

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2166

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 36-132, Arizona Revised Statutes, is amended to
3 read:

4 36-132. Department of health services; functions; contracts

5 A. The department, in addition to other powers and duties vested in
6 it by law, shall:

7 1. Protect the health of the people of the state.

8 2. Promote the development, maintenance, efficiency and
9 effectiveness of local health departments or districts of sufficient
10 population and area that they can be sustained with reasonable economy and
11 efficient administration, provide technical consultation and assistance to
12 local health departments or districts, provide financial assistance to
13 local health departments or districts and services that meet minimum
14 standards of personnel and performance and in accordance with a plan and
15 budget submitted by the local health department or districts to the
16 department for approval, and recommend the qualifications of all personnel.

17 3. Collect, preserve, tabulate and interpret all information
18 required by law in reference to births, deaths and all vital facts, and
19 obtain, collect and preserve information relating to the health of the
20 people of this state and the prevention of diseases as may be useful in the
21 discharge of functions of the department not in conflict with chapter 3 of
22 this title and sections 36-693, 36-694 and 39-122.

1 4. Operate ~~such~~ sanitariums, hospitals or other facilities assigned
2 to the department by law or by the governor.

3 5. Conduct a statewide program of health education relevant to the
4 powers and duties of the department, prepare educational materials and
5 disseminate information as to conditions affecting health, including basic
6 information ~~for the promotion of~~ TO PROMOTE good health on the part of
7 individuals and communities, and prepare and disseminate technical
8 information concerning public health to the health professions, local
9 health officials and hospitals. In cooperation with the department of
10 education, the department of health services shall prepare and disseminate
11 materials and give technical assistance for the purpose of ~~education of~~
12 EDUCATING children in hygiene, sanitation and personal and public health,
13 and provide consultation and assistance in community organization to
14 counties, communities and groups of people.

15 6. Administer or supervise a program of public health nursing,
16 prescribe the minimum qualifications of all public health nurses engaged in
17 official public health work, and encourage and aid in coordinating local
18 public health nursing services.

19 7. Encourage and aid in coordinating local programs concerning
20 control of preventable diseases in accordance with statewide plans that
21 shall be formulated by the department.

22 8. Encourage and aid in coordinating local programs concerning
23 maternal and child health, including midwifery, antepartum and postpartum
24 care, infant and preschool health and the health of schoolchildren,
25 including special fields such as the prevention of blindness and
26 conservation of sight and hearing.

27 9. Encourage and aid in ~~the coordination of~~ COORDINATING local
28 programs concerning nutrition of the people of this state.

29 10. Encourage, administer and provide dental health care services
30 and aid in coordinating local programs concerning dental public health, in
31 cooperation with the Arizona dental association. The department may bill
32 and receive payment for costs associated with providing dental health care

1 services and shall deposit the monies in the oral health fund established
2 by section 36-138.

3 11. Establish and maintain adequate serological, bacteriological,
4 parasitological, entomological and chemical laboratories with qualified
5 assistants and facilities necessary for routine examinations and analyses
6 and for investigations and research in matters affecting public health.

7 12. Supervise, inspect and enforce the rules concerning the
8 operation of public bathing places and public and semipublic swimming pools
9 adopted pursuant to section 36-136, subsection I, paragraph 10.

10 13. Take all actions necessary or appropriate to ensure that bottled
11 water sold to the public and water used to process, store, handle, serve
12 and transport food and drink are free from filth, disease-causing
13 substances and organisms and unwholesome, poisonous, deleterious or other
14 foreign substances. All state agencies and local health agencies involved
15 with water quality shall provide to the department any assistance requested
16 by the director to ensure that this paragraph is effectuated.

17 14. Enforce the state food, caustic alkali and acid laws in
18 accordance with chapter 2, article 2 of this title, chapter 8, article 1 of
19 this title and chapter 9, article 4 of this title, and collaborate in ~~the~~
20 ~~enforcement of~~ ENFORCING the federal food, drug, and cosmetic act (52 Stat.
21 1040; 21 United States Code sections 1 through 905).

22 15. Recruit and train personnel for state, local and district health
23 departments.

24 16. Conduct continuing evaluations of state, local and district
25 public health programs, study and appraise state health problems and
26 develop broad plans for use by the department and for recommendation to
27 other agencies, professions and local health departments for the best
28 solution of these problems.

29 17. License and regulate health care institutions according to
30 chapter 4 of this title.

31 18. Issue or direct the issuance of licenses and permits required by
32 law.

1 19. Participate in the state civil defense program and develop the
2 necessary organization and facilities to meet wartime or other disasters.

3 20. Subject to the availability of monies, develop and administer
4 programs in perinatal health care, including:

5 (a) Screening in early pregnancy for detecting high-risk conditions.

6 (b) Comprehensive prenatal health care.

7 (c) Maternity, delivery and postpartum care.

8 (d) Perinatal consultation, including transportation of the pregnant
9 woman to a perinatal care center when medically indicated.

10 (e) Perinatal education oriented toward professionals and consumers,
11 focusing on early detection and adequate intervention to avert premature
12 labor and delivery.

13 21. License and regulate the health and safety of group homes **AND**
14 **BEHAVIORAL-SUPPORTED GROUP HOMES** for persons with developmental
15 disabilities. The department shall issue a license to an accredited
16 facility for a period of the accreditation, except that ~~the~~ **A** licensing
17 period shall **NOT** be longer than three years. The department is authorized
18 to conduct an inspection of an accredited facility to ensure that the
19 facility meets health and safety licensure standards. The results of the
20 accreditation survey shall be public information. A copy of the final
21 accreditation report shall be filed with the department of health
22 services. For the purposes of this paragraph, "accredited" means
23 accredited by a nationally recognized accreditation organization.

24 B. The department may accept from the state or federal government,
25 or any agency of the state or federal government, and from private donors,
26 trusts, foundations or eleemosynary corporations or organizations grants or
27 donations for or in aid of the construction or maintenance of any program,
28 project, research or facility authorized by this title, or in aid of the
29 extension or enforcement of any program, project or facility authorized,
30 regulated or prohibited by this title, and enter into contracts with the
31 federal government, or an agency of the federal government, and with
32 private donors, trusts, foundations or eleemosynary corporations or

1 organizations, to carry out such purposes. All monies made available under
2 this section are special project grants. The department may also expend
3 these monies to further applicable scientific research within this state.

4 C. The department, in establishing fees authorized by this section,
5 shall comply with title 41, chapter 6. The department shall not set a fee
6 at more than the department's cost of providing the service for which the
7 fee is charged. State agencies are exempt from all fees imposed pursuant
8 to this section.

9 D. The department may enter into contracts with organizations that
10 perform nonrenal organ transplant operations and organizations that
11 primarily assist in the management of end-stage renal disease and related
12 problems to provide, as payors of last resort, prescription medications
13 necessary to supplement treatment and transportation to and from treatment
14 facilities. The contracts may provide for department payment of
15 administrative costs it specifically authorizes.

16 Sec. 2. Section 36-424, Arizona Revised Statutes, is amended to
17 read:

18 36-424. Inspections; suspension or revocation of license;
19 report to board of examiners of nursing care
20 institution administrators and assisted living
21 facility managers

22 A. Except as provided in subsection B of this section, the director
23 shall inspect the premises of the health care institution and investigate
24 the character and other qualifications of the applicant to ascertain
25 whether the applicant and the health care institution are in substantial
26 compliance with the requirements of this chapter and the rules established
27 pursuant to this chapter. The director may prescribe rules regarding
28 department background investigations into an applicant's character and
29 qualifications.

30 B. The director may accept proof that a health care institution is
31 an accredited hospital or is an accredited health care institution in lieu
32 of all compliance inspections required by this chapter if the director

1 receives a copy of the HEALTH CARE institution's accreditation report for
2 the licensure period and the HEALTH CARE institution is accredited by an
3 independent, nonprofit accrediting organization approved by the secretary
4 of the United States department of health and human services. If the
5 health care institution's accreditation report is not valid for the entire
6 licensure period, the department may conduct a compliance inspection of the
7 health care institution during the time period the department does not have
8 a valid accreditation report for the health care institution. For the
9 purposes of this subsection, each licensed premises of a health care
10 institution must have its own accreditation report. The director may not
11 accept an accreditation report in lieu of a compliance inspection of:

12 1. An intermediate care facility for individuals with intellectual
13 disabilities.

14 2. A NURSING-SUPPORTED GROUP HOME.

15 ~~2.~~ 3. A health care institution if the health care institution has
16 been subject to an enforcement action pursuant to section 36-427 or
17 36-431.01 within the year preceding the annual licensing fee anniversary
18 date.

19 C. On a determination by the director that there is reasonable cause
20 to believe a health care institution is not adhering to the licensing
21 requirements of this chapter, the director and any duly designated employee
22 or agent of the director, including county health representatives and
23 county or municipal fire inspectors, consistent with standard medical
24 practices, may enter on and into the premises of any health care
25 institution that is licensed or required to be licensed pursuant to this
26 chapter at any reasonable time for the purpose of determining the state of
27 compliance with this chapter, the rules adopted pursuant to this chapter
28 and local fire ordinances or rules. Any application for licensure under
29 this chapter constitutes permission for and complete acquiescence in any
30 entry or inspection of the premises during the pendency of the application
31 and, if licensed, during the term of the license. If an inspection reveals
32 that the health care institution is not adhering to the licensing

1 requirements established pursuant to this chapter, the director may take
2 action authorized by this chapter. Any health care institution, including
3 an accredited hospital, whose license has been suspended or revoked in
4 accordance with this section is subject to inspection on application for
5 relicensure or reinstatement of license.

6 D. The director shall immediately report to the board of examiners
7 of nursing care institution administrators and assisted living facility
8 managers information identifying that a nursing care institution
9 administrator's conduct may be grounds for disciplinary action pursuant to
10 section 36-446.07.

11 Sec. 3. Section 36-551, Arizona Revised Statutes, is amended to
12 read:

13 36-551. Definitions

14 In this chapter, unless the context otherwise requires:

15 1. "Adaptive behavior" means the effectiveness or degree to which a
16 person meets the standards of personal independence and social
17 responsibility expected of the person's age and cultural group.

18 2. "Adult developmental home" means a residential setting in a
19 family home in which the care, physical custody and supervision of the
20 adult client are the responsibility, under a twenty-four-hour care model,
21 of the licensee who, in that capacity, is not an employee of the division
22 or of a service provider and the home provides the following services for a
23 group of siblings or up to three adults with developmental disabilities:

- 24 (a) Room and board.
- 25 (b) Habilitation.
- 26 (c) Appropriate personal care.
- 27 (d) Appropriate supervision.

28 3. "Adult household member":

29 (a) Means a person who is at least eighteen years of age and who
30 resides in an adult developmental home, child developmental home or other
31 home and community based service setting for at least thirty days or who

1 resides in the household throughout the year for more than a cumulative
2 total of thirty days.

3 (b) Does not include a person who is receiving developmental
4 disabilities services from the department.

5 4. "Advisory council" means the developmental disabilities advisory
6 council.

7 5. "Arizona training program facility" means a state-operated
8 institution for clients of the department with developmental disabilities.

9 6. "Attributable to cognitive disability, epilepsy, cerebral palsy
10 or autism" means that there is a causal relationship between the presence
11 of an impairing condition and the developmental disability.

12 7. "Autism" means a condition characterized by severe disorders in
13 communication and behavior resulting in limited ability to communicate,
14 understand, learn and participate in social relationships.

15 8. "BEHAVIORAL-SUPPORTED GROUP HOME" MEANS A COMMUNITY RESIDENTIAL
16 SETTING THAT MEETS ALL OF THE FOLLOWING:

17 (a) IS FOR NOT MORE THAN SIX PERSONS WITH DEVELOPMENTAL
18 DISABILITIES.

19 (b) IS OPERATED BY A SERVICE PROVIDER UNDER CONTRACT WITH THE
20 DEPARTMENT.

21 (c) PROVIDES ROOM AND BOARD, DAILY HABILITATION, ASSISTANCE IN
22 SELF-ADMINISTERING MEDICATION AND MEDICATION ADMINISTRATION AND BEHAVIORAL
23 HEALTH SERVICES FOR CLIENTS WITH DUAL DISORDERS, INCLUDING PSYCHIATRIC
24 DISORDERS AND DEVELOPMENTAL DISABILITIES, WHO ENGAGE IN BEHAVIORS THAT ARE
25 DISRUPTIVE, SOCIALLY INAPPROPRIATE OR HARMFUL OR DANGEROUS TO SELF OR
26 OTHERS, THAT INTERFERE WITH FUNCTIONING AND QUALITY OF LIFE OR THAT MAY
27 CAUSE DESTRUCTION OF PROPERTY.

28 ~~8.~~ 9. "Case management" means coordinating the assistance needed by
29 persons with developmental disabilities and their families in order to
30 ensure that persons with developmental disabilities attain their maximum
31 potential for independence, productivity and integration into the
32 community.

1 ~~9.~~ 10. "Case manager" means a person who coordinates the
2 implementation of the individual program plan of goals, objectives and
3 appropriate services for persons with developmental disabilities.

4 ~~10.~~ 11. "Cerebral palsy" means a permanently disabling condition
5 resulting from damage to the developing brain that may occur before, after
6 or during birth and that results in loss or impairment of control over
7 voluntary muscles.

8 ~~11.~~ 12. "Child developmental certified home" means a regular foster
9 home as defined in section 8-501 that is licensed pursuant to section 8-509
10 and that is certified by the department pursuant to section 36-593.01.

11 ~~12.~~ 13. "Child developmental home" means a residential setting in a
12 family home in which the care and supervision of the child are the
13 responsibility, under a twenty-four-hour care model, of the licensee who
14 serves as the developmental home provider of the child in the home setting
15 and who, in that capacity, is not an employee of the division or of a
16 service provider and the home provides the following services for a group
17 of siblings or up to three children with developmental disabilities:

- 18 (a) Room and board.
- 19 (b) Habilitation.
- 20 (c) Appropriate personal care.
- 21 (d) Appropriate supervision.

22 ~~13.~~ 14. "Client" means a person receiving developmental
23 disabilities services from the department.

24 ~~14.~~ 15. "Cognitive disability" means a condition that involves
25 subaverage general intellectual functioning, that exists concurrently with
26 deficits in adaptive behavior manifested before the age of eighteen and
27 that is sometimes referred to as intellectual disability.

28 ~~15.~~ 16. "Community residential setting":

29 (a) Means a residential setting in which persons with developmental
30 disabilities live and are provided with appropriate supervision by the
31 service provider responsible for operating the residential setting.

1 (b) Includes a child developmental home or an adult developmental
2 home operated or contracted by the department or the department's
3 contracted vendor, a group home operated or contracted by the department or
4 a BEHAVIORAL-SUPPORTED GROUP HOME OR nursing-supported group home
5 contracted by the department.

6 ~~16.~~ 17. "Consent" means voluntary informed consent. Consent is
7 voluntary if not given as the result of coercion or undue influence.
8 Consent is informed if the person giving the consent has been informed of
9 and comprehends the nature, purpose, consequences, risks and benefits of
10 the alternatives to the procedure, and has been informed and comprehends
11 that withholding or withdrawing consent will not prejudice the future
12 provision of care and services to the client. In cases of unusual or
13 hazardous treatment procedures performed pursuant to section 36-561,
14 subsection A, experimental research, organ transplantation and
15 nontherapeutic surgery, consent is informed if, in addition to the
16 foregoing, the person giving the consent has been informed of and
17 comprehends the method to be used in the proposed procedure.

18 ~~17.~~ 18. "Daily habilitation" means habilitation as defined in this
19 section, except that the method of payment is for one unit per residential
20 day.

21 ~~18.~~ 19. "Department" means the department of economic security.

22 ~~19.~~ 20. "Developmental disability" means either a strongly
23 demonstrated potential that a child who is under six years of age has a
24 developmental disability or will develop a developmental disability, as
25 determined by a test performed pursuant to section 36-694 or by other
26 appropriate tests, or a severe, chronic disability that:

27 (a) Is attributable to a cognitive disability, cerebral palsy,
28 epilepsy, Down syndrome or autism.

29 (b) Is manifested before the age of eighteen.

30 (c) Is likely to continue indefinitely.

31 (d) Results in substantial functional limitations in three or more
32 of the following areas of major life activity:

- 1 (i) Self-care.
- 2 (ii) Receptive and expressive language.
- 3 (iii) Learning.
- 4 (iv) Mobility.
- 5 (v) Self-direction.
- 6 (vi) Capacity for independent living.
- 7 (vii) Economic self-sufficiency.

8 (e) Reflects the need for a combination and sequence of individually
9 planned or coordinated special, interdisciplinary or generic care,
10 treatment or other services that are of lifelong or extended duration.

11 ~~20.~~ 21. "Director" means the director of the department of economic
12 security.

13 ~~21.~~ 22. "Division" means the division of developmental disabilities
14 in the department of economic security.

15 ~~22.~~ 23. "Down syndrome" means a genetic disorder caused when
16 abnormal cell division results in extra genetic material from chromosome
17 21, affecting a person's cognitive and physical abilities and causing
18 developmental issues.

19 ~~23.~~ 24. "Epilepsy" means a neurological condition characterized by
20 abnormal electrical-chemical discharge in the brain. This discharge is
21 manifested in various forms of physical activities called seizures.

22 ~~24.~~ 25. "Group home":

23 (a) Means a community residential setting for not more than six
24 persons with developmental disabilities that is operated by a service
25 provider under contract with the department and that provides room and
26 board and daily habilitation and other assessed medically necessary
27 services and supports to meet the needs of each person.

28 (b) Does not include an adult developmental home, a child
29 developmental home, **A BEHAVIORAL-SUPPORTED GROUP HOME**, a nursing-supported
30 group home or an intermediate care facility for individuals with
31 intellectual disabilities.

1 ~~25.~~ 26. "Guardian" means the person who, under court order, is
2 appointed to fulfill the powers and duties prescribed in section 14-5312.
3 Guardian does not include a guardian pursuant to section 14-5312.01.

4 ~~26.~~ 27. "Habilitation" means the process by which a person is
5 assisted to acquire and maintain those life skills that enable the person
6 to cope more effectively with personal and environmental demands and to
7 raise the level of the person's physical, mental and social efficiency.

8 ~~27.~~ 28. "Indigent" means a person with a developmental disability
9 whose estate or parent is unable to bear the full cost of maintaining or
10 providing services for that person in a developmental disabilities program.

11 ~~28.~~ 29. "Individual program plan" means a written statement of
12 services to be provided to a person with developmental disabilities,
13 including habilitation goals and objectives, that is developed following
14 initial placement evaluation and revised after periodic evaluations.

15 ~~29.~~ 30. "Intermediate care facility for individuals with
16 intellectual disabilities" means a facility that primarily provides health
17 and rehabilitative services to persons with developmental disabilities that
18 are above the service level of room and board or supervisory care services
19 or personal care services as defined in section 36-401.

20 ~~30.~~ 31. "Large group setting" means a setting that in addition to
21 residential care provides support services such as therapy, recreation and
22 transportation to seven or more persons with developmental disabilities who
23 require intensive supervision.

24 ~~31.~~ 32. "Least restrictive alternative" means an available program
25 or facility that fosters independent living, that is the least confining
26 for the client's condition and that provides service and treatment in the
27 least intrusive manner reasonably and humanely appropriate to the
28 individual's needs.

29 ~~32.~~ 33. "Likely to continue indefinitely" means that the
30 developmental disability has a reasonable likelihood of continuing for a
31 protracted period of time or for life.

1 ~~33.~~ 34. "Manifested before the age of eighteen" means that the
2 disability must be apparent and have a substantially limiting effect on a
3 person's functioning before the age of eighteen.

4 ~~34.~~ 35. "Nursing-supported group home" has the same meaning
5 prescribed in section 36-401.

6 ~~35.~~ 36. "Physician" means a person who is licensed to practice
7 pursuant to title 32, chapter 13 or 17.

8 ~~36.~~ 37. "Placement evaluation" means an interview and evaluation of
9 a person with a developmental disability and a review of the person's prior
10 medical and program histories to determine the appropriate developmental
11 disability programs and services for the person and recommendations for
12 specific program placements for the person.

13 ~~37.~~ 38. "Psychologist" means a person who is licensed pursuant to
14 title 32, chapter 19.1.

15 ~~38.~~ 39. "Respite services" means services that provide a short-term
16 or long-term interval of rest or relief to the care provider of a person
17 with a developmental disability.

18 ~~39.~~ 40. "Responsible person" means the parent or guardian of a
19 minor with a developmental disability, the guardian of an adult with a
20 developmental disability or an adult with a developmental disability who is
21 a client or an applicant for whom no guardian has been appointed.

22 ~~40.~~ 41. "Service provider" means a person or agency that provides
23 services to clients pursuant to a contract, service agreement or qualified
24 vendor agreement with the division.

25 ~~41.~~ 42. "State operated service center" means a state owned or
26 leased facility that is operated by the department and that provides
27 temporary residential care and space for child and adult services that
28 include respite care, crisis intervention and diagnostic evaluation.

29 ~~42.~~ 43. "Subaverage general intellectual functioning" means
30 measured intelligence on standardized psychometric instruments of two or
31 more standard deviations below the mean for the tests used.

1 ~~43.~~ 44. "Substantial functional limitation" means a limitation so
2 severe that extraordinary assistance from other people, programs, services
3 or mechanical devices is required to assist the person in performing
4 appropriate major life activities.

5 ~~44.~~ 45. "Supervision" means the process by which the activities of
6 an individual with developmental disabilities are directed, influenced or
7 monitored.

8 Sec. 4. Section 36-557, Arizona Revised Statutes, is amended to
9 read:

10 36-557. Community developmental disability services; service
11 providers

12 A. The department may use state and federal monies that are
13 appropriated or otherwise available to it for this purpose to assist in
14 establishing and maintaining local developmental disability services by
15 public or private nonprofit or profit agencies. The monies may be expended
16 as professional fees for service, in contracts for advancement or
17 reimbursement or in another appropriate manner and may be used for any
18 purpose necessary to provide local developmental disability services. The
19 monies may not be used for departmental salaries, care of persons with
20 developmental disabilities by the department or any other purpose within
21 the department, but may be used for consultation to the department in the
22 interest of local programs.

23 B. A local public or private nonprofit or profit agency providing or
24 intending to provide community developmental disability services and
25 desiring to contract with the department to furnish these services shall
26 submit a program plan and budget to the department on the forms and in the
27 manner required by the department. If the program meets departmental
28 standards and is consistent with the state plan of the department and the
29 individualized service program plan of the client, the department,
30 notwithstanding the provisions of title 41, chapter 23, relating to
31 procurement and including services pursuant to section 36-2943, may
32 contract with that agency for required services on terms the department

1 requires. The contracts shall provide that the provider of services is
2 subject to a continuing program evaluation by the department through
3 progress reports, expenditure reports, program audits or other appropriate
4 evaluation techniques to ensure that the provider of service is in
5 continued compliance with the terms of the contract and the department's
6 community developmental disability service standards and requirements.

7 C. Contracts between the department and a school district or
8 districts are subject to approval by the department of education.

9 D. This article does not make the department or the state
10 responsible for funding programs beyond the limits of legislative
11 appropriation for the programs. This article does not require a service
12 provider to provide unreimbursed services to the department or its clients.

13 E. Contracts to provide community developmental disability services
14 shall require that:

15 1. The contractor is obligated to operate a program or service in
16 strict accordance with the standards adopted for that program or service by
17 the department.

18 2. If state funding is provided for a particular program the
19 contractor, to the extent of positions available that are being purchased
20 by the department, shall provide services to a client with a developmental
21 disability who has been evaluated and placed by the department.

22 3. All contractors must carry liability insurance in amounts
23 approved by the risk management division of the department of
24 administration and file proof of insurance with the risk management
25 division. The director may waive that requirement on a case-by-case basis
26 on a finding that insurance for the program or service is not practicably
27 available at affordable rates and that it is necessary that the program or
28 service be provided by the contractor.

1 4. All clients enrolled in programs have all the same specified
2 rights as they would have if enrolled in a program operated directly by the
3 state.

4 5. Except for emergency placement pursuant to section 36-560,
5 subsection N, payment shall not be made based on program services provided
6 to a client if a placement evaluation has not been made, and no individual
7 program has been prepared and when, based on that placement evaluation, no
8 recommendation has been made to enroll the client in the particular program
9 service.

10 F. This article does not require a contracted agency to provide
11 unreimbursed services to the department or a client of the department.

12 G. Contracts to purchase residential care services other than those
13 community residential settings licensed pursuant to this chapter, in
14 addition to other general requirements applicable to purchase of care
15 contractors, shall:

16 1. Provide for mandatory inspection by the department every two
17 years for facilities other than group homes.

18 2. Provide for mandatory monitoring by the department for health,
19 safety, contractual and programmatic standards at least every six months,
20 unless the department has granted deemed status to the service provider or
21 the service provider received a score of at least ninety-five percent on
22 the most recent monitoring visit. If the department has granted deemed
23 status or awarded the service provider with a score of at least ninety-five
24 percent on the most recent monitoring visit, the department shall monitor
25 that service provider once each year. On a determination by the department
26 that there is reasonable cause to believe a service provider is not
27 adhering to the department's programmatic or contractual requirements, the
28 department and any duly designated employee or agent of the department may
29 enter on and into the premises at any reasonable time for the purpose of
30 determining the service provider's state of compliance with the
31 department's programmatic or contractual requirements.

1 3. Provide for mandatory investigation by the department in response
2 to complaints within ten working days, except that in those instances that
3 pose a danger to the client, the department shall conduct the investigation
4 immediately. Health and safety complaints related to group homes shall be
5 referred to the department of health services on receipt. The department
6 of health services shall share all incident reports related to health and
7 safety with the division of developmental disabilities.

8 4. Except for group homes licensed by the department of health
9 services, specify the health and safety and sanitation codes and other
10 codes or standards applicable to the facility or to the operation of the
11 facility by the contractor other than group homes.

12 5. Provide for mandatory periodic reports to be filed by the
13 provider contractor with the department with respect to the operation of
14 the facility.

15 6. Provide that the facility and the books and records of the
16 facility and of the provider are subject to inspection at any time by
17 employees of the department or designees of the department.

18 7. Provide that parents and guardians of persons with developmental
19 disabilities residing at the facility, members of the developmental
20 disabilities advisory council, and members of other recognized and ongoing
21 advocacy groups for persons with developmental disabilities may inspect the
22 facility at reasonable times.

23 H. Contracts for the purchase of residential care services shall
24 require a community residential setting to be licensed pursuant to this
25 chapter other than group homes, **BEHAVIORAL-SUPPORTED GROUP HOMES** and
26 nursing-supported group homes that are licensed by the department of health
27 services.

28 I. Contracts for the purchase of day program or employment services,
29 in addition to the other general requirements applicable to the purchase of
30 client services, must provide for mandatory monitoring by the department
31 for health, safety, contractual, programmatic and quality assurance
32 standards at least once every six months, unless the department has granted

1 deemed status to the service provider. If the department has granted
2 deemed status to the service provider, the department shall monitor that
3 service provider once each year. The department and any duly designated
4 employee or agent of the department may enter on or into the service
5 provider's premises at any reasonable time for the purpose of determining
6 the service provider's state of compliance with the department's
7 programmatic, contractual and quality assurance requirements.

8 J. The division shall ensure that all contracted developmental
9 disabilities service providers rendering services pursuant to this chapter
10 are reimbursed in accordance with title XIX of the social security act.

11 K. Contracts for client services issued by the department shall
12 include language outlining the provisions for a grievance and appeal
13 procedure. The director shall provide notice to service providers not less
14 than thirty days before the issuance of an amendment to a qualified vendor
15 agreement. The decision of the director regarding qualified vendor
16 agreement amendments may be appealed pursuant to title 41, chapter 6,
17 article 10. The grievance process applicable to these contracts shall
18 comply with title XIX requirements.

19 L. As a condition of contracts with any developmental disabilities
20 service provider, the director shall require terms that conform with state
21 and federal laws, title XIX statutes and regulations and quality
22 standards. The director shall further require contract terms that ensure
23 performance by the provider of the provisions of each contract executed
24 pursuant to this article.

25 M. The division shall establish a rate structure that ensures an
26 equitable funding basis for private nonprofit or for-profit agencies for
27 services pursuant to subsection B of this section and section 36-2943. In
28 each fiscal year, the division shall review and adjust the rate structure
29 based on section 36-2959. A rate book shall be published and updated by
30 the division to announce the rate structure that shall be incorporated by
31 reference in contracts for client services.

1 N. The division shall disclose to a service provider in the
2 individual program plan, and in all meetings resulting from a response to a
3 vendor call, any historical and behavioral information necessary for the
4 service provider to be able to anticipate the client's future behaviors and
5 needs, including summary information from the program review committee,
6 unusual incident reports reviewed by the independent oversight committee
7 and behavioral treatment plans. The division shall redact the client's
8 identification from this information.

9 O. Service providers are authorized to engage in the following
10 activities in accordance with a client's individual program plan:

11 1. Administer medications, including assisting with the client's
12 self-administration of medications.

13 2. Log, store, remove and dispose of medications.

14 3. Maintain medications and protocols for direct care.

15 4. Serve as the client's representative payee if requested by the
16 client or the client's guardian and approved by the payer.

17 P. The department may adopt rules establishing procedures for
18 engaging in the activities listed in subsection O of this section.

19 Q. To protect the health and safety of a client, a service provider
20 must notify the division within twenty-four hours if an emergency situation
21 exists in which the service provider is unable to meet the health or safety
22 needs of the client.

23 R. On notification of an emergency situation, the department shall
24 hold an individual program plan meeting within fifteen days after
25 notification to recommend any changes, including whether there is a need
26 for temporary additional staffing to provide appropriate care for a client,
27 and develop a plan within thirty days after notification to resolve the
28 situation.

29 S. Service providers shall develop and implement policies and
30 procedures regarding the communication to responsible persons of a serious
31 incident affecting a client who is living in a community residential
32 setting within twenty-four hours after the serious incident occurs.

1 Sec. 5. Section 36-591, Arizona Revised Statutes, is amended to
2 read:

3 36-591. Group homes; behavioral-supported group homes;
4 licensing; notification requirements; exception;
5 annual inspection

6 A. Group homes **AND BEHAVIORAL-SUPPORTED GROUP HOMES**, except for
7 those described in subsection D of this section, shall be licensed for
8 health and safety by the department of health services pursuant to section
9 36-132.

10 B. The division shall notify the department of health services of:

11 1. Service providers that enter into contracts with the division for
12 group homes, **BEHAVIORAL-SUPPORTED GROUP HOMES** or intermediate care
13 facilities for individuals with intellectual disabilities.

14 2. Any violation of health and safety standards observed during
15 monitoring visits.

16 C. The department of health services shall immediately notify the
17 division:

18 1. When the license of a group home, **BEHAVIORAL-SUPPORTED GROUP**
19 **HOME**, nursing-supported group home or intermediate care facility for
20 individuals with intellectual disabilities has been denied, suspended or
21 revoked.

22 2. Of any other licensing action taken on a group home,
23 **BEHAVIORAL-SUPPORTED GROUP HOME**, nursing-supported group home or
24 intermediate care facility for individuals with intellectual disabilities
25 by the department of health services.

26 3. Of substantiated complaints regarding health and safety.

27 D. The division shall ensure that state-operated residential
28 settings that are owned or leased facilities operated by the division meet
29 the same standards as group homes unless they are required to be:

30 1. Licensed and certified as intermediate care facilities for
31 individuals with intellectual disabilities pursuant to 42 Code of Federal
32 Regulations part 483, subpart I. An intermediate care facility for

1 individuals with intellectual disabilities that is operated by the division
2 or a private entity is required to be licensed pursuant to chapter 4 of
3 this title and certified pursuant to 42 Code of Federal Regulations part
4 483, subpart I.

5 2. Licensed as a nursing-supported group home as required by chapter
6 4 of this title.

7 E. The department shall take any action it deems necessary to carry
8 out the duties imposed by this section, including denying the application
9 for licensure and suspending or revoking the **GROUP** home's **OR**
10 **BEHAVIORAL-SUPPORTED GROUP HOME'S** license.

11 Sec. 6. Title 36, chapter 5.1, article 3, Arizona Revised Statutes,
12 is amended by adding section 36-591.01, to read:

13 **36-591.01. Behavioral-supported group homes; rules;**
14 **definitions**

15 A. BEGINNING JULY 1, 2024, BEHAVIORAL-SUPPORTED GROUP HOMES THAT ARE
16 OPERATED IN THIS STATE BY A SERVICE PROVIDER AND THAT ARE UNDER CONTRACT
17 WITH THE DEPARTMENT OF ECONOMIC SECURITY SHALL BE LICENSED FOR HEALTH AND
18 SAFETY BY THE DEPARTMENT OF HEALTH SERVICES PURSUANT TO SECTION 36-132.

19 B. THE DIRECTOR SHALL ADOPT ANY RULES NECESSARY REGARDING
20 BEHAVIORAL-SUPPORTED GROUP HOMES THAT INCLUDE AT LEAST THE FOLLOWING:

21 1. ENSURING THAT EACH CLIENT'S BEHAVIORAL TREATMENT PLAN IS
22 DEVELOPED, INTEGRATED, COORDINATED AND MONITORED BY A CLINICAL PROFESSIONAL
23 WHO, AT A MINIMUM:

24 (a) HAS AT LEAST TWO YEARS OF EXPERIENCE WORKING DIRECTLY WITH
25 PERSONS WITH DUAL DISORDERS, INCLUDING PSYCHIATRIC DISORDERS AND
26 DEVELOPMENTAL DISABILITIES, WHO ENGAGE IN BEHAVIORS THAT ARE DISRUPTIVE,
27 SOCIALLY INAPPROPRIATE OR HARMFUL OR DANGEROUS TO SELF OR OTHERS, THAT
28 INTERFERE WITH FUNCTIONING AND QUALITY OF LIFE OR THAT MAY CAUSE
29 DESTRUCTION OF PROPERTY.

30 (b) HAS SPECIALIZED TRAINING IN APPLYING BEHAVIORAL INTERVENTIONS,
31 INCLUDING APPLIED BEHAVIOR ANALYSIS AND POSITIVE BEHAVIORAL SUPPORTS.

1 (c) HOLDS AT LEAST A MASTER'S DEGREE IN ANY OF THE FOLLOWING
2 PROFESSIONAL CATEGORIES:

3 (i) OCCUPATIONAL THERAPY.

4 (ii) PHYSICAL THERAPY.

5 (iii) PSYCHOLOGY.

6 (iv) SOCIAL WORK.

7 (v) SPEECH AND LANGUAGE PATHOLOGY.

8 (vi) BEHAVIOR ANALYSIS.

9 (vii) A SIMILAR HUMAN SERVICE DEGREE SUCH AS SOCIOLOGY, SPECIAL
10 EDUCATION OR REHABILITATION COUNSELING.

11 2. REQUIRING THAT THE DIRECT CARE STAFF IN A BEHAVIORAL-SUPPORTED
12 GROUP HOME, AT A MINIMUM, HAVE BOTH:

13 (a) AT LEAST ONE YEAR OF EXPERIENCE WORKING DIRECTLY WITH PERSONS
14 WITH DUAL DISORDERS, INCLUDING PSYCHIATRIC DISORDERS AND DEVELOPMENTAL
15 DISABILITIES, WHO ENGAGE IN BEHAVIORS THAT ARE DISRUPTIVE, SOCIALLY
16 INAPPROPRIATE OR HARMFUL OR DANGEROUS TO SELF OR OTHERS, THAT INTERFERE
17 WITH FUNCTIONING AND QUALITY OF LIFE OR THAT MAY CAUSE DESTRUCTION OF
18 PROPERTY.

19 (b) SPECIALIZED TRAINING IN APPLIED BEHAVIOR ANALYSIS AND POSITIVE
20 BEHAVIORAL SUPPORTS.

21 3. ENSURING THAT EACH CLIENT HAS AN INTEGRATED TREATMENT PLAN. EACH
22 CLIENT SHALL HAVE A FUNCTIONAL BEHAVIORAL ASSESSMENT COMPLETED BY A
23 QUALIFIED CLINICAL PROFESSIONAL WHO MEETS THE QUALIFICATIONS PRESCRIBED IN
24 PARAGRAPH 1 OF THIS SUBSECTION, IN CONSULTATION WITH A MULTIDISCIPLINARY
25 TEAM THAT IS COMPOSED OF ALL INDIVIDUALS WORKING WITH THE CLIENT TO
26 INCLUDE, IF APPROPRIATE, PSYCHIATRIC, MEDICAL, NURSING AND NUTRITION
27 PROVIDERS, PHYSICAL, OCCUPATIONAL AND SPEECH THERAPISTS, EDUCATIONAL
28 PERSONNEL, BEHAVIORAL HEALTH PROVIDERS, GROUP HOME DIRECT CARE STAFF, HOME
29 HEALTH PERSONNEL, DAY PROGRAM STAFF, THE CLIENT AND THE CLIENT'S FAMILY OR
30 GUARDIAN AND REPRESENTATIVES FROM THE DIVISION. THE INTEGRATED TREATMENT
31 PLAN SHALL BE REVIEWED BY THE ENTIRE MULTIDISCIPLINARY TEAM EVERY NINETY
32 DAYS TO DETERMINE IF THE INTERVENTIONS IN THE PLAN ARE EFFECTIVE.

1 C. FOR THE PURPOSES OF THIS SECTION:

2 1. "BEHAVIORAL TREATMENT PLAN" MEANS A DOCUMENT THAT STIPULATES
3 GOALS TO TREAT, MANAGE, CONTROL OR EXTINGUISH PREDICTABLE AND CONTINUING
4 BEHAVIORS OF THE CLIENT AND THAT IS ONE COMPONENT OF THE CLIENT'S
5 INTEGRATED TREATMENT PLAN.

6 2. "INTEGRATED TREATMENT PLAN" MEANS A DOCUMENT THAT COORDINATES ALL
7 TREATMENT INTERVENTIONS THAT ADDRESS THE CLIENT'S PHYSICAL HEALTH AND
8 BEHAVIORAL HEALTH NEEDS FOR THE PURPOSE OF ENSURING SEAMLESS, COORDINATED
9 AND COMPREHENSIVE TREATMENT.

10 Sec. 7. Rulemaking exemption; department of health services;
11 department of economic security

12 For the purposes of this act, the department of health services and
13 the department of economic security are exempt from the rulemaking
14 requirements of title 41, chapters 6 and 6.1, Arizona Revised Statutes, for
15 one year after the effective date of this act."

16 Amend title to conform

LAURIN HENDRIX

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C: MH