

Senate Engrossed House Bill

**FILED**

**KEN BENNETT  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
Second Regular Session  
2012

CHAPTER 90

# **HOUSE BILL 2063**

AN ACT

AMENDING SECTIONS 36-2907.06 AND 42-11105, ARIZONA REVISED STATUTES; RELATING TO COMMUNITY HEALTH CENTERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 36-2907.06, Arizona Revised Statutes, is amended to  
3 read:

4 36-2907.06. Qualifying community health centers; contracts;  
5 requirements; definition

6 A. Subject to the availability of monies ~~as prescribed in section~~  
7 ~~36-2921~~, the administration shall enter into an intergovernmental agreement  
8 pursuant to title 11, chapter 7, article 3 with the department of health  
9 services to contract with qualifying community health centers to provide  
10 primary health care services to indigent or uninsured Arizonans. The  
11 department of health services shall enter into one year contracts with  
12 qualifying community health centers for the centers to provide the following  
13 primary health care services:

14 1. Medical care provided through licensed primary care physicians and  
15 licensed mid-level providers as defined in section 36-2171.

16 2. Prenatal care services.

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

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

21 5. Preventive health services.

22 6. Preventive dental services.

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

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

28 B. A CONTRACT ENTERED INTO PURSUANT TO SUBSECTION A OF THIS SECTION  
29 MAY INCLUDE URGENT CARE SERVICES FOR WALK-IN PATIENTS.

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

33 1. Are residents of this state.

34 2. Are without medical insurance policy coverage.

35 3. Do not have a family income of more than two hundred per cent of  
36 the federal poverty guidelines as established annually by the United States  
37 department of health and human services.

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

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

1           ~~G.~~ D. The department of health services shall directly administer the  
2 program and issue requests for proposals for the contracts prescribed in this  
3 section. Contracts established pursuant to subsection A of this section  
4 shall be signed by the department and the contractor before the transmission  
5 of any tobacco tax and health care fund monies to the contractor.

6           ~~D.~~ E. Persons who meet the eligibility criteria established in  
7 subsection ~~B-~~ C or ~~G-~~ H of this section shall be charged for services based  
8 upon a sliding fee schedule approved by the department of health services.

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

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

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

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

35           Sec. 2. Section 42-11105, Arizona Revised Statutes, is amended to  
36 read:

37           42-11105. Exemption for health care property

38           A. Hospitals for the relief of the indigent or afflicted, appurtenant  
39 land and their fixtures and equipment are exempt from taxation if they are  
40 not used or held for profit.

41           B. Property that is used to operate a health care institution that  
42 provides medical, nursing or health related services to persons who are  
43 handicapped or sixty-two years of age or older is exempt from taxation if the  
44 property is not used or held for profit.

1 C. Qualifying community health centers as defined in section  
2 36-2907.06, ~~subsection H~~, appurtenant land and their fixtures and equipment  
3 are exempt from taxation if they are not used or held for profit.

4 D. Property that is owned by a health care provider, recognized under  
5 section 501(c)(3) of the internal revenue code and organized as a nonprofit  
6 corporation is exempt from taxation if the property is used to provide health  
7 care services and the property is not used or held for profit. An exemption  
8 under this subsection includes all buildings, appurtenant land, fixtures,  
9 equipment and other reasonably required property, including property used for  
10 the administration of services. For the purposes of this subsection, "health  
11 care provider" means a health care institution as defined in title 36 or an  
12 entity that provides health care services directly to patients through health  
13 care providers who are licensed pursuant to title 32.

APPROVED BY THE GOVERNOR MARCH 27, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 27, 2012.

Passed the House February 20, 2012

Passed the Senate March 20, 2012

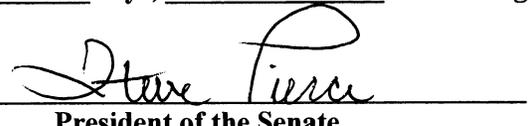
by the following vote: 50 Ayes,

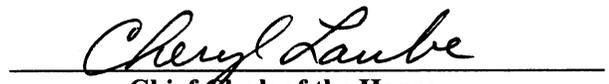
by the following vote: 29 Ayes,

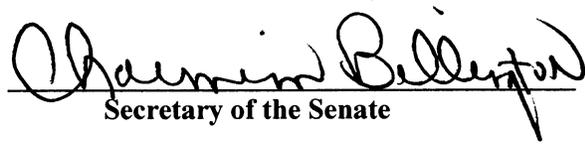
0 Nays, 8 Not Voting  
2 vacant

0 Nays, 1 Not Voting

  
Speaker of the House

  
President of the Senate

  
Chief Clerk of the House

  
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. 2063

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

March 26, 2012,

by the following vote: 53 Ayes,

0 Nays, 7 Not Voting

[Signature]

Speaker of the House

[Signature]

Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this  
26 day of March, 2012,

at 3:30 o'clock P M.

[Signature]  
Secretary to the Governor

Approved this 27<sup>th</sup> day of

March, 2012,

at 3:11 o'clock P. M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 27<sup>th</sup> day of March, 2012,

at 5:12 o'clock P M.

[Signature]  
Secretary of State

H.B. 2063