

Senate Engrossed House Bill

**FILED**

**KEN BENNETT**

**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
First Regular Session  
2011

CHAPTER 278

# **HOUSE BILL 2154**

AN ACT

AMENDING LAWS 2009, THIRD SPECIAL SESSION, CHAPTER 6, SECTION 26; RELATING TO  
CORRECTIONAL HEALTH SERVICES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Laws 2009, third special session, chapter 6, section 26 is  
3 amended to read:

4 Sec. 26. State department of corrections; budget structure;  
5 health care services; retroactivity

6 A. Notwithstanding any other law, the state department of corrections  
7 shall report actual fiscal year 2008-2009, estimated fiscal year 2009-2010  
8 and requested fiscal year 2010-2011 expenditures for each line item  
9 delineated in the fiscal year 2009-2010 general appropriations act when the  
10 department submits the fiscal year 2010-2011 budget request pursuant to  
11 section 35-113, Arizona Revised Statutes. The information submitted for each  
12 line item shall contain as much detail as submitted in previous years for  
13 prior line items.

14 B. Before October 1, 2009, the state department of corrections shall  
15 issue a request for information for the privatization of all correctional  
16 health services, including all medical and dental services, that are provided  
17 in a state owned and operated facility. Before publication, the request for  
18 information shall be submitted for review to the joint legislative budget  
19 committee.

20 C. The state department of corrections shall issue a request for  
21 proposals to privatize all correctional health services that are provided in  
22 a state owned and operated facility. ~~The department shall award a contract~~  
23 ~~to a private provider of correctional health services that will provide such~~  
24 ~~services, including all medical and dental services, at a cost below the~~  
25 ~~fiscal year 2007-2008 total cost to the state for such services. Not later~~  
26 ~~than January 1, 2010, and before issuance, the request for proposals shall be~~  
27 ~~submitted for review to the joint legislative budget committee. The state~~  
28 ~~department of corrections shall award a contract by May 1, 2010.~~

29 D. This section is effective retroactively to from and after September  
30 30, 2009.

31 Sec. 2. State department of corrections; health care services

32 A. Within thirty days after the effective date of this act, the state  
33 department of corrections shall issue a request for information for the  
34 privatization of all correctional health services, including all medical and  
35 dental services, that are provided in a state owned and operated facility.  
36 All responses shall be submitted to the department within thirty days after  
37 the request for information is issued. The state department of corrections  
38 shall inform the joint legislative budget committee in executive session of  
39 any information submitted.

40 B. Within ninety days after the joint legislative budget committee has  
41 reviewed the information pursuant to subsection A, and the joint legislative  
42 budget committee has provided final instructions, the state department of  
43 corrections shall issue a request for proposals to privatize all correctional  
44 health services that are provided in a state owned and operated facility.  
45 The department shall not bid for or compete to provide medical services. The

1 department shall award a contract to the best qualified bidder and the  
2 contract shall include the following terms:

3 1. The department or its contractor shall not reimburse or pay for  
4 services at a rate that exceeds the capped fee-for-service schedule that is  
5 adopted by the Arizona health care cost containment system administration  
6 pursuant to title 36, chapter 29, article 1, Arizona Revised Statutes, and  
7 that is in effect at the time the services are delivered.

8 2. The initial contract is for three years with the option to renew  
9 for two additional one year terms.

10 C. The state department of corrections shall not disclose the  
11 information in a bid that was previously submitted to the department pursuant  
12 to Laws 2009, third special session, chapter 6, section 26.

13 Sec. 3. Emergency

14 This act is an emergency measure that is necessary to preserve the  
15 public peace, health or safety and is operative immediately as provided by  
16 law.

APPROVED BY THE GOVERNOR APRIL 27, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 27, 2011.

Passed the House March 14, 2011

Passed the Senate April 19, 2011

by the following vote: 43 Ayes,

by the following vote: 21 Ayes,

13 Nays, 4 Not Voting  
*with Emergency*

7 Nays, 2 Not Voting  
*with Emergency*

[Signature]  
Speaker of the House

[Signature]  
President of the Senate

Cheryl Laube  
Chief Clerk of the House

Susan Arnes  
Assistant Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

H.B. 2154

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

April 19, 2011,

by the following vote: 41 Ayes,

19 Nays, 0 Not Voting

[Signature] with Emergency

Speaker of the House

Cheryl Laube

Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

20 day of April, 2011,

at 8:30 o'clock A. M.

[Signature]

Secretary to the Governor

Approved this 27th day of

April, 2011,

at 1:54 o'clock P. M.

[Signature]  
Governor of Arizona

H.B. 2154

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 27th day of April, 2011,

at 4:45 o'clock P. M.

[Signature]

Secretary of State