

REFERENCE TITLE: **insurers; examinations; direct costs; repeal**

State of Arizona
House of Representatives
Fifty-fifth Legislature
Second Regular Session
2022

HB 2213

Introduced by
Representatives Butler: Powers Hannley

AN ACT

AMENDING SECTIONS 20-142 AND 20-489.01, ARIZONA REVISED STATUTES; RELATING TO THE DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 20-142, Arizona Revised Statutes, is amended to
3 read:

4 20-142. Powers and duties of director; payment of examination
5 and investigation costs; home health services

6 A. The director shall enforce this title.

7 B. The director shall have powers and authority expressly conferred
8 by or reasonably implied from the provisions of this title.

9 C. The director may conduct examinations and investigations of
10 insurance matters, including examinations and investigations of adjusters,
11 producers and brokers and any other persons who are regulated under this
12 title, in addition to examinations and investigations expressly
13 authorized, as the director deems proper in determining whether a person
14 has violated any provision of this title or for the purpose of securing
15 information useful in the lawful administration of any provision of this
16 title. The examined party shall pay the costs of examinations that are
17 ~~allowed pursuant to subsection D of this section and that are~~ conducted
18 pursuant to this subsection except for examinations of adjusters,
19 producers and brokers. An examined adjuster, producer or broker shall pay
20 the costs ~~allowed pursuant to subsection D of this section~~ OF EXAMINING
21 THE ADJUSTER, PRODUCER OR BROKER only if the adjuster, producer or broker
22 ~~is found to have~~ violated any provision of this title. This state shall
23 pay the ~~cost~~ COSTS of ~~any related~~ AN investigation.

24 ~~D. The department shall prepare detailed billing statements that~~
25 ~~provide reasonable specificity of the time and expenses billed in~~
26 ~~connection with an examination and that cite the statute or rule that~~
27 ~~authorizes the fees being charged. Notwithstanding any other law, from~~
28 ~~and after December 31, 2021, a person that is being examined pursuant to~~
29 ~~any section of this title is responsible for only the direct costs of an~~
30 ~~examination that are supported by a billing statement that complies with~~
31 ~~this subsection.~~

32 ~~E.~~ D. The director shall establish guidelines for insurers on home
33 health services that shall be used by the director pursuant to sections
34 20-826, 20-1342, 20-1402 and 20-1404. The director may use home health
35 services as defined in section 36-151. Guidelines shall include the
36 following:

37 1. Home health services that are prescribed by a physician or a
38 registered nurse practitioner.

39 2. Home health services that are determined to cost less if
40 provided in the home than the average length of in-hospital service for
41 the same service.

42 3. Skilled professional care in the home that is comparable to
43 skilled professional care provided in-hospital and that is reviewed and
44 approved at thirty-day intervals by a physician.

1 ~~F~~. E. Pursuant to section 41-1750, subsection G, the director may
2 receive criminal history record information in connection with the
3 issuance, renewal, suspension or revocation of a license or certificate of
4 authority or the consideration of a merger or acquisition. The director
5 may require a person to submit a full set of fingerprints to the
6 department. The department of insurance and financial institutions shall
7 submit the fingerprints to the department of public safety for the purpose
8 of obtaining a state and federal criminal records check pursuant to
9 section 41-1750 and Public Law 92-544. The department of public safety
10 may exchange this fingerprint data with the federal bureau of
11 investigation.

12 Sec. 2. Section 20-489.01, Arizona Revised Statutes, is amended to
13 read:

14 20-489.01. Application of other laws

15 To the extent allowed by this article, section 20-142, subsection
16 ~~F~~ E applies to this article.

17 Sec. 3. Retroactivity

18 This act applies retroactively to from and after June 30, 2021.