



2010 Legislative Summary



2010 AHCCCS Legislative Summary

SCM 1002	health care reform
Sponsor	Senator Allen
Disposition	Transmitted to the Secretary of State
Effective Date	
Summary	<ul style="list-style-type: none">• The Legislature urges Congress to ensure that any federal health care legislation contains an equitable distribution of Medicaid funding across all states

SCM 1305	public monies; insurance; abortion; prohibition
Sponsor	Senator L. Gray
Disposition	Enacted; Chapter 114
Effective Date	July 29, 2010
Summary	<ul style="list-style-type: none">• Prohibits the use of public monies to pay for premiums to insurance plans that include coverage for abortions

SCR1030	AHCCCS; eligibility; children's health insurance
Sponsor	Senator Harper
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none">• A ballot measure proposing that the maximum age for AHCCCS eligibility be lowered from 19 to 18 and the income limit be raised to 200% FPL

SB1237	prescription marketing costs; full disclosure
Sponsor	Senator Burton Cahill
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none">• Requires companies that produce or market prescriptions in Arizona to submit an annual report disclosing their marketing costs in Arizona

SB1258	medical records; disclosure; release
Sponsor	Senator Leff
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none">• Allows clinical laboratories to share patient data with other health care providers without written authorization from the patient

SCM1001	health care benefits; Congress
Disposition	Failed to pass out of the Senate
Effective Date	
Summary	<ul style="list-style-type: none">• The Legislature urges Congress to ensure that any health care reform

legislation that is passed include a benefit package that is equivalent to the benefits offered to members of Congress

- Urges Congress to require Congressional members to enroll in any government-run benefit plan that is enacted
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SCR1022

legislative appropriation; federal monies

Sponsor Senator Melvin
Disposition Failed to Pass the House
Effective Date
Summary

- Ballot measure proposing that all noncustodial monies be appropriated by the Legislature

SCR1039

temporary suspension; voter-protected funding

Sponsor Representative Kavanagh
Disposition Failed to Pass the Senate
Effective Date
Summary

- A ballot measure proposing that up to 50% of all voter-protected funding be diverted to another purpose that, to the extent possible, aligns with the purpose for which the fund was originally created

HB2301

agencies; fund source; expenditures; report

Sponsor Representative Crump
Disposition Failed to Pass the House
Effective Date
Summary

- Requires all budget units to submit a monthly report detailing all expenditures by fund source and the purpose for the expenditure

HB2317

large employers; AHCCCS; reimbursement

Sponsor Representative Patterson
Disposition Failed to pass out of the House
Effective Date
Summary

- Requires large employers to reimburse AHCCCS for the cost of care provided to an enrolled employees

HB2497

AHCCCS; third party coverage; cost avoidance

Sponsor Representative Seel
Disposition Failed to pass out of the House
Effective Date
Summary

- Prohibits AHCCCS from paying for services for members that have third party coverage

HB2500	noncustodial federal monies; legislative appropriation
Sponsor	Representative Murphy
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> • Stipulates that the Legislature has the authority to appropriate all noncustodial federal monies regardless of the intended purpose of the funding or its designation

SB1290	tobacco revenues; tracking commission
Sponsor	Senator Leff
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> • Establishes a commission to track tobacco revenue expenditures and consult on the goals and programs that are funded with those expenditures

HB2272	prescription drug cost containment
Sponsor	Representative Ableser
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Establishes a scope of practice for Pharmacy Benefit Managers

HB2659	division of developmental disabilities
Sponsor	Representative Konopnicki
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Amends the monitoring timeframe for DD providers from one year to six months • Requires DES to grant deemed status to a provide who is accredited by a national organization that the Department deems meets acceptable standards • Requires that an independent consulting firm study the adequacy of DD provider reimbursement rates every five years

SB1181	autism spectrum disorder task force
Sponsor	Senator Aguirre
Disposition	Enacted; Chapter 206
Effective Date	
Summary	<ul style="list-style-type: none"> • Establishes the Autism Spectrum Disorder Task Force to review and make recommendations regarding services provided to persons with autism spectrum disorder • Requires the Task Force to issue its recommendations by June 30, 2011

SB1215	AHCCCS; integrative therapies pilot programs
Sponsor	Senator Verschoor
Disposition	Failed to Pass the Senate

Effective Date	
Summary	<ul style="list-style-type: none"> Establishes a pilot program for 500 AHCCCS members to receive integrative therapies, including chiropractic coverage from January 1, 2011 until October 1, 2014

SB1290	tobacco tax revenues; tracking commission
Sponsor	Senator Leff
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> Requires the President of the Senate and the Speaker of the House of Representatives to establish a tracking commission to advise and consult with the Department of Health Services on the expenditure of tobacco tax revenue

SB1390	behavioral health; pilot program
Sponsor	Senator Allen
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> Requires AHCCCS to enter into a contract to provide behavioral health services to individuals with a serious mental illness Establishes an integrated care pilot program in which AHCCCS and the Department of Health Services would provide both physical and mental health services to persons with a serious mental illness

SB1419	dentists; contracts; dental hygienists
Sponsor	Senator Verschoor
Disposition	Enacted; Chapter 170
Effective Date	July 29, 2010
Summary	<ul style="list-style-type: none"> Requires that affiliated practice agreements include the requirement that hygienists must inform patients during the course of treatment that the care they are receiving does not replace the diagnosis or treatment plan that may be given by a dentist Prohibits hygienists from performing diagnostic services that may be performed by a dentist

SB1385	AHCCCS; applicants; drug screening
Sponsor	Senator Gould
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> Requires AHCCCS to administer random drug testing of AHCCCS applicants Stipulates that the results of the drug screening are for informational purposes and may not be used as a condition of eligibility

HB2217	healthcare group; sole proprietors
Sponsor	Representative Chabin
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Stipulates that sole proprietors are eligible for Healthcare Group
HB2593	healthcare group; small employers; eligibility
Sponsor	Representative Farley
Disposition	Failed to Pass the Senate
Effective Date	
Summary	<ul style="list-style-type: none"> • Stipulates that if an employer group that is enrolled in Healthcare Group becomes a sole proprietor, that individual is still eligible for coverage
HB2276	access to agency data; legislators.
Sponsor	Representative Stevens
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Deems the names of AHCCCS, ALTCS and KidsCare members public record and requires that a database containing this information be made available to the Legislature
HB2317	large employers; AHCCCS; reimbursement
Sponsor	Representative Patterson
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Requires employers with more than 180 employees to reimburse AHCCCS for the cost of care given to any enrolled employee
HB2357	AHCCCS; members; employers; reports
Sponsor	Representative Sinema
Disposition	Failed to Pass the House
Effective Date	
Summary	<ul style="list-style-type: none"> • Requires AHCCCS members to disclose their employers • Requires AHCCCS to compile a list for the Legislature of all employers who employ AHCCCS members, including the name of the employer and the total number of employees who are AHCCCS members
HB2443	health care coverage; choice
Sponsor	Representative Burges
Disposition	Failed to Pass the house

Effective Date

- Summary
- Allows the state to opt-out of a federal health insurance mandate
 - Prohibits Arizona from administering a public health insurance plan and from compelling any individual or employer for participating in such a plan
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HB2797

AHCCCS; third party coverage; cost avoidance

Sponsor

Representative Seel

Disposition

Failed to Pass the House

Effective Date

- Summary
- Requires AHCCCS to determine if a member has third party health insurance available
 - Prohibits AHCCCS from paying for services unless there is no other source of health care coverage available
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SB1390

behavioral health; pilot program

Sponsor

Senator Allen

Disposition

Failed to Pass the Senate

Effective Date

- Summary
- Requires AHCCCS to enter into a contract to provide behavioral health services to individuals with a serious mental illness
 - Establishes an integrated care pilot program in which AHCCCS and the Department of Health Services would provide both physical and mental health services to persons with a serious mental illness
-

HB2001 general appropriations; 2009-2010;2010-2011

As Enacted

Appropriations

Administration (Page 5)- \$166M

- Operating Budget- \$68.1M
- DOA Data Center Charges- \$5.7M
- ~~Indian Advisory Council- \$233K~~
- DES Eligibility- \$55.9M
- DES Title XIX Pass-Thru- \$352.5K
- Healthcare Group & Reinsurance- \$5.2M
- ~~Office of Administrative Hearings- \$271K~~
- ~~Kidscare Administration- \$6.7M~~
- Prop. 204 AHCCCS Administration- \$5.1M
- Prop. 204 DES Eligibility- \$25.7M

Acute Care (Page 5-6) Section - \$4.8B

- Capitation \$2.1B
- Reinsurance \$163.4M
- Fee-for-Service: \$550.7M
- Medicare Premiums: \$122.5M

- ~~GME: \$42.1M~~
- DSH: \$4.7M
- Critical Access Hospitals: \$1.7M
- Breast & Cervical Cancer: \$1.8M
- Ticket to Work: \$7.1M
- Medicare Clawback Payments: \$23.1M
- Prop 204- Capitation: \$1.5B
- Prop 204- Reinsurance: \$59M
- Prop 204- Fee-for-Service: \$199M
- Prop 204- Medicare Premiums: \$19.5M
- ~~KidsCare Children: \$134.5M~~
- Rural Hospital Reimbursement: \$12.2M

ALTCS (Page 6)- \$1.3B

- Program Lump Sum: \$1.3B
- Medicare Clawback: \$16.6M
- ~~Dual Eligible: \$470K~~
- Board of Nursing: \$210K

Disproportionate Share (Page 6)

- Stipulates that the \$4.7M appropriation for disproportionate share payments for FY 2010-2011 includes \$4.2M for Maricopa County Healthcare District and \$500,000 for private qualifying disproportionate share hospitals

Proposition 204 County Hold Harmless

- ~~Outlines distributions to counties under the Prop. 204 county hold harmless line item as follows~~
 - ~~\$234.2K Graham County~~
 - ~~\$3.8M Pima County~~
 - ~~\$234.4 Greenlee County~~
 - ~~\$159.7 La Paz County~~
 - ~~\$214.8 Santa Cruz County~~
 - ~~\$164.7 Yavapai County~~

Reporting Requirements

- **(Page 6)** 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 6)** Requires AHCCCS to annually report capitation rate changes for the following fiscal year
- **(Page 6)** Requires AHCCCS to report proposed changes in policy that would impact the amount, sufficiency, duration and scope of health care services and who may provide services
 - AHCCCS 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, AHCCCS shall submit the proposed policy changes to JLBC
- **(Page 85)** Requires all budget units to report on the number of FTE positions by September 1, 2010

Notes

- **(Page 6)** Notes that all ALTCS funds that pass through AHCCCS to DES for developmental disabilities shall not count against ALTCS expenditure authority
- **(Page 6)** Provides that the county portion of the FY 2010-2011 nonfederal portion of the costs of providing ALTCS services is included in the expenditure fund source

- **(Page 7)** Stipulates that the amounts included in the Prop 204 provisions for AHCCCS Administration, DES Eligibility, Capitation, Reinsurance, Fee-For-Service and Medicare Premiums special line items includes all available sources of funding consistent with the requirements of the Tobacco Litigation Settlement Fund

Fund Transfers

- **(Page 61)** Transfers the following amounts to the General Fund on or before June 30, 2011:
 - Healthcare Group- \$361.9K
 - Intergovernmental Services Fund- \$653.5K
 - Third Party Collections Fund- \$608.2K
- **(Page 67)** On or before June 30th of the following fiscal years, transfers the following amounts to the General Fund:
 - Third Party Collections Fund- \$71.9K in FY 2009-2010 and 103.5K in FY 2010-2011
- **(Page 67)** Requires that agencies reduce expenditures to ensure sufficient fund balances for the transfers
- **(Page 67)** Stipulates that the fund transfers for FY 2009-2010 shall be made as soon as practicable to avoid a shortfall in each fund
- **(Page 67)** Requires OSPB to report by May 1, 2010 to JLBC on any fund transfers not fully made by April 15, 2010
- **(Page 67)** Stipulates that the fund transfers for FY 2010-2011 shall be made as soon as practicable to avoid a shortfall in each fund
- **(Page 67)** Requires OSPB to report by August 1, 2010 to JLBC on any fund transfers not fully made by July 15, 2010
- **(Page 67)** In FY 2009-2010, allows budget units to request a transfer between funds to comply with the fund transfer requirements

Supplemental Appropriations

- **(Page 73)** In FY 2009-2010, appropriates \$82.6M to AHCCCS from the General Fund, together with \$43.3M in additional expenditure authority for Acute and ALTCS services
- **(Page 73)** Stipulates that the appropriation made to AHCCCS in FY 2009-2010 is reduced by \$15.4M from the Tobacco Tax and Health Care Fund- Medically Needy Account, \$4.1M from the Tobacco Products Tax Fund and \$8.6 from the Prop 204 Protection Account to account for the shortfall in tobacco tax revenues
- **(Page 73)** Stipulates that the appropriation to AHCCCS in FY 2009-2010 is reduced by \$10.1M from the Tobacco Litigation Settlement Fund

AHCCCS Health Plan Payment Deferral

- **(Page 75)** Requires that in FY 2011-2012, the sum of \$117.7 is appropriated from the General Fund and \$226.7M in expenditure authority for health plan payments deferred in FY2010-2011

AHCCCS Appropriation Reductions

- **(Page 76)** Reduces the FY 2009-2010 AHCCCS appropriation for GME by \$8.9M from the General Fund and \$17M in expenditure authority
- **(Page 76)** Reduces the FY 2009-2010 AHCCCS appropriation for DSH by \$7.8M from the General Fund and \$15M in expenditure authority
- **(Page 76)** Reduces the FY 2009-2010 AHCCCS appropriation for retroactive Title XIX payments by \$11.4M from the General Fund
- **(Page 76)** Increases the FY 2009-2010 AHCCCS appropriation for retroactive Title XIX expenditure authority payments from Title XIX expenditure authority by \$11.4M

- **(Page 76)** Reduces the FY 2009-2010 AHCCCS appropriation for Medicare Clawback payments by \$15.4M from the General Fund and \$3.6M in expenditure authority

Personnel Expenses Reduction

- **(Page 83)** Reduces General Fund and nonfederal nonappropriated fund appropriations to budget units for personnel expenses and related benefit costs by \$1.7M in FY 2009-2010 and \$45M in FY 2010-2011
- **(Page 83)** Stipulates that reductions made pursuant to this section shall be made in accordance with the Budget Procedures BRB

Contingency Budget

- **(Page 83)** Stipulates that if Prop 100 is not approved by the voters at the May 18th special election, the AHCCCS budget in FY 2010-2011 shall be reduced by \$114M General Fund

Legislative Intent

- **(Page 85)** Stipulates legislative intent that all budget units continue to report expenditures in a format that is similar to the budget programs in prior years
- **(Page 85)** Stipulates that a different format may be used if approved by JLBC and incorporated into the budget instructions prepared by OSPB

HB2010 health; budget reconciliation; 2010-2011

As Enacted

KidsCare Elimination

- **(Pages 1-19 & 24-35)** Eliminates statutory references related to KidsCare
- **(Page 35)** Repeals KidsCare

Acute Care Adult Benefit Reduction

- **(Pages 20-21)** Eliminates Acute adult coverage for the following services:
 - Emergency Dental Care
 - Podiatrist Services
 - Insulin Pumps
 - Percussive Vests
 - Orthotics
 - Pancreas Only Transplants
 - Pancreas After Kidney Transplants
 - Lung Transplants
 - Hemopoetic Cell Transplants
 - Allogenic Unrelated Transplants
 - Heart Transplants for Non-Ischemic Cardiomyopathy
 - Liver Transplants for Diagnosis of Hepatitis C
 - Beginning October 1, 2011, Bariatric Surgery Procedures
 - Well Exams, excluding mammograms, pap smears and colonoscopies
 - Subject to approval by CMS, removes coverage for non-emergency medical transportation for individuals residing in a county with more than 500,000 people

Reversion of Excess Appropriations

- **(Page 36-39)** Establishes provisions for the transfer of excess ALTCS , ARRA and Medicare Clawback funds to ensure stipulated distributions to the counties and the State

Provider Rates

- (Page 41) Stipulates that for rates effective October 1, 2010 through September 30, 2011, AHCCCS shall not increase the institutional or noninstitutional provider rates above those that were in effect September 30, 2008
- (Page 41) Further requires that, in addition to any rate adjustments made pursuant to the previous requirement, for rates effective October 1, 2010 through September 30, 2011, AHCCCS may reduce institutional and noninstitutional provider rates up to 5%
- (Page 41) Stipulates that if Prop 100 is not approved by the voters, AHCCCS may reduce institutional and noninstitutional provider rates up to an additional 10%

County Contributions and Withholding

- (Page 42-45) Outlines county Acute Care, ALTCS and hospital and medical care contribution levels

Disproportionate Share

- (Page 41-42) Provides that FY 2009-2010 disproportionate share payments are:
 - \$89.9M for a qualifying nonstate operated public hospital
 - \$28.5M for the Arizona State Hospital
 - \$9.3M for private qualifying DSH hospitals
- (Page 42) Appropriates \$3 M General Fund and \$5.8 M in expenditure authority to AHCCCS for DSH

Prop. 204 administration; county expenditure limitation

- (Page 45) Provides that county contributions for the administrative costs of implementing Prop. 204 are excluded from county expenditure limitations

AHCCCS Capitation Payments Suspension

- (Page 45) Requires AHCCCS to suspend capitation payments in FY 2011 in the amount of \$344.2M for up to two months

Ambulance Rates

- (Page 45) For FY 2010-2011, suspends statutory requirements for ambulance rates

Risk Contingency Rate Setting

- (Page 45) From October 1, 2010-September 30, 2011, allows AHCCCS to continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organization's administrative funding levels imposed for the contract year beginning October 1, 2009 and ending September 30, 2010

Exemption from Rule-Making

- (Page 45-46) Provides AHCCCS with an exemption from rule-making requirements for the implementation of benefit changes imposed under this bill

Legislative Intent

- (Page 46) Stipulates that it is the intent of the Legislature that AHCCCS comply with the requirements of the False Claims Act