



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

May 13, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bill from the Fifty-fourth Legislature, 1st Regular Session, which I signed on May 13th, 2019:

H.B. 2074 treatment and education facilities; exemption (Bowers)
H.B. 2241 JLAC; political subdivisions; investigation (Kern)
H.B. 2433 G&F; trophy definition; repeal (Cobb)
H.B. 2442 community services special plates (Griffin)
H.B. 2453 land use plans; contents; aggregates (Griffin)
H.B. 2692 state drink; lemonade (Petersen)
S.B. 1026 school pupils; emergency medication administration (Carter)
S.B. 1096 health professionals data; repository (Carter)
S.B. 1112 juvenile group homes; license; DCS (Pace)
S.B. 1139 redistricting; legislative district one (Fann)
S.B. 1261 lobbyists; filings; attestations (Livingston)
S.B. 1315 victims' rights; refusal of interviews (E. Farnsworth)
S.B. 1441 county officers; confidentiality; e-mail (Pratt)
S.B. 1483 vulnerable adults; financial exploitation (Mesnard)
S.B. 1526 firefighting foam; prohibited uses (Carter)
S.B. 1534 annuity disclosure; rules (Brophy-McGee)
S.B. 1535 AHCCCS; opioid treatment programs; requirements (Brophy-McGee)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed
FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 224
SENATE BILL 1535

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY
ADDING SECTIONS 36-2907.14 AND 36-2907.15; RELATING TO PUBLIC HEALTH AND
SAFETY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Title 36, chapter 29, article 1, Arizona Revised
3 Statutes, is amended by adding sections 36-2907.14 and 36-2907.15, to
4 read:

5 36-2907.14. AHCCCS; contractors; opioid treatment programs;
6 reimbursement; report; definitions

7 A. PURSUANT TO SECTION 36-2907, THE ADMINISTRATION AND ITS
8 CONTRACTORS MAY REIMBURSE AN OPIOID TREATMENT PROGRAM PROVIDER FOR
9 ENROLLED MEMBERS ONLY IF THE PROVIDER DEMONSTRATES ENFORCEMENT OF EACH
10 PLAN CONTAINED IN THE ANNUAL REPORT PURSUANT TO SUBSECTION B OF THIS
11 SECTION AND THE ADMINISTRATION APPROVES THE REPORT PURSUANT TO SUBSECTION
12 C OF THIS SECTION.

13 B. AN OPIOID TREATMENT PROGRAM PROVIDER THAT RECEIVES REIMBURSEMENT
14 FROM THE ADMINISTRATION OR ITS CONTRACTORS SHALL SUBMIT AN ANNUAL REPORT
15 ON A SCHEDULE THAT IS PRESCRIBED BY THE ADMINISTRATION AND THAT CONTAINS
16 ALL OF THE FOLLOWING:

17 1. A DETAILED SECURITY PLAN THAT INCORPORATES STANDARDS FROM THE
18 SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION AND THE UNITED
19 STATES DRUG ENFORCEMENT ADMINISTRATION. THE PLAN SHALL INCLUDE PATIENT
20 MANAGEMENT STRATEGIES THAT ARE DESIGNED TO REDUCE POTENTIAL HARM TO
21 PATIENTS AND LOWER THE RISK OF EXPOSURE TO ILLICIT TRANSACTIONS AND OTHER
22 CONSEQUENCES OF OVERCROWDING AND POOR PATIENT MANAGEMENT.

23 2. A NEIGHBORHOOD ENGAGEMENT PLAN THAT OUTLINES ENGAGEMENT WITH KEY
24 STAKEHOLDERS IN THE NEIGHBORHOOD IN WHICH THE OPIOID TREATMENT PROGRAM IS
25 LOCATED, INCLUDING HOMEOWNERS' ASSOCIATIONS, SCHOOL ADMINISTRATORS,
26 NEIGHBORING BUSINESSES, COMMUNITY ORGANIZATIONS, THE CITY OR TOWN COUNCIL
27 AND LOCAL LAW ENFORCEMENT. THE PLAN SHALL INCLUDE INFORMATION ABOUT
28 ENSURING CONSIDERATION OF AND RESPONSE TO REASONABLE SAFETY, SECURITY AND
29 TRASH REMOVAL CONCERNS, CONCERNS REGARDING ADEQUATE PARKING FOR PATIENTS
30 AND STAFF AND OTHER MATTERS OF CONCERN TO THE ENTITIES PRESCRIBED IN THIS
31 PARAGRAPH.

32 3. A COMPREHENSIVE PLAN RELATED TO THE CARE OF ALL PATIENTS TO
33 DEMONSTRATE HOW THE OPIOID TREATMENT PROGRAM ENSURES THAT APPROPRIATE
34 STANDARDS OF CARE ARE MET FOR MEDICATION-ASSISTED TREATMENT, INCLUDING
35 DOSING, THE PROVISION OF OR REFERRAL TO APPROPRIATE COUNSELING AND
36 BEHAVIORAL THERAPY SERVICES AND PEER SUPPORT SERVICES, AS REQUIRED BY THE
37 SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION. THIS PLAN
38 SHALL INCLUDE WHETHER THE OPIOID TREATMENT PROGRAM PROVIDES THE THERAPY
39 SERVICES DIRECTLY OR REFERS PATIENTS FOR SERVICES THROUGH A SEPARATE
40 PROVIDER. IF THE PROGRAM REFERS PATIENTS FOR SERVICES THROUGH A SEPARATE
41 PROVIDER, THE REPORT SHALL INCLUDE STRATEGIES EMPLOYED TO ENSURE PATIENTS
42 ARE ABLE TO ACCESS REFERRED SERVICES IN A TIMELY MANNER.

43 4. A COMMUNITY RELATIONS AND EDUCATION PLAN THAT INCLUDES POLICIES
44 AND PROCEDURES TO MEASURE AND MINIMIZE THE NEGATIVE IMPACT THE OPIOID
45 TREATMENT PROGRAM MAY HAVE ON THE COMMUNITY, TO PROMOTE PEACEFUL

1 COEXISTENCE AND TO PLAN FOR CHANGE IN THE PROGRAM AND PROGRAM GROWTH,
2 INCLUDING:
3 (a) CONSIDERING COMMUNITY NEEDS AND IMPACTS WHEN SELECTING A SITE
4 FOR THE PROGRAM OR PROGRAM GROWTH.
5 (b) CONSIDERING COMMUNITY INPUT ON THE POTENTIAL IMPACT THE PROGRAM
6 MAY HAVE ON THE COMMUNITY.
7 (c) MAINTAINING A CLEAN AND ORDERLY FACILITY THAT DOES NOT IMPEDE
8 PEDESTRIAN OR TRAFFIC FLOW.
9 (d) COMMUNICATING WITH COMMUNITY LEADERS TO FOSTER GOOD COMMUNITY
10 RELATIONS.
11 (e) DEVELOPING AND IMPLEMENTING A COMMUNITY RELATIONS PLAN THAT IS
12 SPECIFIED TO THE NEEDS OF THE PROGRAM WITHIN ITS COMMUNITY AND THAT
13 INCLUDES THE FOLLOWING ACTIONS:
14 (i) ESTABLISHING A LIAISON WITH COMMUNITY REPRESENTATIVES TO SHARE
15 INFORMATION ABOUT THE PROGRAM, THE COMMUNITY AND MUTUAL CONCERNS AND
16 ISSUES.
17 (ii) IDENTIFYING PROGRAM PERSONNEL WHO WILL FUNCTION AS COMMUNITY
18 RELATIONS COORDINATORS AND DEFINE THE GOALS AND PROCEDURES OF THE
19 COMMUNITY RELATIONS PLAN.
20 (iii) SERVING AS A COMMUNITY RESOURCE ON SUBSTANCE USE AND RELATED
21 HEALTH AND SOCIAL ISSUES AS WELL AS PROMOTING THE BENEFIT OF
22 MEDICATION-ASSISTED TREATMENT IN PRESERVING THE PUBLIC HEALTH.
23 (iv) SOLICITING COMMUNITY INPUT ABOUT MEDICATION-ASSISTED TREATMENT
24 AND THE PROGRAM'S PRESENCE IN THE COMMUNITY.
25 (v) DEVELOPING PROGRAM POLICIES AND PROCEDURES TO EFFECTIVELY
26 ADDRESS OR RESOLVE COMMUNITY PROBLEMS, INCLUDING PATIENT LOITERING AND
27 MEDICATION DIVERSION, AND ENSURING THAT PROGRAM OPERATIONS DO NOT AFFECT
28 COMMUNITY LIFE ADVERSELY.
29 (vi) DOCUMENTING COMMUNITY CONTACTS AND COMMUNITY RELATIONS EFFORTS
30 AND EVALUATING THE EFFECTIVENESS OF ACTIVITIES OVER TIME IN ADDRESSING
31 OUTSTANDING PROBLEMS OR DEFICIENCIES.
32 (vii) DISCLOSING THE PROCESS FOR COMMUNITY CONTACTS TO NOTIFY THE
33 ADMINISTRATION'S CLINICAL RESOLUTION UNIT OF ANY UNRESOLVED PROBLEMS OR
34 DEFICIENCIES THAT INCLUDES, IF APPROPRIATE, COORDINATION WITH THE STATE
35 OPIOID TREATMENT AUTHORITY.
36 (viii) DEVELOPING COMMUNICATION MECHANISMS THAT PROVIDE INTERESTED
37 PARTIES AND POTENTIAL PATIENTS WITH GENERAL INFORMATION ABOUT THE PROGRAM
38 OUTSIDE OF REGULAR OPERATING HOURS.
39 5. A CURRENT DIVERSION CONTROL PLAN THAT CONTAINS SPECIFIC MEASURES
40 TO REDUCE THE POSSIBILITY OF DIVERSION OF CONTROLLED SUBSTANCES FROM
41 LEGITIMATE TREATMENT USE.
42 C. THE ADMINISTRATION SHALL POST THE REPORTS RECEIVED PURSUANT TO
43 SUBSECTION B OF THIS SECTION ON ITS PUBLIC WEBSITE. THE ADMINISTRATION
44 SHALL NOTIFY EACH CITY OR TOWN IN WHICH AN OPIOID TREATMENT PROGRAM IS
45 LOCATED OF THE POSTED REPORT AND ALLOW THE CITY OR TOWN THIRTY DAYS TO

1 PROVIDE COMMENTS ON THE REPORT. THE ADMINISTRATION SHALL CONSIDER THE
2 CITY'S OR TOWN'S COMMENTS ON THE REPORT AND APPROVE OR REJECT THE ANNUAL
3 REPORT WITHIN THIRTY DAYS AFTER THE CLOSE OF THE COMMENT PERIOD. IF THE
4 ADMINISTRATION IDENTIFIES AREAS OF CONCERN REGARDING COMPLIANCE WITH STATE
5 RULES, FEDERAL REGULATIONS OR ADMINISTRATION POLICIES, THE ADMINISTRATION
6 MUST PROVIDE THE OPIOID TREATMENT PROGRAM THIRTY DAYS TO REVISE THE
7 REPORT. THE ADMINISTRATION SHALL ALSO TAKE ANY APPROPRIATE REGULATORY
8 ACTION BASED ON THE DEFICIENCIES IDENTIFIED. IF THE OPIOID TREATMENT
9 PROGRAM DOES NOT SUBMIT THE REPORT WITHIN THE REQUIRED TIMELINES OR DOES
10 NOT DEMONSTRATE ENFORCEMENT OF EACH PLAN CONTAINED IN THE REPORT, OR IF
11 THE ADMINISTRATION DOES NOT APPROVE THE REPORT INITIALLY OR AFTER THE
12 REQUESTED REVISION, THE ADMINISTRATION, WITH APPROPRIATE NOTIFICATION TO
13 THE PROVIDER, SHALL SUSPEND REIMBURSEMENT BY THE ADMINISTRATION OR ITS
14 CONTRACTORS TO THE OPIOID TREATMENT PROGRAM UNTIL THE REPORT IS APPROVED.

15 D. ON OR BEFORE JANUARY 15 OF EACH YEAR, THE ADMINISTRATION SHALL
16 SUBMIT A REPORT TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE
17 SPEAKER OF THE HOUSE OF REPRESENTATIVES THAT SUMMARIZES THE REPORTS
18 SUBMITTED PURSUANT TO SUBSECTION B OF THIS SECTION. A COPY OF THE REPORT
19 SHALL BE PROVIDED TO THE SECRETARY OF STATE.

20 E. FOR THE PURPOSES OF THIS SECTION:

21 1. "MEDICATION-ASSISTED TREATMENT" HAS THE SAME MEANING PRESCRIBED
22 IN SECTION 32-3201.01.

23 2. "OPIOID TREATMENT PROGRAM" MEANS A LICENSED AND ACCREDITED
24 PROGRAM THAT IS AUTHORIZED TO DISPENSE MEDICATIONS FOR THE TREATMENT OF
25 OPIOID USE DISORDERS THROUGH HIGHLY STRUCTURED PROTOCOLS DEFINED IN
26 FEDERAL REGULATIONS AND STATE RULES.

27 36-2907.15. Opioid use disorder treatment; standards; centers
28 of excellence; annual report

29 A. ON OR BEFORE DECEMBER 31, 2019, THE ADMINISTRATION AND THE
30 DEPARTMENT OF HEALTH SERVICES SHALL ESTABLISH STANDARDS FOR DESIGNATING
31 CENTERS OF EXCELLENCE FOR TREATING OPIOID USE DISORDER STATEWIDE. THE
32 DIRECTOR OF THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM SHALL PUBLISH
33 THE DRAFT STANDARDS ON THE ADMINISTRATION'S PUBLIC WEBSITE AND HOLD AT
34 LEAST TWO PUBLIC HEARINGS TO RECEIVE INPUT BEFORE IMPLEMENTING THE
35 STANDARDS. THE ADMINISTRATION SHALL PUBLISH THE FINAL STANDARDS FOR
36 DESIGNATING CENTERS OF EXCELLENCE FOR TREATING OPIOID USE DISORDER ON ITS
37 PUBLIC WEBSITE.

38 B. AT A MINIMUM, THE STANDARDS ESTABLISHED PURSUANT TO SUBSECTION A
39 OF THIS SECTION SHALL INCLUDE:

40 1. INFORMATION REGARDING OPIOID TREATMENT PROGRAM PROVIDERS AND
41 FACILITIES.

42 2. INFORMATION REGARDING OFFICE-BASED OPIOID AGONIST TREATMENT
43 PROVIDERS.

1 3. PARAMETERS TO ENSURE COORDINATION OF CARE THAT INCLUDES
2 BEHAVIORAL HEALTH, PHYSICAL HEALTH AND MEDICATION-ASSISTED TREATMENT FOR
3 OPIOID USE DISORDER.

4 4. TRACKING AND REPORTING REQUIREMENTS THAT IDENTIFY:

5 (a) TREATMENT CAPACITY.

6 (b) QUANTITATIVE METRICS RELATED TO QUALITY OF CARE AND PATIENT
7 OUTCOMES.

8 (c) QUALITATIVE METRICS RELATED TO PATIENT SATISFACTION.

9 5. AN ANNUAL EVALUATION BY A THIRD-PARTY AUDITOR OF THE ACCURACY
10 AND COMPLETENESS OF DATA PROVIDED BY THE CENTERS OF EXCELLENCE.

11 C. THE ADMINISTRATION SHALL ESTABLISH A STATEWIDE LEARNING
12 COLLABORATIVE TO SHARE BEST PRACTICES AND ESTABLISH PEER-TO-PEER SUPPORT
13 BETWEEN CENTERS OF EXCELLENCE.

14 D. THE ADMINISTRATION SHALL MAINTAIN AN ACCURATE LIST OF DESIGNATED
15 CENTERS OF EXCELLENCE, INCLUDING CONTACT INFORMATION, ON ITS WEBSITE.

16 E. DESIGNATED CENTERS OF EXCELLENCE SHALL:

17 1. INCREASE CAPACITY FOR TREATING OPIOID USE DISORDER IN OPIOID
18 TREATMENT PROGRAMS AND OFFICE-BASED OPIOID AGONIST TREATMENT STATEWIDE.

19 2. DEMONSTRATE EFFECTIVE DELIVERY OF MEDICATION-ASSISTED TREATMENT
20 FOR OPIOID USE DISORDER USING EVIDENCE-BASED PRACTICES AS DEFINED BY THE
21 SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, A FEDERALLY
22 DESIGNATED ACCREDITATION AGENCY FOR REHABILITATION FACILITIES AND THE
23 ADMINISTRATION.

24 3. COMPLY WITH ALL TRACKING, REPORTING AND EVALUATION REQUIREMENTS.

25 4. PARTICIPATE IN THE STATEWIDE LEARNING COLLABORATIVE.

26 F. ON OR BEFORE JANUARY 15 OF EACH YEAR, THE ADMINISTRATION SHALL
27 SUBMIT A REPORT TO THE GOVERNOR, THE PRESIDENT OF THE SENATE AND THE
28 SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND SHALL PROVIDE A COPY TO THE
29 SECRETARY OF STATE, OUTLINING:

30 1. THE STANDARDS FOR DESIGNATING CENTERS OF EXCELLENCE.

31 2. THE STATEWIDE LIST OF DESIGNATED CENTERS OF EXCELLENCE.

32 3. A SUMMARY OF THE PERFORMANCE OF THE CENTERS OF EXCELLENCE.

33 Sec. 2. Arizona opioid use disorder review council; members;
34 duties; annual report; delayed repeal

35 A. The Arizona opioid use disorder review council is established
36 consisting of the following members:

37 1. The chairpersons of the health and human services committees of
38 the senate and the house of representatives, who shall serve as
39 cochairpersons.

40 2. The director of the Arizona health care cost containment system
41 or the director's designee.

42 3. The director of the department of health services or the
43 director's designee.

44 4. The following members who are appointed by the governor:

1 (a) Two family members of individuals who currently receive
2 medication-assisted treatment for opioid use disorder.

3 (b) A representative from a managed care organization contracted
4 with the Arizona health care cost containment system.

5 (c) A representative of an opioid treatment program.

6 (d) A representative of an office-based opioid agonist treatment
7 program.

8 (e) An administrator of a publicly funded opioid treatment program.

9 (f) A representative of a commercial health care insurer.

10 (g) A representative from a municipality with a population of more
11 than one million four hundred thousand persons.

12 (h) A representative from a county with a population of more than
13 one million persons.

14 (i) A representative from a county with a population of more than
15 two hundred thousand and less than two hundred ten thousand persons.

16 B. Appointed members shall serve at the pleasure of the governor.

17 C. Council members are not eligible to receive compensation, but
18 members appointed by the governor are eligible for reimbursement of
19 expenses under title 38, chapter 4, article 2, Arizona Revised Statutes.

20 D. The Arizona health care cost containment system administration
21 shall provide reports periodically on a schedule determined by the council
22 that include the following information based on utilization data received
23 by the administration and in compliance with all federal and state privacy
24 laws and regulations:

25 1. The number of patients provided medication-assisted treatment
26 services for each provider submitting claims and encounters received by
27 the administration for services during the period covered by the report.

28 2. The treatment type, if available, including medications and
29 other related services provided by each provider and the number of
30 patients receiving those treatment types and services.

31 3. The length of stay based on utilization data for each treatment
32 type.

33 E. The council shall:

34 1. Review and make recommendations to the Arizona health care cost
35 containment system regarding:

36 (a) The standards for designating centers of excellence for
37 medication-assisted treatment for opioid use disorder.

38 (b) The reporting requirements for care delivery activities in
39 designated centers of excellence.

40 (c) Availability of and barriers to access to all United States
41 food and drug administration-approved medications for treating opioid use
42 disorder and whether utilization controls are appropriate.

43 (d) Other state licensure and treatment models that provide
44 outpatient opioid treatment.

1 (e) Patient outcomes that are reported to the Arizona health care
2 cost containment system administration by contracted providers who receive
3 reimbursement for medication-assisted treatment for opioid use disorder.

4 2. Recommend to the legislature changes to the laws regarding
5 medication-assisted treatment for opioid use disorder.

6 3. On or before December 15 of each year, submit a report regarding
7 the council's activities and recommendations to the governor, the
8 president of the senate and the speaker of the house of representatives
9 and provide a copy of this report to the secretary of state.

10 F. The Arizona health care cost containment system and the
11 department of health services shall provide technical assistance to the
12 Arizona opioid use disorder review council.

13 G. This section is repealed from and after December 31, 2023.

APPROVED BY THE GOVERNOR MAY 13, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 13, 2019.

Passed the House May 6, 2019,

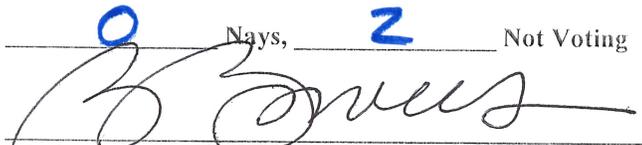
Passed the Senate March 7, 2019

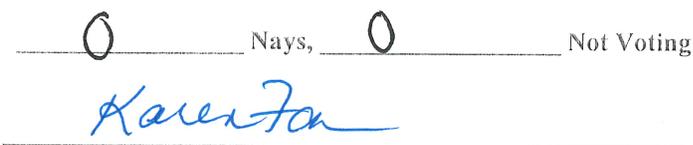
by the following vote: 58 Ayes,

by the following vote: 36 Ayes,

0 Nays, 2 Not Voting

0 Nays, 0 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 was received by the Governor this

7th day of May, 2019,

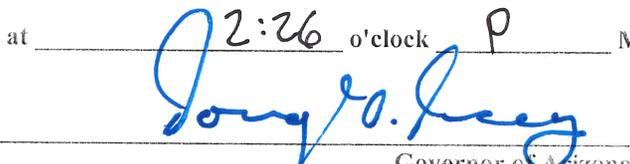
at 1:32 o'clock P M.


Secretary to the Governor

Approved this 13th day of

May, 2019,

at 2:26 o'clock P M.

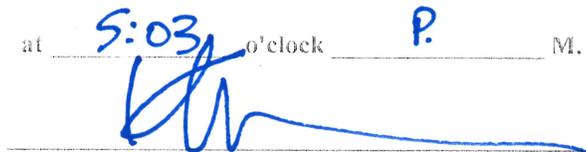

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 13 day of May, 2019,

at 5:03 o'clock P M.


Secretary of State

S.B. 1535