

Senate Engrossed House Bill

State of Arizona
House of Representatives
Forty-sixth Legislature
First Regular Session
2003

CHAPTER 232

HOUSE BILL 2358

AN ACT

AMENDING SECTIONS 20-181 AND 20-182, ARIZONA REVISED STATUTES; RELATING TO
MANDATED HEALTH INSURANCE COVERAGE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 20-181, Arizona Revised Statutes, is amended to
3 read:

4 20-181. Mandated health coverage; report to legislature

5 An organization OR INDIVIDUAL advocating a legislative proposal which
6 would mandate a health coverage or offering of a health coverage by an
7 insurer, hospital, medical, dental or optometric service corporation, health
8 care services organization or any other health care service contractor as a
9 component of individual or group policies shall submit a report to the
10 legislative STANDING committee which OF THE LEGISLATURE THAT has been
11 assigned to consider the proposal AND THE JOINT LEGISLATIVE BUDGET COMMITTEE
12 BEFORE THE COMMITTEE CONSIDERS THE PROPOSAL. The report shall assess both the
13 social and financial impacts of such coverage, including the effectiveness
14 of the treatment or service proposed, according to the factors prescribed in
15 section 20-182. THE LEGISLATURE IS NOT RESPONSIBLE FOR THE COST OF PREPARING
16 THE REPORT.

17 Sec. 2. Section 20-182, Arizona Revised Statutes, is amended to read:

18 20-182. Factors for assessing impact; certification of report

19 A. To the extent that information is available, the report prescribed
20 by section 20-181 shall include, but not be limited to, the following:

21 1. The social impact:

22 (a) The extent to which the treatment or service is generally utilized
23 by a significant portion of the population.

24 (b) The extent to which the insurance coverage is already generally
25 available.

26 (c) If coverage is not generally available, the extent to which the
27 lack of coverage results in persons avoiding necessary health care
28 treatments.

29 (d) If the coverage is not generally available, the extent to which
30 the lack of coverage results in unreasonable financial hardship TO A PATIENT.

31 (e) The level of public demand for the treatment or service.

32 (f) The level of public demand for insurance coverage of the treatment
33 or service.

34 (g) The level of interest of collective bargaining agents in
35 negotiating privately for inclusion of this coverage in group contracts.

36 2. The financial impact:

37 (a) The extent to which the coverage will increase or decrease the
38 cost of the treatment or service.

39 (b) The extent to which the coverage will increase the appropriate use
40 of the treatment or service.

41 (c) The extent to which the mandated treatment or service will be a
42 substitute for a more expensive treatment or service.

1 (d) The extent to which the coverage will increase or decrease the
2 administrative expenses of insurers and the premium and administrative
3 expenses of policyholders.

4 (e) The impact of this coverage on the total cost of health care.

5 B. AN ACTUARY WHO IS A MEMBER OF THE AMERICAN ACADEMY OF ACTUARIES
6 SHALL PREPARE THE FINANCIAL IMPACT ANALYSIS REQUIRED BY SUBSECTION A,
7 PARAGRAPH 2 OF THIS SECTION AND CERTIFY THAT THE ANALYSIS IS CONSISTENT WITH
8 ACCEPTED ACTUARIAL TECHNIQUES.

9 C. THE REPORT REQUIRED BY SECTION 20-181 SHALL ADDRESS THE SPECIFIC
10 LANGUAGE OF THE PROPOSED MANDATE. A REPORT ON A SIMILAR PROPOSAL IN A
11 DIFFERENT JURISDICTION IS INSUFFICIENT AND DOES NOT MEET THE REQUIREMENTS OF
12 SECTION 20-181.

13 ~~B. D. A person or~~ AN organization OR INDIVIDUAL that does not submit
14 a report required by ~~this article~~ SECTION 20-181 is not subject to any civil
15 sanction or criminal penalty.

APPROVED BY THE GOVERNOR MAY 19, 2003.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 20, 2003.



Passed the House March 4, 2003,

Passed the Senate April 30, 2003,

by the following vote: 37 Ayes,

by the following vote: 19 Ayes,

23 Nays, 0 Not Voting

10 Nays, 1 Not Voting

Jake Flake
Speaker of the House

Kelu Bennett
President of the Senate

Norman L. Moore
Chief Clerk of the House

Charmine Bellington
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

H.B. 2358

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 13, 2003,

by the following vote: 40 Ayes,

18 Nays, 2 Not Voting

Jake Flake
Speaker of the House

Norman L. Moore
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

13 day of May, 2003

at 12:05 o'clock P. M.

Sandra Ramirez
Secretary to the Governor

Approved this 19 day of

May, 2003,

at 4³⁰ o'clock P. M.

J. N. Noyes
Governor of Arizona

H.B. 2358

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 20 day of May, 2003,

at 10:53 o'clock A. M.

Janice K. Brewer
Secretary of State