ The rule's effectiveness in achieving its objectives, including a summary of any available data supporting the conclusions reached; ○ Written criticisms of the rule received since the rule was adopted, including any written analyses submitted to the agency questioning whether the rule is based on valid scientific or reliable principles or methods; ○ Authorization of the rule by existing statutes; ○ Whether the rule is consistent with statutes or other rules made by the agency and current agency enforcement policy; ○ The clarity, conciseness and understandability of the rule; ○ The estimated economic, small business and consumer impact of the rule; ○ Any analysis submitted to the agency by another person regarding the rule's impact on this state's business competitiveness as compared to the competitiveness of businesses in other states; ○ If applicable, that the agency completed any additional process required by law, including the requirement for the agency to publish otherwise exempt rules or provide the public with an opportunity to comment on the rules; ○ A determination that the probable benefits of the rule outweigh within this state the probable costs of the rule, and the rule imposes the least burden and costs to persons regulated by the rule, including paperwork and other compliance costs, necessary to achieve the underlying regulatory objective; ○ A determination that the rule is not more stringent than a corresponding federal law unless there is statutory authority to exceed the requirements of that federal law; and ○ For rules that require the issuance of a regulatory permit, license or agency authorization, whether the rule complies with section 45 41-1037

SB 1457	eligibility; empowerment scholarships; health insurance (Sen. Bradley)
Report Requirements	<ul style="list-style-type: none"> • Requires the Administration to submit to CMS a State Plan Amendment within 5 days of the effective date to resume enrollment in the program and project the enrollment rate for the children's health insurance program for the remainder of federal fiscal years 2015-2016 and 2016-2017 and request from CMS any additional allotment needed to resume enrollment in the children's health insurance program • The Administration shall notify in writing the director of the Arizona Legislative Council on or before July 15, 2017 either: <ul style="list-style-type: none"> ○ Of the date when CMS approves the SPA to resume enrollment in KidsCare;

	<p style="text-align: center;">or</p> <ul style="list-style-type: none"> ○ If this condition has not been met ● If program funding is determined to be insufficient, the Administration shall notify the Governor, the President of the Senate, and the Speaker of the House of Representatives and shall stop processing applications until the administration determines funding is sufficient
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Study Committees

HB 2701	criminal justice; budget reconciliation; 2016-2017
Study Committee	<ul style="list-style-type: none"> ● The study committee on incompetent, nonrestorable and dangerous defendants is established and includes the AHCCCS director or director’s designee