

REFERENCE TITLE: AHCCCS; graduate medical education; reimbursement

State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HB 2392

Introduced by
Representatives Osborne: Cobb, Dunn, John

AN ACT

AMENDING SECTION 36-2907.06, ARIZONA REVISED STATUTES; 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 36-2907.06, Arizona Revised Statutes, is amended
3 to read:

4 36-2907.06. Qualifying community health centers; contracts;
5 requirements; graduate medical education;
6 definition

7 A. Subject to the availability of monies, the administration shall
8 enter into an intergovernmental agreement pursuant to title 11, chapter 7,
9 article 3 with the department of health services to contract with
10 qualifying community health centers to provide primary health care
11 services to indigent or uninsured Arizonans. The department of health
12 services shall enter into one-year contracts with qualifying community
13 health centers for the centers to provide the following primary health
14 care services:

15 1. Medical care provided through licensed primary care physicians
16 and licensed mid-level providers as defined in section 36-2907.05.

17 2. Prenatal care services.

18 3. Diagnostic laboratory and imaging services that are necessary to
19 complete a diagnosis and treatment, including referral services.

20 4. Pharmacy services that are necessary to complete treatment,
21 including referral services.

22 5. Preventive health services.

23 6. Preventive dental services.

24 7. Emergency services performed at the qualifying community health
25 center.

26 8. Transportation for patients to and from the qualifying community
27 health center if these patients would not receive care without this
28 assistance.

29 B. A contract entered into pursuant to subsection A of this section
30 may include urgent care services for walk-in patients.

31 C. Each contract shall require that the qualifying community health
32 center provide the services prescribed in subsection A of this section to
33 persons who the center determines:

34 1. Are residents of this state.

35 2. Are without medical insurance policy coverage.

36 3. Do not have a family income of more than two hundred percent of
37 the federal poverty guidelines.

38 4. Have provided verification that the person is not eligible for
39 enrollment in the Arizona health care cost containment system pursuant to
40 this chapter.

41 5. Have provided verification that the person is not eligible for
42 medicare.

43 D. The department of health services shall directly administer the
44 program and issue requests for proposals for the contracts prescribed in
45 this section. Contracts established pursuant to subsection A of this

1 section shall be signed by the department and the contractor before the
2 transmission of any tobacco tax and health care fund monies to the
3 contractor.

4 E. Persons who meet the eligibility criteria established in
5 subsection C or H of this section shall be charged for services based on a
6 sliding fee schedule approved by the department of health services.

7 F. In awarding contracts, the department of health services may
8 give preference to qualifying community health centers that have a sliding
9 fee schedule. Monies shall be used for the number of patients that
10 exceeds the number of uninsured sliding fee schedule patients that the
11 qualifying community health center served during fiscal year 1994. Each
12 qualifying community health center shall make its sliding fee schedule
13 available to the public on request. The contract shall require the
14 qualifying community health center to apply a sliding fee schedule to all
15 of its uninsured patients.

16 G. The department of health services may examine the records of
17 each qualifying community health center and conduct audits necessary to
18 determine that the eligibility determinations were performed accurately
19 and to verify the number of uninsured patients served by the qualifying
20 community health center as a result of receiving tobacco tax and health
21 care fund monies by the contract established pursuant to subsection A of
22 this section.

23 H. Contracts established pursuant to subsection A of this section
24 shall require qualifying community health center contractors to submit
25 information as required pursuant to section 36-2907.07 for program
26 evaluations.

27 I. BEGINNING OCTOBER 1, 2021, THE ADMINISTRATION SHALL ESTABLISH,
28 CONTINGENT ON APPROVAL BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES,
29 A SEPARATE GRADUATE MEDICAL EDUCATION PROGRAM TO REIMBURSE QUALIFYING
30 COMMUNITY HEALTH CENTERS THAT HAVE AN APPROVED PRIMARY CARE GRADUATE
31 MEDICAL EDUCATION PROGRAM. THE ADMINISTRATION SHALL:

32 1. DISTRIBUTE TO QUALIFYING COMMUNITY HEALTH CENTERS ANY MONIES
33 APPROPRIATED FOR GRADUATE MEDICAL EDUCATION FOR THE DIRECT AND INDIRECT
34 COSTS OF PRIMARY CARE GRADUATE MEDICAL EDUCATION PROGRAMS THAT ARE
35 ESTABLISHED BY QUALIFYING COMMUNITY HEALTH CENTERS AND THAT ARE APPROVED
36 BY THE ADMINISTRATION.

37 2. ADOPT RULES SPECIFYING THE FORMULA BY WHICH THE MONIES ARE
38 DISTRIBUTED.

39 3. REQUIRE EACH PRIMARY CARE GRADUATE MEDICAL EDUCATION PROGRAM
40 THAT RECEIVES MONIES PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION TO
41 IDENTIFY AND REPORT TO THE ADMINISTRATION THE NUMBER OF NEW RESIDENCY
42 POSITIONS CREATED WITH THOSE MONIES, INCLUDING POSITIONS IN RURAL AREAS.
43 EACH PROGRAM SHALL ALSO REPORT INFORMATION RELATED TO THE NUMBER OF FUNDED
44 RESIDENCY POSITIONS THAT RESULTED IN PHYSICIANS LOCATING THEIR PRACTICES
45 IN THIS STATE. THE ADMINISTRATION SHALL REPORT TO THE JOINT LEGISLATIVE

1 BUDGET COMMITTEE ON OR BEFORE JULY 1 OF EACH YEAR ON THE NUMBER OF NEW
2 RESIDENCY POSITIONS AS REPORTED BY THE PRIMARY CARE GRADUATE MEDICAL
3 EDUCATION PROGRAMS PURSUANT TO THIS PARAGRAPH.

4 4. COORDINATE WITH LOCAL, COUNTY AND TRIBAL GOVERNMENTS AND ANY
5 UNIVERSITY UNDER THE JURISDICTION OF THE ARIZONA BOARD OF REGENTS THAT MAY
6 PROVIDE MONIES IN ADDITION TO ANY STATE GENERAL FUND MONIES APPROPRIATED
7 FOR PRIMARY CARE GRADUATE MEDICAL EDUCATION IN ORDER TO QUALIFY FOR
8 ADDITIONAL MATCHING FEDERAL MONIES FOR PROGRAMS OR POSITIONS IN A SPECIFIC
9 LOCALITY. PAYMENTS BY THE ADMINISTRATION PURSUANT TO THIS PARAGRAPH MAY
10 BE LIMITED TO THOSE PROVIDERS DESIGNATED BY THE FUNDING ENTITY AND MAY BE
11 BASED ON ANY METHODOLOGY DEEMED APPROPRIATE BY THE ADMINISTRATION,
12 INCLUDING REPLACING ANY PAYMENTS THAT MIGHT OTHERWISE HAVE BEEN PAID
13 PURSUANT TO PARAGRAPH 1 OF THIS SUBSECTION HAD SUFFICIENT STATE GENERAL
14 FUND MONIES OR OTHER MONIES BEEN APPROPRIATED TO FULLY FUND THOSE
15 PAYMENTS. THESE PROGRAMS, POSITIONS AND PAYMENT METHODOLOGIES MUST BE
16 APPROVED BY THE ADMINISTRATION AND THE CENTERS FOR MEDICARE AND MEDICAID
17 SERVICES. THE ADMINISTRATION SHALL REPORT TO THE PRESIDENT OF THE SENATE,
18 THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE DIRECTOR OF THE JOINT
19 LEGISLATIVE BUDGET COMMITTEE ON OR BEFORE JULY 1 OF EACH YEAR ON THE
20 AMOUNT OF MONIES CONTRIBUTED AND THE NUMBER OF RESIDENCY POSITIONS FUNDED
21 BY LOCAL, COUNTY AND TRIBAL GOVERNMENTS AND ANY UNIVERSITY UNDER THE
22 JURISDICTION OF THE ARIZONA BOARD OF REGENTS, INCLUDING THE AMOUNT OF
23 FEDERAL MATCHING MONIES USED.

24 ~~I.~~ J. For the purposes of this section, "qualifying community
25 health center" means a community-based primary care facility that provides
26 medical care in medically underserved areas as provided in section
27 36-2352, or in medically underserved areas or medically underserved
28 populations as designated by the United States department of health and
29 human services, through the employment of physicians, professional nurses,
30 physician assistants or other health care technical and paraprofessional
31 personnel.