

REFERENCE TITLE: AHCCCS; naturopathic physicians; contractors

State of Arizona  
Senate  
Fifty-fifth Legislature  
Second Regular Session  
2022

## **SB 1366**

Introduced by  
Senator Barto

AN ACT

AMENDING SECTION 36-2901, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2904.01; RELATING TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 36-2901, Arizona Revised Statutes, is amended to  
3 read:  
4 36-2901. Definitions  
5 In this article, unless the context otherwise requires:  
6 1. "Administration" means the Arizona health care cost containment  
7 system administration.  
8 2. "Administrator" means the administrator of the Arizona health  
9 care cost containment system.  
10 3. "Contractor" means a person or entity that has a prepaid  
11 capitated contract with the administration pursuant to section 36-2904 or  
12 chapter 34 of this title to provide health care to members under this  
13 article or persons under chapter 34 of this title either directly or  
14 through subcontracts with providers.  
15 4. "Department" means the department of economic security.  
16 5. "Director" means the director of the Arizona health care cost  
17 containment system administration.  
18 6. "Eligible person" means any person who is:  
19 (a) Any of the following:  
20 (i) Defined as mandatorily or optionally eligible pursuant to title  
21 XIX of the social security act as authorized by the state plan.  
22 (ii) Defined in title XIX of the social security act as an eligible  
23 pregnant woman with a family income that does not exceed one hundred fifty  
24 percent of the federal poverty guidelines, as a child under the age of six  
25 years and whose family income does not exceed one hundred thirty-three  
26 percent of the federal poverty guidelines or as children who have not  
27 attained nineteen years of age and whose family income does not exceed one  
28 hundred thirty-three percent of the federal poverty guidelines.  
29 (iii) Under twenty-six years of age and who was in the custody of  
30 the department of child safety pursuant to title 8, chapter 4 when the  
31 person became eighteen years of age.  
32 (iv) Defined as eligible pursuant to section 36-2901.01.  
33 (v) Defined as eligible pursuant to section 36-2901.04.  
34 (vi) Defined as eligible pursuant to section 36-2901.07.  
35 (b) A full-time officer or employee of this state or of a city,  
36 town or school district of this state or other person who is eligible for  
37 hospitalization and medical care under title 38, chapter 4, article 4.  
38 (c) A full-time officer or employee of any county in this state or  
39 other persons authorized by the county to participate in county medical  
40 care and hospitalization programs if the county in which such officer or  
41 employee is employed has authorized participation in the system by  
42 resolution of the county board of supervisors.  
43 (d) An employee of a business within this state.  
44 (e) A dependent of an officer or employee who is participating in  
45 the system.

1 (f) Not enrolled in the Arizona long-term care system pursuant to  
2 article 2 of this chapter.

3 (g) Defined as eligible pursuant to section 1902(a)(10)(A)(ii)(XV)  
4 and (XVI) of title XIX of the social security act and who meets the income  
5 requirements of section 36-2929.

6 7. "Graduate medical education" means a program, including an  
7 approved fellowship, that prepares a physician for the independent  
8 practice of medicine by providing didactic and clinical education in a  
9 medical discipline to a medical student who has completed a recognized  
10 undergraduate medical education program.

11 8. "Malice" means evil intent and outrageous, oppressive or  
12 intolerable conduct that creates a substantial risk of tremendous harm to  
13 others.

14 9. "Member" means an eligible person who enrolls in the system.

15 10. "Modified adjusted gross income" has the same meaning prescribed  
16 in 42 United States Code section 1396a(e)(14).

17 11. "Noncontracting provider" means a person who provides health  
18 care to members pursuant to this article but not pursuant to a subcontract  
19 with a contractor.

20 12. "Physician" means a person WHO IS licensed pursuant to title 32,  
21 chapter 13, 14 or 17.

22 13. "Prepaid capitated" means a mode of payment by which a health  
23 care contractor directly delivers health care services for the duration of  
24 a contract to a maximum specified number of members based on a fixed rate  
25 per member notwithstanding:

26 (a) The actual number of members who receive care from the  
27 contractor.

28 (b) The amount of health care services provided to any member.

29 14. "Primary care physician" means a physician who is a family  
30 practitioner, general practitioner, pediatrician, general internist, or  
31 obstetrician or gynecologist.

32 15. "Primary care practitioner" means a nurse practitioner WHO IS  
33 certified pursuant to title 32, chapter 15 or a physician assistant  
34 ~~certified~~ WHO IS LICENSED pursuant to title 32, chapter 25. This  
35 paragraph does not expand the scope of practice for nurse practitioners as  
36 defined pursuant to title 32, chapter 15, or for physician assistants as  
37 defined pursuant to title 32, chapter 25.

38 16. "Regional behavioral health authority" has the same meaning  
39 prescribed in section 36-3401.

40 17. "Section 1115 waiver" means the research and demonstration  
41 waiver granted by the United States department of health and human  
42 services.

43 18. "Special health care district" means a special health care  
44 district organized pursuant to title 48, chapter 31.

45 19. "State plan" has the same meaning prescribed in section 36-2931.

1           20. "System" means the Arizona health care cost containment system  
2 established by this article.

3           Sec. 2. Title 36, chapter 29, article 1, Arizona Revised Statutes,  
4 is amended by adding section 36-2904.01, to read:

5           36-2904.01. Contracts with naturopathic physicians; approved  
6                                   list of supplements, drugs and therapies

7           A. BEGINNING OCTOBER 1, 2022, THE DIRECTOR SHALL REQUIRE  
8 CONTRACTORS TO CONTRACT WITH AT LEAST ONE PHYSICIAN WHO IS LICENSED  
9 PURSUANT TO TITLE 32, CHAPTER 14 IN EACH GEOGRAPHIC SERVICE AREA FOR WHICH  
10 THE CONTRACTOR IS CONTRACTED PURSUANT TO THIS ARTICLE.

11           B. WITHIN SIX MONTHS AFTER THE CENTERS FOR MEDICARE AND MEDICAID  
12 SERVICES APPROVES A STATE PLAN AMENDMENT AUTHORIZING THE ADMINISTRATION TO  
13 CONTRACT FOR SERVICES PROVIDED BY PHYSICIANS WHO ARE LICENSED PURSUANT TO  
14 TITLE 32, CHAPTER 14, THE ADMINISTRATION SHALL APPROVE A LIST OF  
15 SUPPLEMENTS, VITAMINS, MINERALS, NUTRIENTS, DRUGS, THERAPIES, DEVICES AND  
16 MODALITIES AND OTHER NATURAL SUBSTANCES PRESCRIBED, DISPENSED OR OTHERWISE  
17 USED BY THESE PHYSICIANS IN PROVIDING COVERED SERVICES TO MEMBERS.