

REFERENCE TITLE: 2022-2023 budget; health

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

HB 2847

Introduced by
Representative Cobb (with permission of Committee on Rules)

AN ACT

APPROPRIATING MONIES; RELATING TO HEALTH.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. ALTCs; county contributions; fiscal year 2022-2023

3 A. Notwithstanding section 11-292, Arizona Revised Statutes, county
4 contributions for the Arizona long-term care system for fiscal year
5 2022-2023 are as follows:

6	1. Apache	\$ 812,600
7	2. Cochise	\$ 5,891,200
8	3. Coconino	\$ 2,439,400
9	4. Gila	\$ 2,700,200
10	5. Graham	\$ 1,258,800
11	6. Greenlee	\$ 0
12	7. La Paz	\$ 607,100
13	8. Maricopa	\$216,789,800
14	9. Mohave	\$ 9,874,600
15	10. Navajo	\$ 3,363,200
16	11. Pima	\$ 51,392,900
17	12. Pinal	\$ 16,489,500
18	13. Santa Cruz	\$ 2,624,000
19	14. Yavapai	\$ 8,801,700
20	15. Yuma	\$ 10,288,600

21 B. If the overall cost for the Arizona long-term care system
22 exceeds the amount specified in the general appropriations act for fiscal
23 year 2022-2023, the state treasurer shall collect from the counties the
24 difference between the amount specified in subsection A of this section
25 and the counties' share of the state's actual contribution. The counties'
26 share of the state's contribution must comply with any federal maintenance
27 of effort requirements. The director of the Arizona health care cost
28 containment system administration shall notify the state treasurer of the
29 counties' share of the state's contribution and report the amount to the
30 director of the joint legislative budget committee. The state treasurer
31 shall withhold from any other monies payable to a county from whatever
32 state funding source is available an amount necessary to fulfill that
33 county's requirement specified in this subsection. The state treasurer
34 may not withhold distributions from the Arizona highway user revenue fund
35 pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes.
36 The state treasurer shall deposit the amounts withheld pursuant to this
37 subsection and amounts paid pursuant to subsection A of this section in
38 the long-term care system fund established by section 36-2913, Arizona
39 Revised Statutes.

40 Sec. 2. AHCCCS; disproportionate share payments; fiscal year
41 2022-2023

42 A. Disproportionate share payments for fiscal year 2022-2023 made
43 pursuant to section 36-2903.01, subsection 0, Arizona Revised Statutes,
44 include:

1 1. \$113,818,500 for a qualifying nonstate operated public hospital.
 2 The Maricopa county special health care district shall provide a certified
 3 public expense form for the amount of qualifying disproportionate share
 4 hospital expenditures made on behalf of this state to the Arizona health
 5 care cost containment system administration on or before May 1, 2023 for
 6 all state plan years as required by the Arizona health care cost
 7 containment system state plan standard terms and conditions. The
 8 administration shall assist the district in determining the amount of
 9 qualifying disproportionate share hospital expenditures. Once the
 10 administration files a claim with the federal government and receives
 11 federal financial participation based on the amount certified by the
 12 Maricopa county special health care district, if the certification is
 13 equal to or less than \$113,818,500 and the administration determines that
 14 the revised amount is correct pursuant to the methodology used by the
 15 administration pursuant to section 36-2903.01, Arizona Revised Statutes,
 16 the administration shall notify the governor, the president of the senate
 17 and the speaker of the house of representatives, shall distribute
 18 \$4,202,300 to the Maricopa county special health care district and shall
 19 deposit the balance of the federal financial participation in the state
 20 general fund. If the certification provided is for an amount less than
 21 \$113,818,500 and the administration determines that the revised amount is
 22 not correct pursuant to the methodology used by the administration
 23 pursuant to section 36-2903.01, Arizona Revised Statutes, the
 24 administration shall notify the governor, the president of the senate and
 25 the speaker of the house of representatives and shall deposit the total
 26 amount of the federal financial participation in the state general fund.
 27 If the certification provided is for an amount greater than \$113,818,500,
 28 the administration shall distribute \$4,202,300 to the Maricopa county
 29 special health care district and shall deposit \$74,696,800 of the federal
 30 financial participation in the state general fund. The administration may
 31 make additional disproportionate share hospital payments to the Maricopa
 32 county special health care district pursuant to section 36-2903.01,
 33 subsection P, Arizona Revised Statutes, and subsection B of this section.

34 2. \$28,474,900 for the Arizona state hospital. The Arizona state
 35 hospital shall provide a certified public expense form for the amount of
 36 qualifying disproportionate share hospital expenditures made on behalf of
 37 this state to the administration on or before March 31, 2023. The
 38 administration shall assist the Arizona state hospital in determining the
 39 amount of qualifying disproportionate share hospital expenditures. Once
 40 the administration files a claim with the federal government and receives
 41 federal financial participation based on the amount certified by the
 42 Arizona state hospital, the administration shall deposit the entire amount
 43 of federal financial participation in the state general fund. If the
 44 certification provided is for an amount less than \$28,474,900, the
 45 administration shall notify the governor, the president of the senate and

1 the speaker of the house of representatives and shall deposit the entire
2 amount of federal financial participation in the state general fund. The
3 certified public expense form provided by the Arizona state hospital must
4 contain both the total amount of qualifying disproportionate share
5 hospital expenditures and the amount limited by section 1923(g) of the
6 social security act.

7 3. \$884,800 for private qualifying disproportionate share
8 hospitals. The Arizona health care cost containment system administration
9 shall make payments to hospitals consistent with this appropriation and
10 the terms of the state plan, but payments are limited to those hospitals
11 that either:

12 (a) Meet the mandatory definition of disproportionate share
13 qualifying hospitals under section 1923 of the social security act.

14 (b) Are located in Yuma county and contain at least three hundred
15 beds.

16 B. After the distributions made pursuant to subsection A of this
17 section, the allocations of disproportionate share hospital payments made
18 pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes,
19 shall be made available first to qualifying private hospitals located
20 outside the Phoenix metropolitan statistical area and the Tucson
21 metropolitan statistical area before being made available to qualifying
22 hospitals within the Phoenix metropolitan statistical area and the Tucson
23 metropolitan statistical area.

24 Sec. 3. AHCCCS transfer; counties; federal monies; fiscal
25 year 2022-2023

26 On or before December 31, 2023, notwithstanding any other law, for
27 fiscal year 2022-2023 the Arizona health care cost containment system
28 administration shall transfer to the counties the portion, if any, as may
29 be necessary to comply with section 10201(c)(6) of the patient protection
30 and affordable care act (P.L. 111-148), regarding the counties'
31 proportional share of this state's contribution.

32 Sec. 4. County acute care contributions; fiscal year
33 2022-2023; intent

34 A. Notwithstanding section 11-292, Arizona Revised Statutes, for
35 fiscal year 2022-2023 for the provision of hospitalization and medical
36 care, the counties shall contribute the following amounts:

- | | | |
|----|-------------|--------------|
| 37 | 1. Apache | \$ 268,800 |
| 38 | 2. Cochise | \$ 2,214,800 |
| 39 | 3. Coconino | \$ 742,900 |
| 40 | 4. Gila | \$ 1,413,200 |
| 41 | 5. Graham | \$ 536,200 |
| 42 | 6. Greenlee | \$ 190,700 |
| 43 | 7. La Paz | \$ 212,100 |
| 44 | 8. Maricopa | \$16,887,200 |
| 45 | 9. Mohave | \$ 1,237,700 |

1	10. Navajo	\$ 310,800
2	11. Pima	\$14,951,800
3	12. Pinal	\$ 2,715,600
4	13. Santa Cruz	\$ 482,800
5	14. Yavapai	\$ 1,427,800
6	15. Yuma	\$ 1,325,100

7 B. If a county does not provide funding as specified in subsection
8 A of this section, the state treasurer shall subtract the amount owed by
9 the county to the Arizona health care cost containment system fund and the
10 long-term care system fund established by section 36-2913, Arizona Revised
11 Statutes, from any payments required to be made by the state treasurer to
12 that county pursuant to section 42-5029, subsection D, paragraph 2,
13 Arizona Revised Statutes, plus interest on that amount pursuant to section
14 44-1201, Arizona Revised Statutes, retroactive to the first day the
15 funding was due. If the monies the state treasurer withholds are
16 insufficient to meet that county's funding requirements as specified in
17 subsection A of this section, the state treasurer shall withhold from any
18 other monies payable to that county from whatever state funding source is
19 available an amount necessary to fulfill that county's requirement. The
20 state treasurer may not withhold distributions from the Arizona highway
21 user revenue fund pursuant to title 28, chapter 18, article 2, Arizona
22 Revised Statutes.

23 C. Payment of an amount equal to one-twelfth of the total amount
24 determined pursuant to subsection A of this section shall be made to the
25 state treasurer on or before the fifth day of each month. On request from
26 the director of the Arizona health care cost containment system
27 administration, the state treasurer shall require that up to three months'
28 payments be made in advance, if necessary.

29 D. The state treasurer shall deposit the amounts paid pursuant to
30 subsection C of this section and amounts withheld pursuant to subsection B
31 of this section in the Arizona health care cost containment system fund
32 and the long-term care system fund established by section 36-2913, Arizona
33 Revised Statutes.

34 E. If payments made pursuant to subsection C of this section exceed
35 the amount required to meet the costs incurred by the Arizona health care
36 cost containment system for the hospitalization and medical care of those
37 persons defined as an eligible person pursuant to section 36-2901,
38 paragraph 6, subdivisions (a), (b) and (c), Arizona Revised Statutes, the
39 director of the Arizona health care cost containment system administration
40 may instruct the state treasurer either to reduce remaining payments to be
41 paid pursuant to this section by a specified amount or to provide to the
42 counties specified amounts from the Arizona health care cost containment
43 system fund and the long-term care system fund established by section
44 36-2913, Arizona Revised Statutes.

1 F. The legislature intends that the Maricopa county contribution
2 pursuant to subsection A of this section be reduced in each subsequent
3 year according to the changes in the GDP price deflator. For the purposes
4 of this subsection, "GDP price deflator" has the same meaning prescribed
5 in section 41-563, Arizona Revised Statutes.

6 Sec. 5. Proposition 204 administration; exclusion; county
7 expenditure limitations

8 County contributions for the administrative costs of implementing
9 sections 36-2901.01 and 36-2901.04, Arizona Revised Statutes, that are
10 made pursuant to section 11-292, subsection 0, Arizona Revised Statutes,
11 are excluded from the county expenditure limitations.

12 Sec. 6. Competency restoration; exclusion; county expenditure
13 limitations

14 County contributions made pursuant to section 13-4512, Arizona
15 Revised Statutes, are excluded from the county expenditure limitations.

16 Sec. 7. AHCCCS; risk contingency rate setting

17 Notwithstanding any other law, for the contract year beginning
18 October 1, 2022 and ending September 30, 2023, the Arizona health care
19 cost containment system administration may continue the risk contingency
20 rate setting for all managed care organizations and the funding for all
21 managed care organizations administrative funding levels that were imposed
22 for the contract year beginning October 1, 2010 and ending
23 September 30, 2011.

24 Sec. 8. Health services lottery monies fund; use; fiscal year
25 2022-2023

26 Notwithstanding sections 5-572 and 36-108.01, Arizona Revised
27 Statutes, monies in the health services lottery monies fund established by
28 section 36-108.01, Arizona Revised Statutes, may be used for the purposes
29 specified in the fiscal year 2022-2023 general appropriations act.

30 Sec. 9. Legislative intent; implementation of program

31 The legislature intends that for fiscal year 2022-2023 the Arizona
32 health care cost containment system administration implement a program
33 within the available appropriation.