House Engrossed

health care; 2023-2024

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HOUSE BILL 2816

AN ACT

AMENDING SECTIONS 32-923 AND 36-2981, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO HEALTH CARE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 32-923, Arizona Revised Statutes, is amended to read:

32-923. Change of address; annual renewal fee; failure to renew; waivers; definition

A. Every person who is licensed pursuant to this chapter shall notify the board in writing of any change in residence or office address and telephone number within thirty days after that change. The board shall impose a penalty of ~~fifty dollars~~ $50 on a licensee who does not notify the board as required by this subsection.

B. Except as provided in section 32-4301, every person who is licensed to practice chiropractic in this state shall annually make a renewal application to the board before ~~January 1~~ THE LAST DAY OF THE LICENSEE'S BIRTH MONTH after original issuance of a license and shall pay a renewal license fee of not more than ~~two hundred twenty-five dollars~~ $225 as established by the board. The renewal application shall be made on a form and in a manner prescribed by the board. At least thirty days before the renewal application and renewal fee are due, the board shall send by first class mail a renewal application and notice requiring license renewal and payment of the renewal fee.

C. The board shall administratively suspend a license automatically if the licensee does not submit a complete application for renewal and pay the renewal license fee as required by this section.

D. The board may reinstate a license if the person completes an application for reinstatement as prescribed by the board, complies with the continuing education requirements for each year that the license was suspended, pays the annual renewal license fee for each year that the license was suspended and pays an additional fee of ~~two hundred dollars~~ $200. An applicant who does not request reinstatement within two years ~~of~~ AFTER the date of suspension shall apply for a license as a new candidate pursuant to section 32-921 or 32-922.01.

E. The board may waive the annual renewal license fee if a licensee presents evidence satisfactory to the board that the licensee has permanently retired from the practice of chiropractic and has paid all fees required by this chapter before the waiver.

F. During the period of waiver the retired licensee shall not engage in the practice of chiropractic. A violation of this subsection subjects the retired licensee to the same penalties as are imposed in this chapter on a person who practices chiropractic without a license.

G. The board may reinstate a retired licensee to active practice on payment of the annual renewal license fee and presentation of evidence satisfactory to the board that the retired licensee is professionally able to engage in the practice of chiropractic and still possesses the professional knowledge required. After a hearing, the board may refuse to

reinstate a retired licensee to active practice under this subsection on any of the grounds prescribed in section 32-924.

H. For the purposes of this section, "administratively suspend" means a nondisciplinary action that is imposed for failure to renew a license and that requires the licensee to suspend practice until renewal requirements are met.

Sec. 2. Section 36-2981, Arizona Revised Statutes, is amended to read:

36-2981. Definitions

In this article, unless the context otherwise requires:

1. "Administration" means the Arizona health care cost containment system administration.

2. "Contractor" means a health plan that contracts with the administration ~~for the provision of~~ TO PROVIDE hospitalization and medical care to members according to ~~the provisions of~~ this article or a qualifying plan.

3. "Director" means the director of the administration.

4. "Federal poverty level" means the federal poverty level guidelines published annually by the United States department of health and human services.

5. "Health plan" means an entity that contracts with the administration for services provided pursuant to article 1 of this chapter.

6. "Member" means a person who is eligible for and enrolled in the program, who is under nineteen years of age and whose gross household income meets the following requirements:

~~(a) Beginning on November 1, 1998 through September 30, 1999, has income at or below one hundred fifty per cent of the federal poverty level.~~

~~(b)~~ (a) Beginning on October 1, 1999 ~~and for each fiscal year thereafter~~ THROUGH SEPTEMBER 30, 2023, has income at or below two hundred ~~per cent~~ PERCENT of the federal poverty level.

(b) BEGINNING ON OCTOBER 1, 2023 AND FOR EACH FISCAL YEAR THEREAFTER, SUBJECT TO THE APPROVAL OF THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, HAS INCOME AT OR BELOW TWO HUNDRED TWENTY-FIVE PERCENT OF THE FEDERAL POVERTY LEVEL.

7. "Noncontracting provider" means an entity that provides hospital or medical care but does not have a contract or subcontract with the administration.

8. "Physician" means a person WHO IS licensed pursuant to title 32, chapter 13 or 17.

9. "Prepaid capitated" means a method of payment by which a contractor delivers health care services for the duration of a contract to a specified number of members based on a fixed rate per member, per month

without regard to the number of members who receive care or the amount of health care services provided to a member.

10. "Primary care physician" means a physician who is a family practitioner, general practitioner, pediatrician, general internist, obstetrician or gynecologist.

11. "Primary care practitioner" means a nurse practitioner who is certified pursuant to title 32, chapter 15 or a physician assistant who is licensed pursuant to title 32, chapter 25 and who is acting within the respective scope of practice of those chapters.

12. "Program" means the children's health insurance program.

13. "Qualifying plan" means a contractor that contracts with the state pursuant to section 38-651 to provide health and accident insurance for state employees and that provides services to members pursuant to section 36-2989, subsection A.

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

15. "Tribal facility" means a facility that is operated by an Indian tribe and that is authorized to provide services pursuant to Public Law 93-638, as amended.

Sec. 3. Department of administration; grant program; technology solution; hospital interconnectivity; report; delayed repeal; definitions

A. Notwithstanding section 41-703.01, Arizona Revised Statutes, for fiscal year 2023-2024, the department of administration shall administer a competitive grant program that provides a single company that licenses an interoperability software technology solution to support acute care for rural hospitals, health care providers and trauma centers with resources to further treatment and care coordination with a focus on reducing public and private health care costs and unnecessary transportation costs. The grant recipient may not use a third-party vendor to comply with any of the grant program requirements. The department of administration shall award the grant under this program not later than December 1, 2023.

B. The Arizona health care cost containment system shall work with the department of administration to supplement the grant monies by identifying and applying to receive federal matching monies.

C. The grant program shall enable the implementation of a single licensed interoperability software technology solution that is shared by hospitals and health care providers to benefit patients before and after a patient is discharged from the provider's care and that is accessible to current and future providers via a mobile, native smartphone application.

D. The software shall be made available to rural hospitals, health care providers and trauma centers that wish to participate by enabling a hospital's electronic medical records system to interface with interoperability technology and other electronic medical records systems

and providers to promote mobile connectivity between hospital systems and facilitate increased communication between hospital staff and providers that use different or distinctive online and mobile platforms and information systems when treating acute patients. The department of administration shall award one grant for an interoperability software technology solution that, at a minimum:

1. Complies with the health insurance portability and accountability act privacy standards (45 Code of Federal Regulations part 160 and part 164, subpart E).

2. Captures and forwards clinical data, including laboratory results and images, and provides synchronous patient clinical data to health care providers regardless of geographic location.

3. Provides a synchronous data exchange that is not batched or delayed, at the point the clinical data is captured and available in the hospital's electronic record system.

4. Is capable of providing proactive alerts to health care providers on their smartphones or a smart device.

5. Allows both synchronous and asynchronous communication via a native smartphone application.

6. Is mobile and can be used on multiple electronic devices. The mobile technology must include, at a minimum, the industry standard built-in application for the two most popular operating systems and a built-in application available to all users.

7. Has patient-centric communication and is tracked with date and time stamping.

8. Is connected to the appropriate physician resources.

9. Provides data to update cost reports to enhance emergency triage and to treat and transport patients.

E. The grant recipient shall demonstrate both of the following:

1. That its interoperability software technology solution meets all of the requirements of subsection D of this section at least thirty days before applying for the grant.

2. Proof of veteran employment.

F. For fiscal year 2023-2024, the grant recipient shall provide to the department of administration a report that provides metrics and quantifies cost and time savings for using an interoperable software solution in health care that complies with the health insurance portability and accountability act privacy standards (45 Code of Federal Regulations part 160 and part 164, subpart E). On or before June 30, 2024, the department of administration in coordination with the Arizona health care cost containment system shall provide to the president of the senate, the speaker of the house of representatives, the chairpersons of the health and human services committees of the senate and the house of representatives and the directors of the joint legislative budget

committee and the governor's office of strategic planning and budgeting a report on the allocation of grant funding and a compiled analysis of the reports provided by the grant recipient.

G. Monies appropriated for the purposes of this section in the fiscal year 2023-2024 general appropriations act do not affect the monies appropriated in fiscal year 2022-2023 for interoperability software technology solutions or any grant awarded to or contract with a grant recipient pursuant to section 41-703.01, Arizona Revised Statutes.

H. This section is repealed from and after June 30, 2024.

I. For the purposes of this section:

1. "Mobile" means available to end users on a smart device via a native application and not an internet page or web portal.

2. "Native" means an application that is specifically developed for the hardware and operating system that runs the application.

3. "Rural" means a county with a population of less than nine hundred thousand persons.

4. "Veteran employment" means a business organization that employs an individual or has a company officer who served and who was honorably discharged from or released under honorable conditions from service in the United States armed forces.

Sec. 4. Department of health services; collaborative care uptake fund; technical assistance grants; definitions

A. The collaborative care uptake fund is established in the department. The fund consists of monies appropriated by the legislature. Monies in the fund are continuously appropriated. The department may not use more than three percent of the monies deposited in the fund to administer the fund.

B. The department shall use the collaborative care uptake fund monies in fiscal year 2023-2024 to award grants to primary care physicians who are in a medical practice with not more than fifty employees to meet the initial costs of establishing and delivering behavioral health integration services through the collaborative care model and for technical assistance grants pursuant to subsection D of this section.

C. A primary care physician who receives a grant under this section may use the grant monies:

1. To hire staff.

2. To identify and formalize contractual relationships with other health care practitioners, including health care practitioners who will function as psychiatric consultants and behavioral health care managers in providing behavioral health integration services through the collaborative care model.

3. To purchase or upgrade software and other resources needed to appropriately provide behavioral health integration services through the

collaborative care model, including resources needed to establish a patient registry and implement measurement-based care.

4. For any other purposes the department prescribes as necessary to support the collaborative care model.

D. The department shall solicit proposals from and enter into grant agreements for fiscal year 2023-2024 with eligible collaborative care technical assistance center applicants to provide technical assistance to primary care physicians on providing behavioral health integration services through the collaborative care model. Each collaborative care technical assistance center applicant must provide in the grant application information on how the collaborative care technical assistance center will meet the assistance requirements prescribed in subsection E of this section in order to be eligible for a grant.

E. A collaborative care technical assistance center that receives a grant under subsection D of this section shall provide technical assistance to primary care physicians and shall assist the primary care physicians with the following:

1. Developing financial models and budgets for program launch and sustainability based on practice size.

2. Developing staffing models for essential staff roles, including care managers and consulting psychiatrists.

3. Providing information technology expertise to assist with building the model requirements into electronic health records, including assistance with care manager tools, patient registry, ongoing patient monitoring and patient records.

4. Providing training support for all key staff and operational consultation to develop practice workflows.

5. Establishing methods to ensure the sharing of best practices and operational knowledge among primary care physicians who provide behavioral health integration services through the collaborative care model.

6. For any other purposes the department prescribes as necessary to support the collaborative care model.

F. For the purposes of this section:

1. "Collaborative care model" means the evidence-based, integrated behavioral health service delivery method that is described as the psychiatric collaborative care model in 81 Federal Register 80230, that includes a formal collaborative arrangement among a primary care team consisting of a primary care physician, a care manager and a psychiatric consultant and that includes the following elements:

(a) Care directed by the primary care team.

(b) Structured care management.

(c) Regular assessments of clinical status using developmentally appropriate, validated tools.

(d) Modification of treatment as appropriate.

2. "Collaborative care technical assistance center":

(a) Means a health care organization that can provide educational support and technical assistance related to the collaborative care model.

(b) Includes an academic medical center.

3. "Department" means the department of health services.

4. "Primary care physician" has the same meaning prescribed in section 36-2901, Arizona Revised Statutes.

Sec. 5. Department of health services; dementia services program; Alzheimer's disease state plan; delayed repeal

A. The department of health services is designated as the lead agency in this state to address Alzheimer's disease and related forms of dementias.

B. The director of the department of health services shall establish a dementia services program within the department of health services that does all of the following:

1. Facilitates the coordination and support of policies and programs in the legislature and the executive branch, including agencies of the executive branch that relate to Alzheimer's disease and related forms of dementia.

2. Facilitates the coordination, review, publication and implementation of and updates to the Alzheimer's disease state plan developed pursuant to this section.

3. Facilitates and supports the coordination of outreach programs and services between state agencies, local public health departments, tribal nations, educational institutions and community groups to foster public awareness and education regarding Alzheimer's disease and related forms of dementia.

4. Facilitates the coordination of services and activities between groups that are interested in dementia research, programs and services, including area agencies on aging, service providers, advocacy groups, legal services, emergency personnel, law enforcement, local public health departments, tribal nations and state colleges and universities.

5. Applies for federal funding and grants related to public health services for and early detection and risk reduction of Alzheimer's disease and related forms of dementia.

6. Incorporates early detection and risk reduction strategies into existing department of health services-led public health programs.

C. The dementia services program may use community partners and agencies of this state and local governments for assistance.

D. The department of health services shall develop an Alzheimer's disease state plan. The state plan must do all of the following:

1. Assess the current and future impact of Alzheimer's disease and related forms of dementia on this state.

2. Assess the existing state services and resources that address the needs of persons who have Alzheimer's disease or a related form of dementia and their family caregivers.

3. Assess the needs of persons of all cultural backgrounds who have Alzheimer's disease or a related form of dementia and how their lives are affected by the disease, including from younger-onset, through mid-stage, to late-stage.

4. Assess this state's capacity and capability to provide effective detection and diagnosis of cognitive impairments and dementia.

5. Identify gaps in the provision of public services and private services for persons who have Alzheimer's disease or a related form of dementia.

6. Provide a strategic plan, including recommendations, for state action to do all of the following:

(a) Increase access to care, support and treatment for persons who have Alzheimer's disease or a related form of dementia.

(b) Improve quality of care for persons who have Alzheimer's disease or a related form of dementia.

(c) Advance risk reduction, early detection and diagnosis of Alzheimer's disease and related forms of dementia.

(d) Ensure a coordinated statewide response to Alzheimer's disease and related forms of dementia.

7. Be published on the department of health services' public website.

E. On or before July 1, 2024 and June 30, 2026, the department of health services shall review the Alzheimer's disease state plan and submit an updated state plan to the governor, the president of the senate and the speaker of the house of representatives and shall submit a copy to the secretary of state. When reviewing and updating the Alzheimer's disease state plan, the department of health services shall collaborate with persons who have Alzheimer's disease or a related form of dementia, those who directly care for them and public, private and nonprofit organizations focused on Alzheimer's care services, research, advocacy, health care and caregiver support.

F. This section is repealed from and after June 30, 2026.

Sec. 6. Department of health services; psilocybin research grants; advisory council; delayed repeal; definitions

A. The director shall provide from monies appropriated competitive research grants for whole mushroom psilocybin phase one, phase two and phase three clinical trials that are capable of being approved by the United States food and drug administration to evaluate the effects of whole mushroom psilocybin on treating any of the following:

1. Post-traumatic stress disorder.

2. Symptoms associated with long COVID-19.
3. Depression.
4. Anxiety disorders.
5. Symptoms associated with end-of-life distress.
6. Obsessive compulsive disorder.
7. Substance abuse and addiction disorders.
8. Eating disorders.
9. Chronic pain.
10. Inflammatory disorders.
11. Autoimmune disorders.
12. Seizure disorders.
13. Other degenerative disorders.

B. The department shall announce the opening of the application process at least thirty days before applications are available and allow at least thirty days for applicants to complete their submission. The research grants shall be awarded not later than February 1 each year.

C. Clinical trials that are funded pursuant to this section shall prioritize:

1. Using whole mushroom psilocybin cultivated under a schedule I license issued by the United States drug enforcement administration.

2. Using veterans, first responders, frontline health care workers and persons from underserved communities as the research subjects.

D. The department may not use more than two percent of the monies appropriated for psilocybin research grants each fiscal year for administrative purposes.

E. Notwithstanding title 13, chapter 34, Arizona Revised Statutes, a person who receives a grant for a whole mushroom psilocybin clinical trial pursuant to this section and any of the person's employees working on the clinical trial may not be charged with or prosecuted for possession of psilocybin when the person is working on the clinical trial.

F. The psilocybin research advisory council is established in the department consisting of the director or the director's designee who is employed by the department and the following members appointed by the director:

1. One member who has a federal license to study psychedelics and who is a physician licensed pursuant to title 32, chapter 13 or 17, Arizona Revised Statutes.

2. One member who is a military veteran.

3. One member who is a law enforcement officer in this state.

4. One member who is a professor or researcher from a university under the jurisdiction of the Arizona board of regents and who specializes in clinical research or psychedelic studies.

G. The director shall serve as chairperson of the advisory council.

H. Advisory council members are eligible to receive reimbursement of expenses pursuant to title 38, chapter 4, article 2, Arizona Revised Statutes.

I. The advisory council shall:

1. Establish criteria for the clinical trials that qualify to receive research grants.

2. Oversee the application process and review applications for the clinical trial research grants to assist the director in selecting the most credible clinical trials to award the research grants.

3. Ensure that all advisory council meetings are open to the public and allow for public testimony.

4. On or before June 1 of each year, make recommendations to the governor, the speaker of the house of representatives, the president of the senate and the department on psychedelic-assisted therapy based on current federal and state research policy.

J. This section is repealed from and after June 30, 2026.

K. For the purposes of this section:

1. "Advisory council" means the psilocybin research advisory council.

2. "Department" means the department of health services.

3. "Director" means the director of the department of health services.

Sec. 7. Arizona state board of nursing; student registered nurse anesthetist; clinical rotation program; definition

A. The student registered nurse anesthetist clinical rotation program is established for fiscal year 2023-2024 in the Arizona state board of nursing to expand the capacity of preceptor training programs at health care institutions for nurse anesthetist students.

B. The Arizona state board of nursing shall develop a grant program for fiscal year 2023-2024 to distribute monies appropriated for the student registered nurse anesthetist clinical rotation program to health care institutions that are licensed pursuant to title 36, chapter 4, Arizona Revised Statutes, only to expand or develop clinical training placements for nurse anesthetist students, with preference given to expanding or developing clinical rotations in obstetrics, pediatrics and cardiovascular care.

C. Grant monies awarded pursuant to this section are intended to supplement and not supplant existing training program expenses covered by the health care institution grantee.

D. The Arizona state board of nursing shall establish an application process for the grant program. The Arizona state board of nursing shall consider the following factors when determining grant awards:

1. The geographic and population distribution.
2. The number of nurse anesthetist students expected to be trained and retained.
3. The cost of the proposal for the number of nurse anesthetist students expected to participate and be retained compared to other proposals.

E. For the purposes of this section, "health care institution" has the same meaning prescribed in section 36-401, Arizona Revised Statutes.

Sec. 8. Department of health services; dementia awareness; report

A. The department of health services shall distribute monies appropriated in fiscal year 2023-2024 to implement a public education campaign to increase awareness of Alzheimer's disease and related forms of dementia in rural and underserved urban areas in this state to a nonprofit organization that does all of the following:

1. Demonstrates expertise in memory loss, dementia and Alzheimer's disease.
2. Hosts a toll-free hotline twenty-four hours a day, seven days a week, with interpreter services if needed, that is staffed by master's-level consultants to provide education on the signs and symptoms of Alzheimer's disease and related forms of dementia, decision-making support, dementia crisis assistance, treatment options and referrals to local community resources.
3. Provides care and support for those affected by Alzheimer's disease and related forms of dementia.
4. Demonstrates experience in marketing and public awareness campaigns.

B. On or before June 30, 2025, the department of health services shall submit a report on the impact of the public education campaign to the governor, the president of the senate and the speaker of the house of representatives. The department shall submit a copy of the report to the secretary of state.

Sec. 9. AHCCCS; rapid whole genome sequencing; pilot coverage requirements; rules; administrative action; delayed repeal; definitions

A. Subject to any required approval of the centers for medicare and medicaid services, for fiscal years 2023-2024, 2024-2025 and 2025-2026, the Arizona health care cost containment system administration and its contractors shall provide pilot coverage of rapid whole genome sequencing as a separately payable service for members if the member meets all of the following criteria:

1. Is under one year of age.

2. Has a complex or acute illness of unknown etiology that is not confirmed to be caused by an environmental exposure, toxic ingestion, infection with normal response to therapy or trauma.

3. Is receiving inpatient hospital services in an intensive care unit or a high acuity pediatric care unit.

B. The pilot coverage provided pursuant to this section may be subject to applicable evidence-based medical necessity criteria that are based on any of the following:

1. The patient has symptoms that suggest a broad differential diagnosis that would require an evaluation by multiple genetic tests if rapid whole genome sequencing is not performed.

2. The patient's treating health care provider determines that timely identification of a molecular diagnosis is necessary to guide clinical decision-making and that testing results may guide the treatment or management of the patient's condition.

3. The patient has a complex or acute illness of unknown etiology, including at least one of the following conditions:

(a) Congenital anomalies involving at least two organ systems or complex or multiple congenital anomalies in one organ system.

(b) Specific organ malformations suggestive of a genetic etiology.

(c) Abnormal laboratory tests or abnormal chemistry profiles suggesting the presence of a genetic disease, complex metabolic disorder or inborn error of metabolism.

(d) Refractory or severe hypoglycemia or hyperglycemia.

(e) An abnormal response to therapy related to an underlying medical condition affecting vital organs or bodily systems.

(f) Severe muscle weakness, rigidity or spasticity.

(g) Refractory seizures.

(h) A high-risk stratification on evaluation for a brief resolved unexplained event with any of the following:

(i) A recurrent event without respiratory infection.

(ii) A recurrent seizure-like event.

(iii) A recurrent cardiopulmonary resuscitation.

(i) Abnormal cardiac diagnostic testing results suggestive of possible channelopathies, arrhythmias, cardiomyopathies, myocarditis or structural heart disease.

(j) Abnormal diagnostic imaging studies or physiologic function studies suggestive of an underlying genetic condition or etiology.

(k) Family genetic history related to the patient's condition.

C. Genetic data generated as a result of performing rapid whole genome sequencing that is covered pursuant to this section:

1. Shall have a primary use of assisting the ordering health care professional and treating care team to diagnose and treat the patient.

2. Is protected health information that is subject to the requirements applicable to protected health information as set forth in the health insurance portability and accountability act of 1996 and the health information technology for economic and clinical health act, and their attendant regulations, including the health insurance portability and accountability act privacy standards (45 Code of Federal Regulations part 160 and part 164, subparts A and E).

D. The director of the Arizona health care cost containment system administration shall submit any new waiver application, amendment to an existing waiver or medicaid state plan amendment necessary for approval from the centers for medicare and medicaid services for pilot coverage of rapid whole genome sequencing as prescribed in this section. The director may adopt any rules or take any other administrative action necessary to implement this section.

E. This section is repealed from and after December 31, 2026.

F. For the purposes of this section:

1. "Member" has the same meaning prescribed in section 36-2901, Arizona Revised Statutes.

2. "Rapid whole genome sequencing":

(a) Means as an investigation of the entire human genome, including coding and noncoding regions and mitochondrial deoxyribonucleic acid, that identifies disease-causing genetic changes and that returns the preliminary positive results within five days and final results within fourteen days.

(b) Includes patient-only whole genome sequencing and duo and trio whole genome sequencing of the patient and the patient's biological parent or parents.

Sec. 10. ALTCS; county contributions; fiscal year 2023-2024

A. Notwithstanding section 11-292, Arizona Revised Statutes, county contributions for the Arizona long-term care system for fiscal year 2023-2024 are as follows:

1.	Apache	$ 692,800
2.	Cochise	$ 6,587,900
3.	Coconino	$ 2,080,000
4.	Gila	$ 2,852,300
5.	Graham	$ 1,540,200
6.	Greenlee	$ 0
7.	La Paz	$ 682,700
8.	Maricopa	$240,195,400
9.	Mohave	$ 10,847,500
10.	Navajo	$ 2,867,700
11.	Pima	$ 56,396,600
12.	Pinal	$ 18,011,700
13.	Santa Cruz	$ 2,582,800

14. Yavapai $ 9,820,100
15. Yuma $ 11,047,700

B. If the overall cost for the Arizona long-term care system exceeds the amount specified in the general appropriations act for fiscal year 2023-2024, the state treasurer shall collect from the counties the difference between the amount specified in subsection A of this section and the counties' share of the state's actual contribution. The counties' share of the state's contribution must comply with any federal maintenance of effort requirements. The director of the Arizona health care cost containment system administration shall notify the state treasurer of the counties' share of the state's contribution and report the amount to the director of the joint legislative budget committee. The state treasurer shall withhold from any other monies payable to a county from whatever state funding source is available an amount necessary to fulfill that county's requirement specified in this subsection. The state treasurer may not withhold distributions from the Arizona highway user revenue fund pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes. The state treasurer shall deposit the amounts withheld pursuant to this subsection and amounts paid pursuant to subsection A of this section in the long-term care system fund established by section 36-2913, Arizona Revised Statutes.

Sec. 11. AHCCCS; disproportionate share payments; fiscal year 2023-2024

A. Disproportionate share payments for fiscal year 2023-2024 made pursuant to section 36-2903.01, subsection O, Arizona Revised Statutes, include:

1. $113,818,500 for a qualifying nonstate operated public hospital. The Maricopa county special health care district shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the Arizona health care cost containment system administration on or before May 1, 2024 for all state plan years as required by the Arizona health care cost containment system state plan. The administration shall assist the district in determining the amount of qualifying disproportionate share hospital expenditures. Once the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Maricopa county special health care district, if the certification is equal to or less than $113,818,500 and the administration determines that the revised amount is correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives, shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit the balance of the federal

financial participation in the state general fund. If the certification provided is for an amount less than $113,818,500 and the administration determines that the revised amount is not correct pursuant to the methodology used by the administration pursuant to section 36-2903.01, Arizona Revised Statutes, the administration shall notify the governor, the president of the senate and the speaker of the house of representatives and shall deposit the total amount of the federal financial participation in the state general fund. If the certification provided is for an amount greater than $113,818,500, the administration shall distribute $4,202,300 to the Maricopa county special health care district and shall deposit $71,248,000 of the federal financial participation in the state general fund. The administration may make additional disproportionate share hospital payments to the Maricopa county special health care district pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, and subsection B of this section.

2. $28,474,900 for the Arizona state hospital. The Arizona state hospital shall provide a certified public expense form for the amount of qualifying disproportionate share hospital expenditures made on behalf of this state to the administration on or before March 31, 2024. The administration shall assist the Arizona state hospital in determining the amount of qualifying disproportionate share hospital expenditures. Once the administration files a claim with the federal government and receives federal financial participation based on the amount certified by the Arizona state hospital, the administration shall deposit the entire amount of federal financial participation in the state general fund. 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 and shall deposit the entire amount of federal financial participation in the state general fund. The certified public expense form provided by the Arizona state hospital must contain both the total amount of qualifying disproportionate share hospital expenditures and the amount limited by section 1923(g) of the social security act.

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

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

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

B. After the distributions made pursuant to subsection A of this section, the allocations of disproportionate share hospital payments made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, shall be made available in the following order to qualifying private hospitals that are:

1. Located in a county with a population of fewer than four hundred thousand persons.

2. Located in a county with a population of at least four hundred thousand persons but fewer than nine hundred thousand persons.

3. Located in a county with a population of at least nine hundred thousand persons.

Sec. 12. AHCCCS transfer; counties; federal monies; fiscal year 2023-2024

On or before December 31, 2024, notwithstanding any other law, for fiscal year 2023-2024 the Arizona health care cost containment system administration shall transfer to the counties the portion, if any, as may be necessary to comply with section 10201(c)(6) of the patient protection and affordable care act (P.L. 111-148), regarding the counties' proportional share of this state's contribution.

Sec. 13. County acute care contributions; fiscal year 2023-2024; intent

A. Notwithstanding section 11-292, Arizona Revised Statutes, for fiscal year 2023-2024 for the provision of hospitalization and medical care, the counties shall contribute the following amounts:

1.	Apache	$ 268,800
2.	Cochise	$ 2,214,800
3.	Coconino	$ 742,900
4.	Gila	$ 1,413,200
5.	Graham	$ 536,200
6.	Greenlee	$ 190,700
7.	La Paz	$ 212,100
8.	Maricopa	$15,703,400
9.	Mohave	$ 1,237,700
10.	Navajo	$ 310,800
11.	Pima	$14,951,800
12.	Pinal	$ 2,715,600
13.	Santa Cruz	$ 482,800
14.	Yavapai	$ 1,427,800
15.	Yuma	$ 1,325,100

B. If a county does not provide funding as specified in subsection A of this section, the state treasurer shall subtract the amount owed by the county to the Arizona health care cost containment system fund and the long-term care system fund established by section 36-2913, Arizona Revised Statutes, from any payments required to be made by the state treasurer to

that county pursuant to section 42-5029, subsection D, paragraph 2, Arizona Revised Statutes, plus interest on that amount pursuant to section 44-1201, Arizona Revised Statutes, retroactive to the first day the funding was due. If the monies the state treasurer withholds are insufficient to meet that county's funding requirements as specified in subsection A of this section, the state treasurer shall withhold from any other monies payable to that county from whatever state funding source is available an amount necessary to fulfill that county's requirement. The state treasurer may not withhold distributions from the Arizona highway user revenue fund pursuant to title 28, chapter 18, article 2, Arizona Revised Statutes.

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

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

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

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

Sec. 14. Proposition 204 administration; exclusion; county expenditure limitations

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

Sec. 15. Competency restoration; exclusion; county expenditure limitations

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

Sec. 16. AHCCCS; risk contingency rate setting

Notwithstanding any other law, for the contract year beginning October 1, 2023 and ending September 30, 2024, the Arizona health care cost containment system administration may continue the risk contingency rate setting for all managed care organizations and the funding for all managed care organizations administrative funding levels that were imposed for the contract year beginning October 1, 2010 and ending September 30, 2011.

Sec. 17. Legislative intent; implementation of program

The legislature intends that for fiscal year 2023-2024 the Arizona health care cost containment system administration implement a program within the available appropriation.