

Senate Engrossed House Bill

FILED

KEN BENNETT

SECRETARY OF STATE

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

CHAPTER 93

HOUSE BILL 2584

AN ACT

AMENDING SECTION 23-1070, ARIZONA REVISED STATUTES; RELATING TO WORKERS'
COMPENSATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 23-1070, Arizona Revised Statutes, is amended to
3 read:

4 23-1070. Medical, surgical and hospital benefits provided by
5 employer; pilot program

6 A. An employer, other than ~~the~~ THIS state or a political subdivision
7 ~~thereof~~, OF THIS STATE, who secures compensation to his employees in the
8 manner provided in ~~either~~ SECTION 23-961, subsection A, paragraph 1, or
9 ~~subsection A, paragraph 2 of section 23-961~~, alone or jointly with other
10 employers ~~may~~, in lieu of making premium payments for medical, surgical and
11 hospital benefits, MAY provide such benefits to injured employees and may
12 collect one-half of the cost thereof from his employees, not to exceed one
13 dollar per month from any employee, which may be deducted from the wages of
14 the employee.

15 B. An employer electing to provide such benefits shall notify his
16 insurance carrier and the commission of the election and render a detailed
17 statement of the arrangements made therefor to the commission.

18 C. An employer who maintains a hospital for his employees or who
19 contracts with a physician for the hospital care of injured employees shall,
20 on or before January 30 each year, make a verified written report to the
21 commission for the preceding year showing the total amount of hospital fees
22 collected and showing separately the amount contributed by the employees and
23 the amount contributed by the employers. The report shall also contain an
24 itemized account of the expenditures, investments or other disposition of the
25 fees, and a statement showing the balance remaining.

26 D. An employer who fails to notify his insurance carrier and the
27 commission of his election to provide such benefits, or who maintains a
28 hospital or contracts for hospital service as provided in subsection C of
29 this section, and fails to make the financial report required therein, is
30 liable for such benefits as provided in section 23-1062.

31 E. If the medical, surgical or hospital aid or treatment being
32 furnished by an employer is such that there is reasonable ground to believe
33 that the health, life or recovery of any employee is endangered or impaired
34 thereby, the commission may, upon application of the employee or upon its own
35 motion, order a change of physicians or other conditions. If the employer
36 fails to comply with the order promptly, the injured employee may elect to
37 have medical, surgical or hospital aid or treatment provided by or through
38 the state compensation fund. In that event the claim of the injured employee
39 against the employer shall be assigned to the state compensation fund for the
40 benefit thereof, and the state compensation fund shall furnish to the insured
41 employee medical, surgical or hospital aid or treatment as provided in this
42 chapter.

1 F. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, A PILOT PROGRAM IS
2 ESTABLISHED TO ALLOW A CITY WITH A POPULATION OF MORE THAN ONE HUNDRED FIFTY
3 THOUSAND PERSONS AND A SELF-INSURED COUNTY INSURANCE POOL TO PROVIDE MEDICAL,
4 SURGICAL AND HOSPITAL BENEFITS PURSUANT TO THIS SECTION. THE PURPOSE OF THE
5 PILOT PROGRAM IS TO DETERMINE WHETHER PUBLIC SECTOR ENTITIES THAT ARE
6 SELF-INSURED CAN, THROUGH A DIRECTED CARE AND MEDICAL MANAGEMENT PROGRAM,
7 CONTAIN COSTS AND IMPROVE HEALTH CARE AND RETURN TO WORK RESULTS FOR INJURED
8 EMPLOYEES. THE INDUSTRIAL COMMISSION SHALL SELECT THE QUALIFIED CITY. THE
9 ENTITIES PARTICIPATING IN THE PILOT PROGRAM SHALL CONSULT WITH THE INDUSTRIAL
10 COMMISSION ON THE PROTOCOL FOR ASSESSMENT AND REPORTING AND SHALL SUBMIT ALL
11 BASELINE DATA TO THE COMMISSION BEFORE THE PILOT PROGRAM CAN BEGIN. NO
12 EARLIER THAN JANUARY 1, 2012 AND NOT LATER THAN JANUARY 1, 2013, THE PILOT
13 PROGRAM PARTICIPANTS MAY BEGIN PROVIDING MEDICAL, SURGICAL AND HOSPITAL
14 BENEFITS PURSUANT TO THIS SECTION ON APPROVAL BY THE INDUSTRIAL COMMISSION.
15 THIS SUBSECTION DOES NOT EXEMPT PILOT PROGRAM PARTICIPANTS FROM ANY OTHER
16 REQUIREMENTS FOR PROCUREMENT OF A MEDICAL NETWORK TO DIRECT CARE. THE PILOT
17 PROGRAM PARTICIPANTS SHALL REPORT IN ACCORDANCE WITH THE PROTOCOL FOR
18 ASSESSMENT AND REPORTING, WITH A FINAL REPORT TWO YEARS AFTER THE START OF
19 THE PILOT PROGRAM. THE PILOT PROGRAM ENDS AND PILOT PROGRAM PARTICIPANTS MAY
20 NOT PROVIDE MEDICAL, SURGICAL AND HOSPITAL BENEFITS PURSUANT TO THIS SECTION
21 FROM AND AFTER DECEMBER 31, 2014.

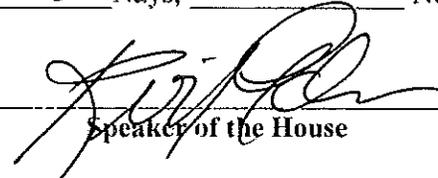
APPROVED BY THE GOVERNOR APRIL 13, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 13, 2011.

Passed the House March 3, 2011

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

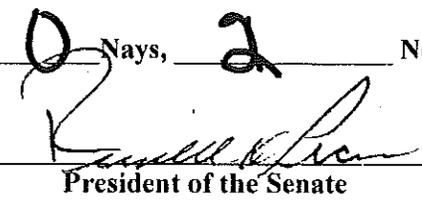

Speaker of the House

Cheryl Laube
Chief Clerk of the House

Passed the Senate April 5, 2011

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting


President of the Senate

Charmie Bellington
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. 2584

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 7, 2011,

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting

[Signature]
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
7 day of April, 2011,

at 2:35 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 13th day of

April, 2011,

at 10:57 o'clock A. M.

[Signature]
Governor of Arizona

H.B. 2584

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 13th day of April, 2011,

at 4:59 o'clock P. M.

[Signature]
Secretary of State