

NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by 1st submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication.

Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the Register before beginning any proceedings for adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 16. BOARD OF MEDICAL EXAMINERS

PREAMBLE

1. **Sections Affected**

R4-16-104	New Section
R4-16-105	New Section
R4-16-106	New Section
R4-16-107	New Section
R4-16-108	New Section
R4-16-109	New Section
R4-16-110	New Section
R4-16-111	New Section
R4-16-112	New Section
R4-16-113	New Section
R4-16-206	New Section
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 32-1404(D)

Implementing statutes: A.R.S. §§ 32-1422, 32-1426, 32-1428, 32-1429, 32-1432.01 through 32-1432.03, 32-2842, and 41-1072, through 41-1078
3. **The name and address of agency personnel with whom persons may communicate regarding the rule:**

Name: Elaine Hugunin, Deputy Director

Address: Board of Medical Examiners
161 East Morten, Suite 210
Phoenix, Arizona 85020

Telephone: (602) 255-3751

Fax: None listed
4. **An explanation of the rule, including the agency's reason for initiating the rule:**

A.R.S. §§ 41-1072 through 41-1078 were added during the 1996 regular legislative session and require that all administrative agencies, boards, and commissions which are subject to the Administrative Procedure Act to establish, by rule, timeframes for any licensing activities. An overall timeframe for each licensing process must be established. That timeframe must then be split into 2 parts, the administrative completeness phase and the substantive review phase. Finally, these rules must be in place no later than December 31, 1998. The proposed rules establish for physicians the necessary licensing timeframes for initial licensing by examination and endorsement, renewal of license, temporary license, locum tenens and pro bono registration, teaching license, educational teaching permit, training permit, 1-year training permit, and registration for dispensing controlled substances, drugs, and devices.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

Arizona Administrative Register
Notices of Proposed Rulemaking

6. **The preliminary summary of the economic, small business, and consumer impact:**
There is no anticipated cost to government, private industry, small businesses, or consumers. This is merely the codification of the timeframes currently observed in carrying out the various licensing activities of the Board of Medical Examiners.
7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement is:**
Name: Elaine Huguin, Deputy Director
Address: Board of Medical Examiners
1651 East Morten, Suite 210
Phoenix, Arizona 85020
Telephone: (602) 255-3751
Fax: None listed
8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**
No public proceeding is scheduled. A person may submit written comments to or request that an oral proceeding be held on the proposed rules by submitting the comments or a written request for hearing no later than 5 p.m., May 29, 1997, to the person listed above.
9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**
None.
10. **Incorporations by reference and their location in the rules:**
None.
11. **The full text of the rules follows:**

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 16. BOARD OF MEDICAL EXAMINERS

ARTICLE 1. GENERAL PROVISIONS

Section

- R4-16-104. Timeframes for Initial Licensure by Examination
R4-16-105. Timeframes for Initial Licensure by Endorsement
R4-16-106. Timeframes for Locum Tenens or Pro Bono Registration
R4-16-107. Timeframe for License Renewal
R4-16-108. Timeframes for Temporary License to Practice
R4-16-109. Timeframes for Teaching License
R4-16-110. Timeframes for Educational Teaching Permit
R4-16-111. Timeframes for Training Permit
R4-16-112. Timeframes for Short Term Training Permit
R4-16-113. Timeframes for 1-year Training Permit

ARTICLE 2. DISPENSING OF DRUGS

Section

- R4-16-206. Timeframes for Registration to Dispense Controlled Substances and Prescription-only Drugs and Devices

ARTICLE 1. GENERAL PROVISIONS

R4-16-104. Timeframes for Initial Licensure by Examination

- A. For an initial licensure by examination, the overall timeframe described in A.R.S. § 41-1072(2) is 360 calendar days.
B. For an initial licensure by examination, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 180 calendar days from the date the Board receives an application and all documents and information required by A.R.S. §§ 32-1425 and 32-1427.
1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.

- a. The notice shall state each deficiency and the information needed to complete the application and documents.
b. Within 365 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 180-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the information.
c. Pursuant to A.R.S. § 32-1427(E), an applicant who disagrees with the deficiency notice may request a hearing before the Board at its next regular meeting if there is time at that meeting to hear the matter. In no event shall the Board delay this hearing beyond 1 regularly scheduled meeting. At any hearing granted pursuant to this subsection, the burden of proof shall be upon the applicant to demonstrate that the alleged deficiencies do not exist.
d. Pursuant to A.R.S. § 32-1427(F), if an applicant does not submit the missing documents and information indicated in the notice within the timeframe specified in subsection (B)(1)(b), the application is deemed withdrawn.
2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of licensure to the applicant.
- C. For an initial license, the substantive review timeframe described in A.R.S. § 41-1072(3) is 180 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.

Arizona Administrative Register
Notices of Proposed Rulemaking

1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 90 calendar days from the date of mailing of the comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 180-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of licensure if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for licensure.
2. If the applicant meets all of the substantive criteria required by statute or rule for licensure, the Board shall issue a license to the applicant.

R4-16-105. Timeframes for Initial Licensure by Endorsement

- A. For an initial licensure by endorsement, the overall timeframe described in A.R.S. § 41-1072(2) is 360 calendar days.
- B. For an initial licensure by endorsement, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 180 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. §§ 32-1422, 32-1423, or 32-1424.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the application and documents.
 - b. Within 365 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 180-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the information.
 - c. Pursuant to A.R.S. § 32-1427(E), an applicant who disagrees with the deficiency notice may request a hearing before the Board at its next regular meeting if there is time at that meeting to hear the matter. In no event shall the Board delay this hearing beyond 1 regularly scheduled meeting. At any hearing granted pursuant to this subsection, the burden of proof shall be upon the applicant to demonstrate that the alleged deficiencies do not exist.
 - d. Pursuant to A.R.S. § 32-1427(F), if an applicant does not submit the missing documents and information indicated in the notice within the timeframe specified in subsection (B)(1)(b), the application is deemed withdrawn.
 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of licensure to the applicant.

- C. For an initial license by endorsement, the substantive review timeframe described in A.R.S. § 41-1072(3) is 180 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 90 calendar days from the date of mailing of the comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 180-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of licensure if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for licensure.
 2. If the applicant meets all of the substantive criteria required by statute or rule for licensure, the Board shall issue a license to the applicant.

R4-16-106. Timeframes for Locum Tenens or Pro Bono Registration

- A. For a locum tenens or pro bono registration, the overall timeframe described in A.R.S. § 41-1072(2) is 120 calendar days.
- B. For a locum tenens or pro bono registration, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 60 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1429.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the application and documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 60-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of registration to the applicant.
- C. For a locum tenens or pro bono registration, the substantive review timeframe described in A.R.S. § 41-1072(3) is 60 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.

Arizona Administrative Register
Notices of Proposed Rulemaking

1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 60-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of locum tenens or pro bono registration if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a locum tenens or pro bono registration.
 2. If the applicant meets all of the substantive criteria required by statute or rule for a locum tenens or pro bono registration, the Board shall issue a locum tenens or pro bono registration to the applicant.
- a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 30-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of temporary licensure to the applicant.
- C. For a temporary license to practice medicine, the substantive review timeframe described in A.R.S. § 41-1072(3) is 30 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested information. The 60-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of temporary licensure if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a temporary license.
 2. If the applicant meets all of the substantive criteria required by statute or rule for a temporary license, the Board shall issue a temporary license to the applicant.

R4-16-107. Timeframe for License Renewal

- A. For renewal of licensure, the overall timeframe described in A.R.S. § 41-1072(2) is 90 calendar days.
- B. For renewal of licensure, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 90 calendar days and begins on the date the Board receives the renewal application.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice. The notice shall state each deficiency and the documents and information needed.
 2. The 90-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 3. If an applicant does not submit a complete renewal application before May 1, the license shall expire, except that the license of a physician who does not renew the license and who has been advised in writing that an investigation is pending at the time the license is due to expire shall not expire until the investigation is resolved. The license is suspended on the date it would otherwise expire and the physician shall not practice in this state until the investigation is resolved.
 4. If the submitted application is administratively complete, the Board shall send a written notice of renewal to the applicant.

R4-16-108. Timeframes for Temporary License to Practice

- A. For a temporary license to practice medicine, the overall timeframe described in A.R.S. § 41-1072(2) is 60 calendar days.
- B. For a temporary license to practice medicine, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 30 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1428.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.

R4-16-109. Timeframes for Teaching License

- A. For a teaching license, the overall timeframe described in A.R.S. § 41-1072(2) is 30 calendar days.
- B. For a teaching license, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 15 calendar days from the date the Board receives an application and all documents and information required by A.R.S. § 32-1432.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 15-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.

Arizona Administrative Register
Notices of Proposed Rulemaking

2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of license to the applicant.
- C. For a teaching license, the substantive review timeframe described in A.R.S. § 41-1072(3) is 15 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 15-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of teaching license if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a teaching license.
 2. If the applicant meets all of the substantive criteria required by statute or rule for a teaching license, the Board shall issue a teaching license to the applicant.

R4-16-110. Timeframes for Educational Teaching Permit

- A. For an educational teaching permit, the overall timeframe described in A.R.S. § 41-1072(2) is 10 calendar days.
- B. For an educational teaching permit, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 5 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1432.01.
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 10 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 5-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of educational teaching permit to the applicant.

- C. For an educational teaching permit, the substantive review timeframe described in A.R.S. § 41-1072(3) is 5 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 10 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 5-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of educational teaching permit if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for an educational teaching permit.
 2. If the applicant meets all of the substantive criteria required by statute or rule for an educational teaching permit, the Board shall issue an educational teaching permit to the applicant.

R4-16-111. Timeframes for Training Permit

- A. For a training permit, the overall timeframe described in A.R.S. § 41-1072(2) is 30 calendar days.
- B. For a training permit, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 15 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1432.02(A).
 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 15-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 2. If the submitted application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of training permit to the applicant.
- C. For a training permit, the substantive review timeframe described in A.R.S. § 41-1072(3) is 15 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.

Arizona Administrative Register
Notices of Proposed Rulemaking

- a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 15-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of training permit if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a training permit.
2. If the applicant meets all of the substantive criteria required by statute or rule for a training permit, the Board shall issue a training permit to the applicant.

R4-16-112. Timeframes for Short Term Training Permit

- A. For a short term training permit, the overall timeframe described in A.R.S. § 41-1072(2) is 30 calendar days.
- B. For a short term training permit, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 15 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1432.02(C).
 - 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 15-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 - 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 - 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of short term training permit to the applicant.
- C. For a short-term training permit, the substantive review timeframe described in A.R.S. § 41-1072(3) is 15 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 - 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 15-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.

- b. The Board shall issue a written notice of denial of short-term training permit if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a short-term training permit.
2. If the applicant meets all of the substantive criteria required by statute or rule for a short-term training permit, the Board shall issue a short-term training permit to the applicant.

R4-16-113. Timeframes for 1-year Training Permit

- A. For a 1-year training permit, the overall timeframe described in A.R.S. § 41-1072(2) is 30 calendar days.
- B. For a 1-year training permit, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 15 calendar days from the date the Board receives all documents and information required by A.R.S. § 32-1432.03.
 - 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 15-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 - 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 - 3. If the submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial of 1-year training permit to the applicant.
- C. For a 1-year training permit, the substantive review timeframe described in A.R.S. § 41-1072(3) is 15 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 - 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 15-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives requested additional information.
 - b. The Board shall issue a written notice of denial of 1-year training permit if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for a 1-year training permit.

Notices of Proposed Rulemaking

- 2. If the applicant meets all of the substantive criteria required by statute or rule for a 1-year training permit, the Board shall issue a 1-year term training permit to the applicant.

ARTICLE 2. DISPENSING OF DRUGS

R4-16-206. Timeframes for Registration to Dispense Controlled Substances and Prescription-only Drugs and Devices

- A. For a registration to dispense controlled substances and prescription-only drugs and devices, or renewal of registration, the overall timeframe described in A.R.S. § 41-1072(2) is 150 calendar days.
- B. For a registration to dispense controlled substances and prescription-only drugs, or renewal of registration, the administrative completeness review timeframe described in A.R.S. § 41-1072(1) is 45 calendar days from the date the Board receives an application, and all documents and information required by A.R.S. § 32-1491.
 - 1. If the required application is not administratively complete, the Board shall send to the applicant a deficiency notice.
 - a. The notice shall state each deficiency and the documents and information needed to complete the documents.
 - b. Within 30 calendar days from the date of mailing of a deficiency notice, an applicant shall submit to the Board the missing documents and information specified in the notice. The 45-day timeframe for the Board to finish the administrative completeness review is suspended from the date the Board mails the deficiency notice to the applicant until the date the Board receives the documents and information.
 - 2. If the application is administratively complete, the Board shall send a written notice of administrative completeness to the applicant.
 - 3. If the application and submitted documents and information do not contain all of the components required by statute or rule, the Board may send a written notice of denial

of registration to dispense controlled substances and prescription-only drugs and devices to the applicant.

- C. For a registration to dispense controlled substances and prescription-only drugs and devices, or renewal of registration, the substantive review timeframe described in A.R.S. § 41-1072(3) is 105 calendar days and begins on the date the Board sends written notice of administrative completeness to the applicant.
 - 1. During the substantive review timeframe, the Board may make 1 comprehensive written request for additional information.
 - a. Within 30 calendar days from the date of mailing of a comprehensive written request for additional information, the applicant shall submit to the Board the requested additional information. The 105-day timeframe for the Board to finish the substantive review is suspended from the date the Board provides the comprehensive written request for additional information to the applicant until the Board receives the requested additional information.
 - b. The Board shall issue a written notice of denial of registration or renewal of registration to dispense controlled substances and prescription-only drugs and devices if:
 - i. The applicant does not submit the requested additional information within the timeframe in subsection (C)(1)(a); or
 - ii. The Board determines that the applicant does not meet all of the substantive criteria required by statute or rule for registration or renewal of registration to dispense controlled substances and prescription-only drugs and devices.
 - 2. If the applicant meets all of the substantive criteria required by statute or rule for registration or renewal of registration to dispense controlled substances and prescription-only drugs and devices, the Board shall issue a registration or renewal of registration to dispense controlled substances and prescription-only drugs and devices.

NOTICE OF PROPOSED RULEMAKING

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 23. BOARD OF PHARMACY

PREAMBLE

- 1. **Sections Affected**
 - R4-23-110
 - R4-23-410
- Rulemaking Action**
 - Amend
 - New Section
- 2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
 - Authorizing statute: A.R.S. § 32-1904(A)(1)
 - Implementing statutes: A.R.S. § 32-1901(7) and (59) and 32-1904(B)(5)

Arizona Administrative Register
Notices of Proposed Rulemaking

3. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Dean Wright, Compliance Officer
Address: Board of Pharmacy
5060 North 19th Avenue, Suite 101
Phoenix, Arizona 85015
Telephone: (602) 255-5125, ext. 131
Fax: (602) 255-5740

4. An explanation of the rule, including the agency's reason for initiating the rule:

This rule was initiated at the request of the Arizona Pharmacy Association. The Arizona Pharmacy Association represents pharmacies and pharmacists in the state of Arizona. In the fall of 1994, a committee consisting of members from the Arizona Pharmacy Association worked together to draft a proposed compounding statute. The proposal was presented at the July 17-18, 1996, Board meeting. The Board determined that a statutory change was not necessary. The Board directed the Board staff to work with the Arizona Pharmacy Association committee in converting the proposed statute into a proposed rule. This rule is the culmination of that joint effort.

The rule amends R4-23-110 by adding a definition for "current good compounding practices" and amending the definition of "component". The rulemaking adds a new R4-23-410 (Current Good Compounding Practices). The rule establishes the minimum current good compounding practices for the preparation of drugs by a pharmacist licensed by the Board, in a pharmacy permitted by the Board, and according to applicable state law governing the practice of pharmacy. The rule establishes standards for all aspects of compounding practice include:

- a. Receipt, storage, or use of drug substances;
- b. Limiting quantity and advertising;
- c. Organization, training, and personnel;
- d. Security, safety, and quality;
- e. Compounding facilities, equipment, and utensils;
- f. Control procedures for components and drug product container and closures;
- g. Drug compounding controls; and
- h. Labeling and recordkeeping.

The Board believes that adoption of these rules will benefit the public health and safety by establishing clear standards governing pharmacy compounding practice. These standards will ensure compounded drug product safety identity, strength, quality, and purity. The Board further believes that specific regulation and enforcement are necessary to regulate and control the rapidly evolving role of pharmacists in a dynamic health care system.

5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

6. The preliminary summary of the economic, small business, and consumer impact:

In today's average pharmacy, the art of compounding is almost a lost art. Drug companies manufacture the vast majority of the drugs dispensed in today's pharmacies. Although drug companies manufacture most drugs, there still exists the need for a dosage form or strength of drug that is not available commercially. For example, a drug may only come in tablet form but a particular patient may require a liquid or suppository. Many physicians use a compounding pharmacist or pharmacy to provide individualized doses or dosage forms. These compounded drugs can literally mean life or death or, at least, reduced pain and suffering for a physician's patient. The rule benefits the Board, pharmacies, pharmacists, physicians, 3rd-party payers, and patients by providing standards to ensure drug product safety, identity, strength, quality, and purity and further benefits the Board by promoting consistent compliance. Pharmacies and pharmacists may benefit from reduced liability by following standards established in the rule. Pharmacies and pharmacists will benefit because the rule is concise and compliance standards are clear. Third-party payers and patients benefit from lower cost therapy by using the proper drug, in the lowest therapeutically effective dose, with fewer side effects, in a dosage form that provides optimal patient compliance, resulting in a positive therapeutic outcome. The benefits for Arizona citizens provided by compounding pharmacists and pharmacies, although non quantifiable, far outweigh the additional costs the proposed rule may impose on compounding pharmacists and pharmacies.

7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement is:

Name: Dean Wright, Compliance Officer
Address: Board of Pharmacy
5060 North 19th Avenue, Suite 101
Phoenix, Arizona 85015
Telephone: (602) 255-5125, ext. 131
Fax: (602) 255-5740

Notices of Proposed Rulemaking

8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Date: May 27, 1997
Time: 10 a.m.
Location: Board of Pharmacy
5060 North 19th Avenue, Suite 101
Phoenix, Arizona 85015
Nature: Oral Proceeding

Comments may be written or presented orally. Written comments must be received by 5 p.m., May 27, 1997. A person may request information about the oral proceeding by contacting the person listed above.

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None.

10. Incorporations by reference and their location in the rules:
None

11. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 23. BOARD OF PHARMACY

ARTICLE 1. ADMINISTRATION

Section
R4-23-110. Definitions

ARTICLE 4. PROFESSIONAL PRACTICES

R4-23-410. Current Good Compounding Practices

ARTICLE 1. ADMINISTRATION

R4-23-110. Definitions

In addition to the definitions set forth in A.R.S. § 32-1901, the following definitions apply to this Chapter.

"Active ingredient" means any component which is intended to furnish pharmacological activity or other direct effect in the diagnosis, cure, mitigation, treatment, or prevention of disease or to affect the structure or any function of the body of man or other animals. The term shall include those components which may undergo chemical change in the manufacture of the drug and be present in the finished drug products in a modified form intended to furnish the specified activity or effect.

"AZPLEX" means Arizona pharmacy law examination.

"Batch" means a specific quantity of drug that has uniform character and quality, within specified limits, and is produced according to a single manufacturing order during the same cycle of manufacture.

"Beyond-use date" means a date determined by a pharmacist and placed on a prescription label at the time of dispensing intended to indicate a time beyond which the contents of the prescription are not recommended to be used.

"Biological safety cabinet" means a containment unit suitable for the preparation of low- to moderate-risk agents where there is a need for protection of the product, personnel, and environment, consistent with National Sanitation Foundation (NSF) standards, published in the National Sanitation Foundation Standard 49, Class II (Laminar Flow) Biohazard Cabinetry, Revised June 1987 edition, incorporated by reference and on file with the Office of the Secretary of State.

"Class 100 environment" means an atmospheric environment in compliance with the Federal Standard 209 Clean Room and Work Station Requirements: Controlled Environment, publication FED-STD-209D, June 15, 1988, edition which included January 28, 1991, changes, incorporated by reference and on file with the Office of the Secretary of State.

"Community pharmacy" means any place under the direct supervision of a pharmacist where the practice of pharmacy occurs or where prescription orders are compounded and dispensed other than a hospital pharmacy or a limited service pharmacy.

"Component" means any ingredient intended for use in compounding or manufacturing the manufacture of drugs in dosage form, including an ingredient those that may not appear in the finished product.

"Correctional facility" has the same meaning as set forth in A.R.S. §§ 13-2501 and 31-341.

"Current good compounding practices" means the minimum standards for methods used in, and facilities or controls use for, compounding a drug to ensure that the drug has the identity and strength and meets the quality and purity characteristics it purports or is represented to possess.

"Cytotoxic" means a pharmaceutical that has the capability of killing living cells

"Drug sample" means a unit of a prescription drug that is not intended to be sold and is intended to promote the sale of the drug.

"Extreme emergency" means the occurrence of a fire, water leak, electrical failure, public disaster, or other catastrophe constituting an imminent threat of physical harm to pharmacy personnel or patrons.

"First-aid stations" means units within a business or industrial organization which are limited to, as the name implies, first-aid treatment of injuries incurred in association with the business function.

"Inactive ingredient" means any component other than an "active ingredient" present in a drug.

Arizona Administrative Register
Notices of Proposed Rulemaking

"Industrial medical stations" means units where drugs are stored, established within businesses and industrial organizations.

"Long-term care consultant pharmacist" means a pharmacist providing consulting services to a long-term care facility.

"Limited-service correctional pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current permit issued by the Board pursuant to A.R.S. § 32-1931, is located in a correctional facility, and engages in the compounding, production, dispensing, and distribution of drugs.

"Limited-service mail-order pharmacy" means a limited-service pharmacy, as defined in A.R.S. § 32-1901, that holds a current permit issued by the Board pursuant to A.R.S. § 32-1931, and dispenses a majority of its prescription medications or prescription-only devices by mailing or delivering the prescription medication or prescription-only device to an individual by the United States mail, a common or contract carrier, or a delivery service.

"Limited-service pharmacy permittee" means a person who has applied for and obtained a limited-service pharmacy permit in compliance with A.R.S. §§ 32-1929, 32-1930, 32-1931, and A.A.C. R4-23-606.

"Long-term care consultant pharmacist" means a pharmacist providing consulting services to a long-term care facility.

"Lot" means a batch or any portion of a batch of a drug or in the case of a drug produced by a continuous process, an amount of drug produced in a unit of time or quantity in a manner that assures its uniformity, and in either case which is identified by a distinctive lot number and has uniform character and quality with specified limits.

"Lot number" or "control number" means any distinctive combination of letters or numbers, or both, from which the complete history of the manufacture, control, packaging, and distribution of a batch or lot of drug can be determined.

"Materials approval unit" means any organizational element having the authority and responsibility to approve or reject components, in-process materials, packaging components, and final products.

"Mediated instruction" means learning transmitted via intermediate mechanisms such as audio and/or visual tape telephonic transmission, etc.

"NABPLEX" means National Association of Boards of Pharmacy Licensure Examination.

"Occupational Medicine" or "Industrial Medicine" means the field of medicine dealing with the medical problems associated with persons employed in any occupation.

"Outpatient" or "Outpatient setting" means a person that receives medical treatment as a result of not being a residential patient in a health care institution, or a location where medical treatment is provided to patients not required to be overnight residents of the facility.

"Patient profile" means a readily retrievable, centrally located information record which contains, but is not limited to: patient demographics, allergies, and medication profile.

"Pharmacy law continuing education" means a continuing education activity that addresses practice issues

related to state or federal pharmacy statutes, rules or regulations, offered by an Approved Provider.

"Prepackaged drug" means a drug which is packaged, ordinarily in frequently prescribed quantities, labeled, in compliance with A.R.S. §§ 32-1967 and 32-1968, for storage and subsequent dispensing by a pharmacist, or pharmacy intern under the supervision of a pharmacist, who at that time verifies that it is properly labeled for the patient.

"Provider pharmacist" means the pharmacist who supplies medication to a long-term care facility and maintains medication profiles.

"Remodel" means to structurally alter the pharmacy area or location.

"Remote drug storage area" means an area that is outside the premises of the pharmacy, used for the storage of drugs, locked to deny access by unauthorized persons, and secured against the use of force.

"Resident" means a person admitted to and residing in a long-term care facility.

"Sterile pharmaceutical product" means a dosage form free from living microorganisms.

"Strength" means:

The concentration of the drug substance (for example, w/w, w/v, or unit dose/volume basis); and/or

The potency, that is, the therapeutic activity of the drug substance as indicated by bioavailability tests or by controlled clinical data (expressed, for example, in terms of unity by reference to a standard).

"Supervision" means the pharmacist shall be present, assume legal responsibility, and have personal oversight of activities relating to the acquisition, preparation, distribution, and sale of prescription medications by pharmacy interns or supportive personnel.

"Supplying" is the issuing of 1 or more doses of a proprietary drug in the original container of a manufacturer for subsequent use by the patient.

"Supportive Personnel" means an individual trained to perform activities related to the preparation and distribution of prescription medications, under the supervision of a pharmacist and consistent with policy and procedures as required in R4-23-403.

"Wholesale distribution" means distribution of drugs to persons other than a consumer or patient but does not include:

The sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug for emergency medical reasons. For purposes of this Section, "emergency medical reasons" includes transfer of prescription drugs by a community or hospital pharmacy to another community or hospital pharmacy to alleviate a temporary shortage;

The sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a drug, or the dispensing of a drug pursuant to a prescription;

The distribution of drug samples by manufacturers' representatives or distributors' representatives; or

The sale, purchase, or trade of blood and blood components intended for transfusion.

Arizona Administrative Register
Notices of Proposed Rulemaking

"Wholesale distributor" means anyone engaged in wholesale distribution of drugs, including, but not limited to, manufacturers; repackers; own-label distributors; private-label distributors; jobbers; brokers; warehouses, including manufacturers' and distributors' warehouses, chain drug warehouses, and wholesale drug warehouses; independent wholesale drug traders; and retail pharmacies that conduct wholesale distributions in the amount of at least 5% of gross sales.

ARTICLE 4. PROFESSIONAL PRACTICES

R4-23-410. Current Good Compounding Practices

- A. This rule establishes the current good compounding practices to be used by a pharmacist licensed by the Board, in a pharmacy permitted by the Board, and in compliance with applicable federal and state law governing the practice of pharmacy.
- B. A pharmacy permittee shall ensure compliance with the provisions in this subsection.
1. All drug substances for compounding that are received, sorted, or used by the pharmacy permittee:
 - a. Meet official compendium requirements; or
 - b. Are of high quality, such as Chemically Pure (CP), Analytical Reagent (AR), certified American Chemical Society (SCS), or Food Chemical Codex (FCC) grade; or
 - c. Are obtained from a source that, in the professional judgment of the pharmacist, is acceptable and reliable.
 2. A pharmacist, employed by the pharmacy permittee, compounds a drug in limited quantity in anticipation of receiving valid prescriptions for the drug, only after establishing a history of compounding valid prescriptions for the drug.
 3. Neither the pharmacy permittee nor a pharmacist employed by the pharmacy permittee provide a compounded drug to a pharmacy, medical practitioner, or other person for dispensing or distributing except that a compounded drug may be provided to a medical practitioner to administer to a patient of the medical practitioner. A pharmacy or pharmacist may advertise or otherwise promote the fact that the pharmacy or pharmacist provides prescription compounding services, but the pharmacy or pharmacist shall not solicit business by advertising or otherwise promoting the compounding of a specific drug product.
- C. A pharmacy permittee shall ensure compliance with the organization, training, and personnel issues in this subsection.
1. Before dispensing a compounded drug, a pharmacist:
 - a. Inspects and approves or rejects, or assumes responsibility for inspecting and approving or rejecting, components, drug product containers, closures, in-process materials, and labeling;
 - b. Prepares or assumes responsibility for preparing all compounding records;
 - c. Reviews all compounding records to ensure that no errors occur in the compounding process; and
 - d. Ensures the proper use, cleanliness, and maintenance of all compounding equipment.
 2. A pharmacist engaged in compounding:
 - a. Complies with the current good compounding practices and applicable state pharmacy laws;
 - b. Maintains compounding proficiency through current awareness, training, and continuing education; and
 - c. Ensures that personnel engaged in compounding wear:

- i. Clean clothing appropriate to the work performed; and
- ii. Protective apparel, such as coats, aprons, gowns, gloves, or masks to protect the personnel from chemical exposure and prevent drug product contamination.

- D. A pharmacy permittee shall ensure the security, safety, and quality of a compounded drug by conforming with the following standards:
1. Implement procedures to exclude from direct contact with components, drug product containers, closures, in-process materials, and drug products, any person with an apparent illness or open lesion that may adversely affect the safety or quality of a compounded drug, until the illness or lesion, as determined by competent medical personnel, does not jeopardize the safety or quality of a compounded drug; and
 2. Require all personnel to inform a pharmacist of any health condition that may adversely affect a compounded drug.
- E. A pharmacy permittee shall provide compounding facilities that conform with the standards in this subsection.
1. In addition to the minimum area requirements of R4-23-609, R4-23-655, or R4-23-673, the compounding area:
 - a. Complies with the requirements in R4-323-604(C)(1) and R4-23-611; and
 - b. Has sufficient space to permit efficient pharmacy practice, free movement of personnel, and visual surveillance by a pharmacist.
 2. If sterile pharmaceutical or radiopharmaceutical compounding is performed, provide a separate compounding area that complies with the rules governing sterile pharmaceuticals and radiopharmaceuticals.
 3. A clean, dry, and temperature-controlled area and, if required, a refrigerated area, in which to store properly labeled containers of bulk drugs, chemicals, and materials used in compounding that comply with state statutes and rules.
- E. To protect drug product safety, identity, strength, quality, and purity, a pharmacy permittee shall ensure that equipment and utensils used in drug compounding conform with the standards in this subsection.
1. Are of appropriate design, adequate size, and suitably located for proper operation, cleaning, and maintenance.
 2. Are made of material that is not reactive, additive, or absorptive when exposed to components, in-process materials, or drug products.
 3. Are cleaned and sanitized before use.
 4. If previously cleaned:
 - a. Are protected from contamination before use; and
 - b. Are inspected and determined suitable for use, by a pharmacist, immediately before initiation of compounding operations.
 5. Are routinely inspected, calibrated, or checked to make proper performance certain.
- G. A pharmacy permittee shall ensure that the pharmacist-in-charge established and implements procedures to prevent cross-contamination when drug products that require special precautions to prevent cross-contamination, such as penicillin, are used in a compounding procedure. The procedures shall include either the dedication of equipment or the meticulous cleaning of contaminated equipment before its use in preparing other drugs.

Arizona Administrative Register
Notices of Proposed Rulemaking

- H. A pharmacy permittee shall ensure that the pharmacist-in-charge establishes and implements control procedures for components and drug product containers and closures, either written or electronically stored with printable documentation, that conform with the standards in this subsection.
1. Components and drug product containers and closures are:
 - a. Stored off the floor.
 - b. Handled and stored to prevent contamination, and
 - c. Rotated so the oldest approved stock is used 1st.
 2. Container closure systems comply with official compendium standards.
 3. Drug product containers and closures are clean and made of material that is not reactive, additive, or absorptive.
 4. Drug product containers and closures used for compounded sterile pharmaceuticals and radiopharmaceuticals are handled, sterilized, and stored in compliance with R4-23-670, R4-23-681, and R4-23-682.
- I. A pharmacy permittee shall ensure that the pharmacist-in-charge establishes and implements drug compounding controls that conform with the standards in this subsection.
1. Drug compounding procedures are available in either written form or electronically stored with printable documentation:
 - a. To ensure that a finished drug product has the identity, strength, quality, and purity it is purported or represented to possess, the procedures include, for each drug compounded, a description of:
 - i. The components, their amounts, the order of component addition, and the compounding process;
 - ii. The required equipment and utensils; and
 - iii. The drug product container and closure system proper for the sterility and stability of the drug as it is intended to be used.
 - b. To test the product being compounded, the procedures monitor the output and validate the performance of compounding processes that may cause variability in the final drug product, including assessing:
 - i. Dosage form weight variation;
 - ii. Adequacy of mixing to ensure uniformity and homogeneity; and
 - iii. Clarity, completeness, or pH of solutions.
 2. Components for drug compounding are accurately weighed, measured, or subdivided. To ensure that each weight, measure, or subdivision is correct as stated in the compounding procedures, a pharmacist checks and rechecks, or assumes responsibility for checking and rechecking, the operations at each stage of the compounding process.
 3. When a component is removed from its original container and transferred to another container, the new container label contains, in full text or an abbreviated code system, the following:
 - a. The component name,
 - b. The lot or control number,
 - c. The weight or measure,
 - d. The beyond-use date, and
 - e. The transfer date.
- J. A pharmacy permittee shall ensure that the pharmacist-in-charge stores any quantity of compounded drug produced in excess of the quantity dispensed in accordance with subsection (B):
1. In an appropriate container with a label that contains:
 - a. A complete list of components or the drug product name;
 - b. The preparation date;
 - c. The assigned lot or control number; and
 - d. A beyond-use date based upon the pharmacist's professional judgment, but not more than the maximum guidelines recommended in the Pharmacy Compounding Practices chapter of the official compendium unless there are published data based on testing that show a longer period is appropriate; and
 2. Under condition, dictated by the drug's composition and stability characteristics, that ensure its strength, quality, and purity.
- K. A pharmacy permittee shall ensure that the pharmacist-in-charge establishes and implements recordkeeping procedures that comply with this Section:
1. Drug compounding procedures and other records required by this Section are retained in the pharmacy for not less than 3 years, and
 2. Drug compounding procedures and other records required by this Section are readily available for inspection by the Board or its designee.

NOTICE OF PROPOSED RULEMAKING

TITLE 9. HEALTH SERVICES

**CHAPTER 10. DEPARTMENT OF HEALTH SERVICES
HEALTH CARE INSTITUTIONS: LICENSURE**

PREAMBLE

1. Sections Affected

Article 10
R9-10-1011
R9-10-1012
R9-10-1013
R9-10-1014
R9-10-1015
R9-10-1016
R9-10-1017
R9-10-1018

Rulemaking Action

Repeal
Repeal
Repeal
Repeal
Repeal
Repeal
Repeal
Repeal
Repeal

Arizona Administrative Register
Notices of Proposed Rulemaking

R9-10-1019	Repeal
R9-10-1020	Repeal
R9-10-1021	Repeal
R9-10-1022	Repeal
R9-10-1023	Repeal
R9-10-1024	Repeal
R9-10-1025	Repeal
R9-10-1026	Repeal
R9-10-1027	Repeal
R9-10-1028	Repeal
R9-10-1029	Repeal
R9-10-1030	Repeal

2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. § 36-136(F)

Implementing statutes: A.R.S. §§ 36-405, 36-502 and 36-2023

3. **The name and address of agency personnel with whom persons may communicate regarding the rule:**

Name: Johnie Golden, Program Manager

Address: Arizona Department of Health Services
Assurance & Licensure Services
1647 East Morten, Suite 240
Phoenix, Arizona 85020

Telephone: (602) 255-1127

Fax: (602) 255-1225

4. **An explanation of the rule, including the agency's reason for initiating the rule:**

These rules had set forth the minimum requirements for the licensure of behavioral health service agencies but are now redundant and obsolete. Pursuant to Laws 1992, Chapter 301, § 61, and under an exemption from the provisions of A.R.S. Title 41, Chapter 6, the Department adopted new rules in 9 A.A.C. 20 (Behavioral Health Service Agencies: Licensure), which govern the licensure of behavioral health service agencies and replace 9 A.A.C. 10, Article 10, in its entirety. The Department is repealing these rules because they are no longer used.

5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.

6. **The preliminary summary of the economic, small business, and consumer impact:**

There will be no economic impact on small businesses or consumers as the rule is no longer used to regulate behavioral health service agencies.

7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement is:**

Name: Johnie Golden, Program Manager

Address: Arizona Department of Health Services
Assurance & Licensure Services
1647 East Morten, Suite 240
Phoenix, Arizona 85020

Telephone: (602) 255-1127

Fax: (602) 255-1225

8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**

The Department has not scheduled oral proceedings on this rule repeal action. The Department will schedule oral proceedings if 5 or more individuals request oral proceedings by submitting a written request to the individual named in question 3 above, before 5 p.m. on Friday, May 30, 1997, the date scheduled for the close of record. The Department will accept written comments from the present date until the close of record date. Written comments should be submitted to the individual identified in question 3 before the close of record date. To request accommodation to participate in the public comment process, or to obtain this notice in alternative format, contact the individual identified in question 3 above.

Close of Record: May 30, 1997

9. **Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:**

None.

Arizona Administrative Register
Notices of Proposed Rulemaking

10. Incorporations by reference and their location in the rules:

None

11. The full text of the rules follows:

TITLE 9. HEALTH SERVICES

CHAPTER 10. DEPARTMENT OF HEALTH SERVICES
HEALTH CARE INSTITUTIONS: LICENSURE

~~ARTICLE 10. BEHAVIORAL HEALTH SERVICE
AGENCIES~~

Section

R9-10-1011.	General
R9-10-1012.	Definitions
R9-10-1013.	Applicability and scope of regulations
R9-10-1014.	Licensure process and requirements
R9-10-1015.	General organization and administration
R9-10-1016.	Client records
R9-10-1017.	Confidentiality of client records
R9-10-1018.	Clients rights
R9-10-1019.	Research
R9-10-1020.	Medication control
R9-10-1021.	Environmental and general building requirements
R9-10-1022.	Food service
R9-10-1023.	Required elements of agency's program of services
R9-10-1024.	Behavioral health emergency services
R9-10-1025.	Mental health screening services
R9-10-1026.	Mental health evaluation services
R9-10-1027.	Mental health treatment services
R9-10-1028.	Partial care services
R9-10-1029.	Behavioral health residential services
R9-10-1030.	Detoxification services

~~ARTICLE 10. BEHAVIORAL HEALTH SERVICE
AGENCIES~~

R9-10-1011. General

All behavioral health service agencies are subject to inspection by the Department as provided in A.R.S. § 36-406, 36-424, 36-502(A) and 36-2023(A). The agencies shall afford Department personnel and other authorized officials every opportunity to examine records, inspect the entire premises, and obtain all information required in the administration of A.R.S. Title 36, Chapter 4, Articles 1 and 2, Chapter 5 and Chapter 18. Department personnel will maintain verbal and written confidentiality concerning these records, as required by A.R.S. § 36-404.

R9-10-1012. Definitions

A. "Behavioral health services" means screening, evaluation, care, or treatment services to prevent, reduce, or eliminate substance abuse, disorders, relating to 1 or more mental disorders, personality disorders or emotional conditions. Behavioral health services includes the following:

1. "Behavioral health emergency services" means intensive, immediate, short term services that inform, evaluate and treat persons in a crisis situation related to mental disorders, personality disorders, emotional conditions or the abuse or misuse of alcohol or other drugs.
2. "Behavioral health residential services" means a non-hospital, live-in program consisting of a therapeutic regimen of screening, evaluation, treatment or rehabilitation program provided on a 24-hour basis in a supervised environment to persons suffering from mental disorders, personality disorders, emotional conditions or the effects of substance abuse.

3. ~~"Court ordered alcoholism treatment services" means involuntary residential services in an alcoholism treatment facility for clients designated as chronic alcoholics pursuant to A.R.S. Title 37, Chapter 18.~~
4. ~~"Detoxification services" means a treatment program designed to provide for the systematic reduction of physical dependence upon alcohol, drugs or other substances by use of therapeutic procedures, e.g. medication, rest, diet, counseling, or medical supervision.~~
5. ~~"Mental health evaluation service" means assessment of a person's medical, psychiatric, psychological or social condition provided pursuant to A.R.S. Title 36, Chapter 5.~~
6. ~~"Mental health screening services" means the preliminary interviewing and assessment of a person to determine if the person has a mental disorder and if the person is a danger to himself or others or is gravely disabled as defined by A.R.S. Title 36, Chapter 5.~~
7. ~~"Mental health treatment services" means treatment services provided pursuant to A.R.S. Title 36, Chapter 5.~~
8. ~~"Partial care services" means a planned program consisting of part-day, evening, night, or weekend treatment provided through sessions of at least 3 hours per day for persons with mental disorders, personality disorders, emotional conditions or substance abuse problems who require less than intensive 24-hour services but more than outpatient visits.~~
9. ~~"Substance abuse treatment services" means screening, evaluation, treatment, or rehabilitation services provided to persons with substance abuse problems.~~
- B. ~~"Behavioral health service agency" as defined R9-10-113(B)(4) means a class of health care institution other than a hospital which provides screening, evaluation, care or treatment to persons having mental disorders, personality disorders, emotional conditions, or substance abuse problems.~~
- C. ~~"Client" means an individual who is receiving services from a behavioral health service agency. Clients may be termed patients, residents or wards.~~
- D. ~~"Intake, screening, and referral process" means the preliminary assessment of the needs of prospective clients and the referral of such clients to the appropriate resource for treatment or care.~~
- E. ~~"License" means a certificate issued by the Department to indicate that an agency is authorized by the Department to provide behavioral health services and which has been found to be in compliance with these regulations and laws at the time of issuance thereof.~~
- F. ~~"Medication" means any drug or medicine which may be dispensed or administered by prescription in accordance with state or federal law.~~
- G. ~~"Referral" means assistance to a person and/or his family to locate and make use of medical, legal, psychological, social, educational, vocational, and other services needed for the reduction or management of mental disorders, personality disorders, emotional conditions or substance abuse problems.~~
- H. ~~"Substance abuse" includes chronic, habitual, or compulsive use of any chemical matter, which, when introduced into the~~

Arizona Administrative Register
Notices of Proposed Rulemaking

body in any way is capable of causing altered human behavior or altered mental functioning, and which, if use over an extended period of time, may cause psychological or physiological dependence or impaired mental, social, or economic functioning.

- I. "Treatment" means the range of care received by a client which is consistent with the agency's program statement, evaluation of the client's medical, psychiatric, psychological or substance abuse problem(s), and determination by a therapist, of the client's treatment needs based on that evaluation.

R9-10-1013. Applicability and scope of regulations

- A. The rules in this Article apply to the licensure of any public or private behavioral health service agency, corporation, or other organization, proprietary or non-proprietary, which provides 1 or more behavioral health service.
- B. Hospitals licensed pursuant to Chapter 10, which provide 1 or more behavioral health service, are, in addition to other applicable articles of this Chapter, subject to the following regulations: R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, R9-10-1023 through R9-10-1030. Unless otherwise expressly provided, the requirements of this Article, when applied to hospital, apply only to the behavioral health services of the hospital.
- C. These rules do not apply to:
1. Behavioral health services agencies which provide only administrative services and do not provide direct patient treatment.
 2. Educational services or activities offered under the auspices of an educational institution accredited by a nationally recognized organization.
 3. Crisis intervention programs which do not provide face-to-face, on-site services.
 4. Self help or self-growth groups.
 5. Private practitioners defined pursuant to A.R.S. § 36-402 and other private practitioners who do not keep clients overnight, are not responsible to lay a board, and who do not employ or contract with others to deliver behavioral health services.
 6. Agencies licensed by the Department of Economic Security, pursuant to A.R.S. §§ 8-503 and 36-558.01.

R9-10-1014. Licensure process and requirements

- A. An application for a behavioral health service agency license shall indicate which of the following types of behavioral health services the applicant plans to provide:
1. Behavioral health emergency services.
 2. Mental health screening services.
 3. Mental health evaluation services.
 4. Mental health treatment services.
 5. Substance abuse treatment services.
 6. Detoxification services.
 7. Behavioral health residential services.
 8. Partial care services.
 9. Court ordered alcoholism treatment services.
- B. Upon being satisfied that the agency complies with all appropriate provisions of this Chapter, the Department shall issue to the agency a license to operate as a behavioral health service agency. The license shall specify the services the agency is authorized to provide and the location at which the services are based.
- C. A hospital which provides 1 or more behavioral health services shall, upon application for a license pursuant to Chapter 10, identify those behavioral health services that it provides as set forth in subsection (A) of this rule. The Department shall, as part of its licensure survey pursuant to Chapter 10, determine whether the hospital complies with the applicable provi-

sions of this Chapter. The license issued to the hospital shall specify the behavioral health services the hospital is authorized to provide.

R9-10-1015. General organization and administration

- A. Governing authority
1. The agency shall adopt a written program statement of activities.
 2. Each behavioral health agency shall be organized and administered under 1 authority which may be a proprietorship, partnership, association, corporation or governmental unit.
 3. The agency shall appoint a qualified administrator who will be responsible for carrying out the policies determined by the governmental unit or governing board.
- B. Administration
1. The administrator shall be in charge of the management and business affairs of the institution and shall be fully authorized and empowered to carry out the provisions of this Chapter 10, Article 10 and shall be charged with the responsibility of doing so.
 2. The administrator shall not leave the premises without delegating necessary authority to a competent person who will be on the premises during his absence.
 3. The administrator shall be responsible for the completion, keeping or submission of such reports and records as may be required by the Department.
- C. Clinical or program director
1. There shall be a clinical or program director who must be appropriately qualified for the management of client services of the agency.
 2. The clinical or program director shall be responsible for the overall clinical operation of the agency.
 3. The clinical or program director shall designate in writing a qualified individual to act for him in his absence to provide the agency with clinical direction at all times.
- D. Personnel
1. The agency shall establish written policies describing the duties, responsibilities, and required minimum qualifications of its personnel. Such qualifications shall be consistent with statutory, professional, or occupational licensure, certification or registration requirements.
 2. There shall be a sufficient number of appropriately qualified staff and supporting personnel to provide the quantity and types of services set forth in the agency's written program statement. The agency shall maintain personnel records which include job descriptions and personnel qualifications and shall be available to authorized representatives of the Department.
- E. Client fees and charges
1. The agency shall, at the time of admission, provide each client or his parent or guardian which a schedule of client fees which the applicant may incur during that admission. If the schedule of fees and charges contains a provision for reduced charges based on ability to pay, criteria for determining the applicant's ability to pay be clearly stated.
 2. If a new schedule of fees or new payment criteria will become effective during the course of a client's treatment, the new fee schedule and related payment criteria shall be made known to the client 30 days before the change becomes effective.

R9-10-1016. Client records

- A. There shall be written policies and procedures governing the compilation, storage, confidentiality, and dissemination of individual client records and client identifying information.

Arizona Administrative Register
Notices of Proposed Rulemaking

- B. Individual records for each client shall be maintained. These records shall be kept up to date and complete on each client in the program. After the death or discharge of the client, the record shall be placed in an inactive file and kept in the facility at all times and available to staff. For licensing purposes, medical records shall be readily retrievable for a period of not less than 3 years, except that A.R.S. § 36-343 requires retention of vital records and statistics for 10 years. When services are provided to a family as a group a single record may be maintained for the family, providing each individual is readily identifiable and all other client record requirements are met.
- C. All client records shall be considered confidential, except that they shall be made available to the authorized Department personnel.
- D. Each client record kept from the time of admission to the time of discharge or death shall include the following information:
 - 1. Identifying information.
 - 2. Dates of admission and discharge.
 - 3. Description of current symptoms.
 - 4. Records of medical care and medications provided by the agency.
 - 5. An individualized treatment plan which is updated periodically.
 - 6. Written progress reports for clients.
 - 7. Treatment consent forms, if applicable.
 - 8. Information release forms, if applicable.
 - 9. Discharge summary.

R9-10-1017. Confidentiality of client records

All information and records obtained in the course of screening, evaluation, and treatment of mental health clients shall be kept confidential and not as public records, except for disclosures authorized by A.R.S. § 36-509. All client records shall be maintained in a secure and confidential manner, protecting the client against loss, tampering, or unauthorized disclosure of information, consistent with applicable federal and state law. An agency providing substance abuse services shall comply with the alcohol and drug abuse patient record requirements of 42 C.F.R. 2.1 et seq., as amended.

R9-10-1018. Client rights

- A. An agency providing services to persons with mental or emotional problems shall comply with the clients rights provisions of A.R.S. § 36-504(A) and R9-15-101.
- B. An agency providing substance abuse services shall have a written plan or statement that describes the rights of clients and the means by which those rights are protected and exercised. The following rights shall be included:
 - 1. Each client shall have impartial access to treatment, regardless of race, religion, sex, age, or handicap.
 - 2. Each client shall receive individualized treatment, which shall include at least the following:
 - a. The provision of services within the least restrictive environment possible.
 - b. The client shall be made aware of the content of the client's treatment plan. The plan shall be reviewed and updated as often as is clinically indicated.
 - c. The active participation of parents, relatives, or guardians in planning of treatment for unemancipated children, unless such participation is clinically contraindicated.
 - 3. Unless clinically contraindicated, each client who receives 24 hour care:
 - a. May have visitors.
 - b. Shall be allowed to visit in private.
 - c. Shall be allowed to send and receive mail without hindrance.

- d. Shall be allowed to conduct private telephone conversations. If it is necessary, for clinical reasons, to restrict visits, visitors, telephone calls, mail, or other communications, those restrictions shall be evaluated for therapeutic effectiveness by the clinically responsible staff at least every 7 days, be determined with the participation of the patient and the patient's family, unless such participation is clinically contraindicated, and be fully explained to the patient and the patient's family.
- 4. Each patient shall receive a copy of the written statement of client's rights in English or Spanish, as appropriate. A copy of the statement shall also be posted at 1 or more locations commonly used by clients in the agency. Additionally, these rights shall be explained to the client in a language the client understands.

R9-10-1019. Research

- A. The written informed consent of each client participating in any research project shall be obtained prior to participation.
- B. When an agency engages in research activities or allows its personnel, clients, records or facilities to be used for research purposes, there shall be written policies and procedures for carrying out such research activities, which include, but need not be limited to:
 - 1. Guidelines for ensuring the rights of all human subjects and provisions for protection of client anonymity both during the research and following publication of the results.
 - 2. Specification that where bodily integrity may be violated (e.g., use of electroconvulsive therapy, chemotherapy), there be supervision by a physician.

R9-10-1020. Medication control

- A. Medication administered under the direction of a person authorized to prescribe medications, and whose visits are documented.
- B. The agency shall assist clients to obtain needed pharmaceutical services.
- C. There shall be written policies and procedures to ensure that all medications are dispensed and administered in accordance with applicable federal, state, and local laws and regulations.
- D. Medication orders shall be written only by persons authorized by law to do so. Verbal or telephone orders shall be limited to urgent circumstances and shall be signed by the authorizing person on the next regular working day (not to exceed 72 hours).
- E. Medication shall be administered only by a person authorized by law to do so.
- F. Medication records shall allow for the monitoring of all medications administered and the detection of adverse drug reactions and shall identify at least the name of the medication, dose, route of administration, frequency of administration, and name of the person who prescribed the medication.
- G. There shall be documented inspections of all drug storage areas and medication centers conducted on at least a quarterly basis to assure that these areas are maintained in compliance with federal, state, and local regulations. There shall be verification that a minimum:
 - 1. Drugs requiring special conditions for storage to ensure stability are properly stored.
 - 2. No outdated drugs are stored.
 - 3. All drugs are kept in locked storage.
 - 4. Poisons, external drugs, and internal drugs are stored on separate shelves, or in separate cabinets.

Arizona Administrative Register
Notices of Proposed Rulemaking

5. Medications that are stored in a refrigerator containing items other than drugs are kept in a separate compartment or container with proper security.
 6. Drugs are disposed of in accordance with state and federal requirements.
- H. The administration of all psychotropic medication for clients receiving mental health services pursuant to A.R.S. Title 36, Chapter 5 shall be in accordance with A.R.S. § 36-513 and R9-15-101 et seq.

R9-10-1021. Environmental and general building requirements

- A. The physical plant of a behavioral health service agency shall:
1. Be clean, sanitary, and in good repair. Effective insect, vermin and rodent control must be exercised at all times.
 2. Have all equipment and furnishings, clean and in good repair, to adequately provide the services set forth in the agency's program statement.
 3. Be free of undesirable odors.
 4. Be equipped with basic emergency first aid equipment and supplies which may reasonably be expected to be needed to deal with medical emergencies which may arise.
 5. Have a written plan of evacuation, in case of fire or other disaster, which shall be conspicuously posted throughout the facility.
 6. Have adequate lighting and ventilation.
 7. Have heating and cooling which meets state and local building codes. Cooling systems shall be of adequate capacity and in good working condition. The use of unvented or open flame space heaters is prohibited.
 8. Maintain current written inspection records or approvals from all local jurisdictions in readily accessible files for inspection by the Department. Written reports of improvements made as a result of such inspections shall also be maintained in accessible files.
 9. Have space for client interviews, medical examinations (if medical examinations are given), individual counseling, and other therapeutic activities. Such rooms shall be constructed and arranged so as to provide clients auditory and visual privacy.
 10. Have space for use as waiting rooms for clients and their visitors.
 11. Have an adequate number of toilets and lavatories to serve the agency's clients, staff and visitors during peak service hours. All bathrooms shall be of easily cleanable construction and provide privacy unless contraindicated by treatment policies and procedures included in the agency's program statement.
- B. Each behavioral health service agency providing 24-hour care shall meet these additional requirements:
1. There shall be space for private interviewing, evaluating or examining clients, and for discussion between staff and families of clients or between clients and visitors.
 2. Space shall be available to all residents for relaxation and leisure time activities.
 3. A separate dining area shall be available that shall not be used as a sleeping room by residents or staff.
 4. Sleeping rooms shall be of sufficient size to permit:
 - a. Unimpeded access to exit doors and passageways from all client occupied parts of the room;
 - b. Unobstructed opening of storage drawers, closets and exit doors.
 5. Multibed sleeping rooms shall have a minimum of 3 feet between beds unless the agency obtains the written permission of either the state or local fire marshal's office to provide less distance between beds.

6. No sleeping room shall be used as a passageway to another room, bath, or toilet, unless that room, bath or toilet is for the exclusive use of those occupying the sleeping room.
7. Furnishings in each sleeping room shall include as a minimum:
 - a. A bed equipped with a clean mattress and at least 1 pillow for each client. Beds acquired after the date of the adoption of these rules shall be at least 32 inches wide. Cribs are acceptable for persons under the age of 3.
 - b. Firmly attached side rails on all upper bunk beds. No more than 1 bed may be located over another in the bunk bed arrangement.
 - c. A supply of clean sheets, blankets and pillow cases sufficient to allow changing of bed linen as often as necessary to keep beds clean, dry and free of odors. At least 2 clean sheets, 1 blanket and a pillow case shall be furnished to each client each week. Clean mattress pads or covers will also be provided.
8. Ample closet and drawer space shall be available for storage of clothing and personal belongings of the client.
9. Bathroom facilities which shall include at least 1 tub or shower, 1 toilet and 1 lavatory for each 10 residents. Hot and cold running water shall be provided for all tubs, showers and lavatories.
10. Laundry facilities shall be available for the washing, ironing and mending of clients' personal clothing.

R9-10-1022. Food Service

Agencies which provide 24-hour care must provide or enable clients to make a minimum of 3 meals daily at reasonable times. The agency shall make available to clients who work or who are away from the agency regularly a minimum of 2 meals daily, as individual client needs dictate.

1. Meals shall include the recommended amounts of the basic food groups (grains, protein, fruit, vegetable and dairy products).
2. The facility must be capable of providing and monitoring modified diets to those residents who require them.
3. Food preparation, storage and handling shall be performed in compliance with Chapter 8, Article 1.

R9-10-1023. Required elements of agency's program of services

Each agency shall include, at a minimum, the following elements in its program of services:

1. There shall be written admission criteria with sufficient detail to allow prospective clients and referring agencies to understand admission policies.
 - a. It shall be the responsibility of the administrator to accept for admission only those applicants whose needs do not exceed the specialty of range of services for which the agency is licensed.
 - b. Any unique admission provisions relating to the admission of clients who are involuntarily referred for treatment or evaluation under court order must be stated in detail, accompanied by a description of all special care, treatment, and discharge restrictions which may attend the client's involuntary status.
2. There shall be an identifiable and uniform intake, screening and referral process, designed to evaluate client problems and provide the basis for initial treatment plans. This process shall be conducted by qualified behavioral health personnel. Admission evaluations must include, at minimum, the following elements:

Arizona Administrative Register
Notices of Proposed Rulemaking

- a. An interview of the applicant and a review of available information regarding the applicant to obtain a personal history of the applicant's presenting problems, medical, social, economic, and family background, his education and vocational achievements, history of previous behavioral, mental health, or substance abuse treatment.
 - b. All physical and laboratory examinations found to be necessary.
 - i. Those found to be necessary shall be recommended to the client and if such examinations are not conducted on site, the client shall be referred to a specific and appropriate facility for examination.
 - ii. Case records shall show that these recommendations or referrals have been made.
 - c. In an agency providing 24-hour care, an assessment of each client's medical status and needs conducted within 72 hours of the client's admission.
3. There shall be written treatment discharge criteria, with sufficient detail to allow a client reaching the stage of possible discharge to understand expected performance in relation to the individual treatment goals, and to assure clients who are involuntarily terminated that the termination decision was neither arbitrary nor capricious. Discharge criteria shall include provisions that the client be advised of the reason for termination, and the opportunities, if any, available to him to gain readmission, and that no client shall be involuntarily terminated while physically dependent upon and addicting medication prescribed as part of the client's treatment by the agency unless the client is offered an opportunity to detoxify from the substance prior to discharge. This provision does not apply when a client is a danger to program staff or voluntarily leaves a program without giving prior notice.
 4. There shall be a grievance procedure to provide for review and adjustment of client complaints, refusal of admission, and termination of services against the client's wishes.
 5. There shall be counseling services that utilize the individual, family, or group counseling techniques which best meet the needs of the client.
 6. There shall be a system for periodic client record, utilization, and client management review to encourage discharge of clients at the earliest time that is clinically advisable.

R9-10-1024. Behavioral health emergency services

A behavioral health service agency which provides emergency behavioral health services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides emergency behavioral health services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of behavioral health emergency services shall:

1. Be capable of providing medical first aid and dealing with acute emotional and behavioral distress.
2. Make telephone information and referral directly available during all hours of operation.
3. Have procedures that assure the prompt evaluation of both the physical and psychological status of individuals so that a rapid determination can be made of the nature and urgency of the problem and of the type of treatment required.
4. Keep a record of each person receiving emergency service which identifies the presenting problem, treatment

given, and disposition of the case. The emergency record shall be reviewed for accuracy and signed by the staff person in charge.

5. Assure that all staff members providing emergency services have had training or demonstrated experience in the basic methods of dealing with the physical and psychological complications of acute emotional, alcohol or other drug abuse conditions.

R9-10-1025. Mental health screening services

A behavioral health agency which provides mental health screening services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides mental health screening services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of mental health screening services shall:

1. Have written policies and procedures governing the screening of prospective clients to ensure that the screening process is accomplished within 2 business days of admission, except when the admission occurs immediately prior to a week end or holiday, in which case it shall be accomplished within 2 normal business days.
2. Provide the necessary forms and technical assistance to assist any responsible person to initiate an application for court ordered evaluation of a mentally disordered person.
3. Have a medical director who shall be responsible for determining whether an application for court ordered evaluation is supported by reasonable cause and whether a petition for evaluation should be filed with the court pursuant to A.R.S. Title 36, Chapter 5.
4. Be staffed by qualified personnel who are capable of knowledgeably screening persons who are gravely disabled, or who are alleged to be mentally disordered and a danger to themselves or others.

R9-10-1026. Mental health evaluation services

A behavioral health service agency which provides mental health evaluation services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides mental health screening services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of mental health evaluation services shall:

1. Have written policies and procedures governing the conduct of evaluation which are designed to ensure that each client, or prospective client, receives a complete evaluation of his physical, psychological or psychiatric treatment needs.
2. Have a medical director who shall be responsible for determining whether there is a need pursuant to A.R.S. Title 36, Chapter 5 for court ordered treatment. The medical director shall be responsible for filing a petition for treatment with the court in the event it is determined that there is a need for treatment.
3. Designate an area for the safe treatment of dangerous patients, if it evaluates dangerous patients.
4. Provide for the privacy of patients undergoing evaluation procedures and subsequent interviews or consultations as defined in A.R.S. § 36-507.
5. Have a record keeping system that will enable the Department to determine whether the agency is complying with the requirements of this Article and that each patient's case is processed in a complete and timely fashion.

Arizona Administrative Register
Notices of Proposed Rulemaking

R9-10-1027. Mental health treatment services

A behavioral health service agency which provides mental health treatment services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides mental health treatment services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of mental health treatment services shall:

1. If it provides court ordered treatment pursuant to A.R.S. Title 36, Chapter 5, accepts clients for hospitalization on either a voluntary or involuntary basis, or admits minors under the age of 14 pursuant to A.R.S. § 36-518, have a medical director who shall be responsible for supervising and administering treatment plans.
2. Be staffed by a sufficient number of professional and other personnel to carry out their respective functions as prescribed in A.R.S. Title 36, Chapter 5.
3. Designate an area for the safe treatment of dangerous patients, if an agency provides treatment for dangerous patients.
4. Provide for the privacy of patients undergoing admission procedures and subsequent interviews or consultations as defined in A.R.S. § 36-507.
5. Have a record keeping system that will enable the Department to determine whether the agency is complying with the requirements of this Article and that each patient's case is processed in a complete and timely fashion.

R9-10-1028. Partial care services

A behavioral health service agency which provides partial care services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides partial care services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of partial care services shall:

1. Include a therapeutic regimen of regularly scheduled counseling sessions and other supervised activities such as recreational activities, life skills training, re-socialization and rehabilitation.
2. Include drug free or alcohol free alternatives to provide the client creative activities in a substance free setting.

R9-10-1029. Behavioral health residential services

A. A behavioral health service agency which provides behavioral health residential services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides behavioral health residential services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of partial care services shall:

1. Have a treatment program which includes at minimum the following on-site services:
 - a. Preparation for independent living in the community.
 - b. Counseling.
 - c. Dietary supervision and consultation.

- d. Improvement and/or maintenance of physical and emotional health and personal and social development.
2. Have written procedures for responding to any client medical problems or emergencies.
3. Have a least 1 staff member on site at all times.
4. Have policies and procedures for handling medical emergencies and death.

B. A hospital or behavioral health service agency providing court ordered alcoholism treatment pursuant to A.R.S. § 36-2026.01 shall:

1. Have a method to retain clients in the facility.
2. Have written policies and procedures to handle hostile or violent clients.
3. Have staff members who are skilled in counseling resistive clients and those who have not benefited from prior treatment episodes.
4. Have a program for involuntary committed clients.

R9-10-1030. Detoxification services

A behavioral health service agency which provides detoxification services shall comply with this rule in addition to the requirements of R9-10-1012 through R9-10-1023. A hospital licensed pursuant to Chapter 10 which provides detoxification services shall comply with this rule in addition to the requirements of R9-10-1011 through R9-10-1014, R9-10-1016 through R9-10-1018, and R9-10-1023. A provider of detoxification services shall:

1. Be capable of effectively managing the physiological manifestations and distress associated with withdrawal. Where a program is limited in the types of withdrawal it is able to facilitate, the agency shall make known in its publicity which types of withdrawal are available through the program.
2. Have written policies and procedures governing detoxification, withdrawal and overdose management which shall be in accordance with the applicable provisions of A.R.S. Title 36, Chapter 18, Article 1.
3. Be staffed with sufficient numbers of behavioral health personnel to provide close observation of all clients with regular monitoring of vital signs. All staff members providing detoxification services shall have had training or demonstrated experience in the basic methods of dealing with the physical and psychological complications of acute emotional, alcohol or other drug abuse states, as appropriate. A physician shall be available on site or on call at all times, and the availability of the physician shall be documented. Current toxicology references and antidotal information shall be readily available, along with the telephone numbers of ambulance services and other resources to provide transportation and emergency treatment, assistance, and advice.
4. Not being medical detoxification without a written order from a physician defining the medical regimen to be followed.
5. Have written policies and procedures for handling medical emergencies and death.
6. Assess each clients medical status and needs upon the client's admission.

Arizona Administrative Register
Notices of Proposed Rulemaking

NOTICE OF PROPOSED RULEMAKING

TITLE 17. TRANSPORTATION

CHAPTER 4. DEPARTMENT OF TRANSPORTATION
MOTOR VEHICLE DIVISION

PREAMBLE

1. **Sections Affected** **Rulemaking Action**
R17-4-449 New Section

2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**
Authorizing statute: A.R.S. § 28-202
Implementing statute: A.R.S. § 28-1085.09

3. **The name and address of agency personnel with whom persons may communicate regarding the rule:**
Name: Randall X. Ramsey
Address: Department of Transportation
Motor Vehicle Division, Commercial Licensing Office
1801 West Jefferson, Mail Drop 532M
Phoenix, Arizona 85007
Telephone: (602) 255-8828
Fax: (602) 407-3437

4. **An explanation of the rule, including the agency's reason for initiating the rule:**
The Motor Vehicle Division is promulgating the rule to allow 3rd parties to issue oversize and overdimensional vehicle permits. The rule sets forth the criteria for 3rd-party contractor authorization and 3rd-party issuer certification. The rule further defines the responsibilities for 3rd-party contractors and 3rd-party issuers. When the rule is effective, a motor carrier needing an oversize or overdimensional permit will be able to obtain the permit from either the state or from a 3rd-party contractor.

5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable.

6. **The preliminary summary of the economic, small business, and consumer impact:**
Haulers who need oversize and overdimensional permits will be able to save time by obtaining the permits from either the state or from a 3rd-party contractor. It is anticipated that the issuance of a permit will not be profitable for 3rd-party contractors other than the time saved by the ability to issue their own permits. Small businesses will not be adversely affected by this rule. The Motor Vehicle Division will spend less time issuing permits but will incur time administering the 3rd-party contractor program; it is not known whether the adoption of the rule will result in an expense or a savings to the Division.

7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement is:**
Name: Randall X. Ramsey
Address: Department of Transportation
Motor Vehicle Division, Commercial Licensing Office
1801 West Jefferson, Mail Drop 532M
Phoenix, Arizona 85007-3224
Telephone: (602) 255-8828
Fax: (602) 407-3437

8. **The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:**
Written comments will be accepted at the address listed above until 5 p.m., May 30, 1997. Public hearings to receive oral comments regarding this proposed rule will be held as follows:

Arizona Administrative Register
Notices of Proposed Rulemaking

Date: May 28, 1997
Time: 2 p.m.
Location: Flagstaff City Council Conference Room
211 West Aspen
Flagstaff, Arizona
Nature: Public hearing

Date: May 29, 1997
Time: 1 p.m.
Location: ADOT Auditorium
206 South 17th Avenue
Phoenix, Arizona
Nature: Public hearing

Date: May 30, 1997
Time: 11 a.m.
Location: MVD Conference Room
3565 South Broadmont
Tucson, Arizona
Nature: Oral Proceeding

Individuals who wish to make oral comments by telephone may call (602) 255-8828 on May 29, 1997, from 3 p.m. to 5 p.m.

The Department of Transportation follows Title II of the Americans with Disabilities Act. The Department of Transportation does not discriminate against persons with disabilities who wish to make oral or written comments on proposed rulemaking or otherwise participate in the public comment process. Individuals with disabilities who need a reasonable accommodation (including auxiliary aids or services) to participate in the scheduled hearings, or who require this information in an alternate form, may contact the Commercial Licensing Office, (602) 255-8828, as soon as possible so that the Department of Transportation will have sufficient time to respond.

To request accommodation to participate in the public comment period or obtain this notice in large print, Braille, or on audiotape, contact Randall X. Ramsey at the telephone number or address listed in question #7 above.

Close of Record: May 30, 1997

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None.

10. Incorporations by reference and their location in the rules:
None

11. The full text of the rules follows:

TITLE 17. TRANSPORTATION

CHAPTER 4. DEPARTMENT OF TRANSPORTATION
MOTOR VEHICLE DIVISION

ARTICLE 4. MOTOR CARRIERS

Section
R17-4-449. Third-party Overdimensional and Overweight Vehicle Permit Contractors and Issuers

ARTICLE 4. MOTOR CARRIERS

R17-4-449. Third-party Overdimensional and Overweight Vehicle Permit Contractors and Issuers

A. Definitions. In this Section, unless the context otherwise requires:

L. "Third-party contractor" means a business entity authorized by the Director through contract to issue overdimensional and overweight permits.

2. "Director" means the Assistant Director for the Motor Vehicle Division of the Department of Transportation or the Assistant Director's designee.
3. "Division" means the Motor Vehicle Division of the Department of Transportation.
4. "Normal business hours" means open for the transaction of business from 8 a.m. until 5 p.m. each day from Monday through Friday except holidays.
5. "Permit" means a document issued by the Division that authorizes a person to transport overweight or overdimensional vehicles or cargo on state highways.
6. "Third-party issuer" means an individual certified by the Director to issue overweight and overdimensional permits as set forth in the 3rd-party overweight and overdimensional permit contract on behalf of the 3rd-party contractor.

Arizona Administrative Register
Notices of Proposed Rulemaking

B. Third-party contractor authorization requirements.

1. A 3rd-party contractor shall be in compliance with all business laws and, if applicable, in good standing with the Arizona Corporation Commission.
2. A 3rd-party contractor and each partner, officer, and director, and any employee or individual who exercises operational control over the issuance of a permit shall not have had an authorization to do business revoked or suspended by the Director in the 3-year period before application for authorization.
3. A 3rd-party contractor and each partner, officer, director, and any employee or individual who has operational control over the issuance of a permit shall not have a final conviction for a felony within Arizona or a final conviction outside Arizona that would be designated a felony if committed within Arizona. These individuals shall not have within 10 years before application for authorization as a 3rd-party contractor, a final conviction within Arizona for a misdemeanor set forth below or a final conviction outside Arizona that would be designated as 1 of the misdemeanors set forth below if committed within Arizona:
 - a. A.R.S. § 13-1802, Theft;
 - b. A.R.S. § 13-1807, Issuing a bad check;
 - c. A.R.S. § 13-2103, Receipt of anything of value obtained by fraudulent use of a credit card;
 - d. A.R.S. § 13-2104, Forgery of a credit card;
 - e. A.R.S. § 13-2105, Fraudulent use of a credit card;
 - f. A.R.S. § 13-2108, Fraud by person authorized to provide goods or services;
 - g. A.R.S. § 13-2109, Credit card transaction record theft;
 - h. A.R.S. § 13-2202, Deceptive business practices;
 - i. A.R.S. § 13-2316, Computer fraud;
 - j. A.R.S. § 13-2402, Obstructing government operations;
 - k. A.R.S. § 13-2405, Compounding;
 - l. A.R.S. § 13-2407, Tampering with a public record;
 - m. A.R.S. § 13-2605, Commercial bribery;
 - n. A.R.S. § 13-2703, False swearing;
 - o. A.R.S. § 13-2704, Unsworn falsification; and
 - p. A.R.S. § 13-2705, Perjury by inconsistent statements.
4. A 3rd-party contractor shall employ at least 1 individual as a 3rd-party issuer.
5. A 3rd-party contractor, except a governmental entity, shall maintain an office within Arizona with normal business hours.
6. If a 3rd-party contractor is not a resident of Arizona, the 3rd-party contractor shall designate an agent, who may be the Director, upon whom service of process may be made in Arizona.
7. A 3rd-party contractor shall file and maintain a current mailing address with the Director.
8. A 3rd-party contractor shall not have had a license or operating authorization concerning overdimensional or overweight permits or the issuance of overdimensional or overweight permits revoked or suspended in Arizona or any other state.
9. A 3rd-party contractor shall be bonded as required by the Director. In determining the amount of the bond required, the Director shall consider the amount of permit fees and the value of unissued permits that will be present at any time at the 3rd-party contractor's place of business.
10. A 3rd-party contractor shall demonstrate financial responsibility adequate to provide protection for liability

that may arise from issuance of a permit. Adequate financial responsibility shall be demonstrated as follows:

- a. Having commercial general liability insurance with a limit of not less than \$2,000,000 for each occurrence. Umbrella/excess liability insurance may be used for coverage in excess of the 1st \$1,000,000 if it provides the same coverage and has the same endorsements, exclusions, and conditions as the primary insurance. If the deductible provision of the 3rd-party contractor's liability insurance policy exceeds \$100,000, a principal of the 3rd-party contractor shall provide the Director with a sworn affidavit stating that the Department of Transportation and the state of Arizona are included in the 3rd-party contractor's self-insurance program to the same extent as would be provided by an additional insured endorsement on the liability insurance policy.
 - b. Naming the Department of Transportation and the state of Arizona as additional insureds on the liability insurance policy of the 3rd-party contractor unless the 3rd-party contractor is a self-insured governmental entity.
 - c. Obtaining primary coverage from an insurance company licensed to do business in Arizona by the Department of Insurance.
 - d. Including in the liability insurance policy a provision that the Director be notified at least 30 days before policy cancellation, nonrenewal, or change in provisions. Additionally, including a provision in the policy that the Director be notified if the insurance company becomes insolvent.
 - e. Providing a copy of the liability insurance policy, together with all endorsements and exclusions, to the Director at time of application for authorization as a 3rd-party contractor.
11. The Division shall not authorize a business entity as a 3rd-party contractor until the liability insurance policy by which the business entity demonstrates adequate financial responsibility is approved by the Director.
 12. The Division shall place no limitations on an indemnification provision in the contract between the 3rd-party contractor and the Director.
 13. For 3rd-party contractors that are governmental entities, the Division shall negotiate indemnification and insurance provisions and include the negotiated provisions in the Intergovernmental Agreement (IGA).
 14. A 3rd-party contractor shall enter into a written contract with the Director before conducting business as a 3rd-party contractor. The contract shall include the following provisions:
 - a. An indemnification agreement,
 - b. The form and manner in which records are maintained,
 - c. Security provisions for protecting computer access with and data received from the Division, and
 - d. The class of permits that may be issued.
 15. The Envelope Permit Advisory Committee shall approve the form of the contract used by the Division and 3rd-party contractors.
 16. A business entity other than a governmental entity, shall have been in operation and in good standing with the Division for 3 years before applying for authorization as a 3rd-party contractor.
- C. Third-party issued certification requirements**
1. A 3rd-party issuer shall be at least 18 years of age and employed by a 3rd-party contractor.

Arizona Administrative Register
Notices of Proposed Rulemaking

2. A 3rd-party issuer shall complete the Division's training program for 3rd-party issuers and complete refresher training as deemed necessary by the Division based upon policy changes and identified problem areas.
 3. A 3rd-party issuer shall not have a final conviction for a felony within Arizona or a final conviction outside Arizona that would be designated a felony if committed within Arizona.
 4. In the 10 years before applying for certification, a 3rd-party issuer shall not have a final conviction within Arizona for a misdemeanor set forth in subsection (B)(3) or a final conviction outside Arizona that would be designated as 1 of the misdemeanors set forth in subsection (B)(3) if committed within Arizona.
 5. A 3rd-party issuer shall comply with all statutes, rules, and contract provisions governing the issuance of overdimensional and overweight permits.
- D. Application.
1. Upon request, the Division shall provide the application for 3rd-party issuer certification and 3rd-party contractor authorization. The completed application shall be submitted to: Arizona Motor Vehicle Division, 1801 West Jefferson Street, Phoenix, Arizona 85007.
 2. A 3rd-party contractor applicant and 3rd-party issuer applicant shall submit fingerprints to the Division and be subject to a random criminal background investigation with the costs borne by the applicant.
 3. the Division shall obtain a criminal history check, which includes an inquiry to the criminal identification section of the Department of Public Safety for each 3rd-party contractor applicant and 3rd-party issuer applicant. Upon notification by the Department of Public Safety that the applicant has not been convicted of a violation that would prohibit the applicant from obtaining a 3rd-party contractor authorization or 3rd-party issuer certification, the Director shall conditionally issue a 3rd-party contractor authorization or 3rd-party issuer certification pending completion of the criminal history check if the applicant meets all other requirements of this rule and the contract.
- E. Duties and responsibilities of 3rd-party contractor.
1. A 3rd-party contractor shall retain records of an issued permit for 5 years after expiration of the permit, including:
 - a. Accounting records documenting receipt, deposit, and transmittal of fees;
 - b. Copy of the permit application; and
 - c. Copy of the permit issued.
 2. A 3rd-party contractor shall issue a permit only if the permit applicant meets all requirements of the rules and statutes governing overdimensional and overweight permits.
 3. A 3rd-party contractor shall issue a Class C permit only after obtaining the approval of the Assistant State Engineer for Maintenance, Department of Transportation.
 4. Upon notification by the Division, a 3rd-party contractor shall not issue a permit to an applicant whose permit privileges for that type of overdimensional or overweight permit are suspended or revoked.
 5. A 3rd-party contractor shall make records available for and cooperate in an audit by the Director.
 6. A 3rd-party contractor shall comply with all rules, statutes, and contract provisions governing the duties and responsibilities of the 3rd-party contractor.
 7. A 3rd-party contractor shall collect permit fees and forward the collected fees to the Director by the close of the next business day.
 8. If a 3rd-party contractor adds or changes a partner, officer, director, or any employee or individual who may have operational control over the issuance of a permit, and the new partner, officer, director, employee, or individual was not included in the application for authorization as a 3rd-party contractor, the 3rd-party contractor shall, within 30 days of the change, notify the Director in writing. The new partner, officer, director, or employee or other individual who may have operational control over the issuance of a permit shall comply with this rule and the provisions of the contract between the 3rd-party contractor and the Director and shall be subject to a random criminal background investigation with the cost borne by the 3rd-party contractor.
- F. Audit.
1. To ensure compliance with authorization and certification requirements, a 3rd-party contractor shall be subject to random, on-site inspections of business records during normal business hours by the Division, state, county, and local law enforcement agencies.
 2. A 3rd-party contractor, except a governmental entity located outside of Arizona, shall store and make business records available for audit at the 3rd-party contractor's place of business in Arizona. A governmental entity located outside of Arizona shall make business records of the governmental entity available at a designated location within Arizona as ordered by the Director. Audits shall be conducted at the 3rd-party contractor's expense. The 3rd-party contractor shall prepay audit expenses, including reasonable per diem and travel expenses.
 3. The Director shall revoke the authorization of a 3rd-party contractor that fails to cooperate in an audit.
- G. Denial and revocation; appeal.
1. Third-party contractor.
 - a. The Director shall deny an application for 3rd-party contractor authorization if the applicant fails to meet the requirements set forth in this rule.
 - b. The Director shall deny an application that contains a material omission or false statement and shall not accept another application from the denied applicant for 12 months from the date the original application is denied.
 - c. If an application for 3rd-party contractor authorization is denied, the Director shall send notice of the denial by 1st-class mail, postage prepaid, to the address shown on the application and shall inform the applicant of the right to a hearing and the procedure for requesting a hearing.
 - d. If the Director determines that a 3rd-party contractor no longer meets the requirements of this rule or the terms of the contract between the Director and the 3rd-party contractor, the Director shall revoke the 3rd-party contractor authorization.
 - e. If the Director determines that a 3rd-party contractor has violated the provisions of this rule or other rule or statute, the Director shall revoke the 3rd-party contractor authorization.
 - f. Before revoking a 3rd-party contractor authorization, the Director shall notify the 3rd-party contractor of immediate suspension and intent to revoke. The notice shall be sent by 1st-class mail, postage prepaid, to the address of the 3rd-party contractor on file with the Director.
 - g. The Director shall ensure that a notice of immediate suspension and intent to revoke informs the 3rd-party contractor to whom it is sent that neither the

Arizona Administrative Register
Notices of Proposed Rulemaking

contractor nor the contracts 3rd-party issuers are authorized to issue permits and of the right to a hearing and the procedure for requesting a hearing.

- h. Within 15 days after a notice of immediate suspension and intent to revoke is mailed to a 3rd-party contractor, the 3rd-party contractor may request a hearing by mailing or delivering a written request to: Executive Hearing Office, Motor Vehicle Division, 1801 West Jefferson, Phoenix, Arizona 85007.
 - i. An order of revocation becomes effective 25 days after the Director mails a notice of immediate suspension and intent to revoke unless the 3rd-party contractor to whom the notice is sent submits a timely request for hearing.
 - j. The Division shall not allow a former 3rd-party contractor to reapply for authorization following revocation if the revocation is based on a fraudulent act or a knowing and intentional violation or attempt to violate the provisions of the contract, this rule, or a related rule or statute.
2. Third-party issuer.
- a. The Director shall deny an application for 3rd-party issuer certification if the applicant fails to meet the requirements set forth in this rule.
 - b. The Director shall deny an application that contains a material omission or false statement and shall not accept another application from the denied applicant for 12 months from the date the original application is denied.
 - c. If an application for 3rd-party issuer certification is denied, the Director shall send notice of the denial by 1st-class mail, postage prepaid, to the address shown on the application and shall inform the applicant of the right to a hearing and the procedure for requesting a hearing.
 - d. If the Director determines that a 3rd-party issuer no longer meets the requirements of this rule, the Director shall revoke the 3rd-party issuer certification.

- e. If the Director determines that a 3rd-party issuer has violated the provisions of this rule or other related rule or statute, the Director shall revoke the 3rd-party issuer certification.
 - f. Before revoking a 3rd-party issuer certification, the Director shall notify the 3rd-party issuer of immediate suspension and intent to revoke. The notice shall be sent by 1st-class mail, postage prepaid, to the 3rd-party issuer and the 3rd-party contractor who employs the issuer at the addresses on file with the Director.
 - g. The Director shall ensure that a notice of immediate suspension and intent to revoke informs the 3rd-party issuer to whom it is sent that the 3rd-party issuer is not authorized to issue permits and of the right to a hearing and the procedure for requesting a hearing.
 - h. Within 15 days after a notice of immediate suspension and intent to revoke is mailed to a 3rd-party issuer, the 3rd-party issuer may request a hearing by mailing or delivering a written request to: Executive Hearing Office, Motor Vehicle Division, 1801 West Jefferson, Phoenix, Arizona 85007.
 - i. An order of revocation becomes effective 25 days after the Director mails a notice of immediate suspension and intent to revoke unless the 3rd-party issuer to whom the notice is sent submits a timely request for hearing.
 - j. The Division shall not allow a former 3rd-party issuer to reapply for certification following revocation if the revocation is based on a fraudulent act or a knowing and intentional violation or attempt to violate the provisions of the contract, this rule, or a related rule or statute.
3. The Division shall provide notice and conduct hearings, rehearings, and appeals in accordance with A.R.S. § 41-01061 et seq. and R17-4-901 et seq.