

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2007

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 36-557, Arizona Revised Statutes, is amended to
3 read:

4 36-557. Community developmental disability services; service
5 providers

6 A. The department may use state and federal monies appropriated or
7 otherwise available to it for this purpose to assist in the establishment and
8 maintenance of local developmental disability services by public or private
9 nonprofit or profit agencies. The monies may be expended as professional
10 fees for service, in contracts for advancement or reimbursement or in another
11 appropriate manner and may be used for any purpose necessary to the provision
12 of local developmental disability services. The monies may not be used for
13 departmental salaries, care of developmentally disabled persons by the
14 department or any other purpose within the department, but may be used for
15 consultation to the department in the interest of local programs.

16 B. A local public or private nonprofit or profit agency providing or
17 intending to provide community developmental disability services and desiring
18 to contract with the department for the furnishing of these services shall
19 submit a program plan and budget to the department on the forms and in the
20 manner required by the department. If the program meets departmental
21 standards and is consistent with the state plan of the department and the
22 individualized service program plan of the client, the department,
23 notwithstanding the provisions of title 41, chapter 23, relating to
24 procurement and including services pursuant to section 36-2943, may contract

1 with that agency for required services on terms the department requires. The
2 contracts shall provide that the provider of services is subject to a
3 continuing program evaluation by the department through progress reports,
4 expenditure reports, program audits or other appropriate evaluation
5 techniques to assure that the provider of service is in continued compliance
6 with the terms of the contract and the department's community developmental
7 disability service standards and requirements.

8 C. Contracts between the department and a school district or districts
9 are subject to approval by the department of education.

10 D. This article does not make the department or the state responsible
11 for funding programs beyond the limits of legislative appropriation for the
12 programs. This article does not require a provider of services to provide
13 unreimbursed services to the department or its clients.

14 E. Contracts to provide community developmental disability services
15 shall require that:

16 1. The contractor is obligated to operate a program or service in
17 strict accordance with the standards adopted for that program or service by
18 the department.

19 2. If state funding is provided for a particular program the
20 contractor, to the extent of positions available that are being purchased by
21 the department, shall provide services to a developmentally disabled client
22 who has been evaluated and placed by the department.

23 3. All contractors must carry liability insurance in amounts approved
24 by the risk management division of the department of administration and file
25 proof of insurance with the risk management division. The director may waive
26 that requirement on a case by case basis on a finding that insurance for the
27 program or service is not practicably available at affordable rates and that
28 it is necessary that the program or service be provided by the contractor.

29 4. All clients enrolled in programs have all the same specified rights
30 as they would have if enrolled in a program operated directly by the state.

31 5. Except for emergency placement pursuant to section 36-560,
32 subsection N, payment shall not be made based on program services provided to

1 a client if a placement evaluation has not been made, and no individual
2 program has been prepared and when, based on that placement evaluation, no
3 recommendation has been made to enroll the client in the particular program
4 service.

5 F. This article does not require a contracted agency to provide
6 unreimbursed services to the department or a client of the department.

7 G. Contracts for the purchase of residential care services other than
8 those community residential settings licensed pursuant to this chapter, in
9 addition to other general requirements applicable to purchase of care
10 contractors, shall:

11 1. Provide for mandatory inspection by the department every two years
12 for facilities other than group homes.

13 2. Provide for mandatory monitoring by the department for health,
14 safety, contractual and programmatic standards at least every six months,
15 unless the department has granted deemed status to the service provider or
16 the service provider received a score of at least ninety-five per cent on the
17 most recent monitoring visit. If the department has granted deemed status or
18 awarded the service provider with a score of at least ninety-five per cent on
19 the most recent monitoring visit, it shall monitor that provider once each
20 year. On determination by the department that there is reasonable cause to
21 believe a service provider is not adhering to the department's programmatic
22 or contractual requirements, the department and any duly designated employee
23 or agent of the department may enter on and into the premises at any
24 reasonable time for the purpose of determining the state of compliance with
25 the programmatic or contractual requirements of the department.

26 3. Provide for mandatory investigation by the department in response
27 to complaints within ten working days, except that in those instances that
28 pose a danger to the client, the department shall conduct the investigation
29 immediately. Health and safety complaints related to group homes shall be
30 referred to the department of health services on receipt. The department of
31 health services shall share all incident reports related to health and safety
32 with the division of developmental disabilities.

1 4. Except for group homes licensed by the department of health
2 services, specify the health and safety and sanitation codes and other codes
3 or standards applicable to the facility or to the operation of the facility
4 by the contractor other than group homes.

5 5. Provide for mandatory periodic reports to be filed by the provider
6 contractor with the department with respect to the operation of the facility.

7 6. Provide that the facility and the books and records of the facility
8 and of the provider are subject to inspection at any time by employees of the
9 department or designees of the department.

10 7. Provide that parents and guardians of developmentally disabled
11 persons residing at the facility, members of the developmental disabilities
12 advisory council, and members of other recognized and ongoing advocacy groups
13 for developmentally disabled persons may inspect the facility at reasonable
14 times.

15 H. Contracts for purchase of residential care services shall require a
16 community residential setting to be licensed pursuant to this chapter other
17 than group homes licensed by the department of health services.

18 I. CONTRACTS FOR THE PURCHASE OF DAY PROGRAM OR EMPLOYMENT SERVICES,
19 IN ADDITION TO THE OTHER GENERAL REQUIREMENTS APPLICABLE TO THE PURCHASE OF
20 CLIENT SERVICES, MUST PROVIDE FOR MANDATORY MONITORING BY THE DEPARTMENT FOR
21 HEALTH, SAFETY, CONTRACTUAL, PROGRAMMATIC AND QUALITY ASSURANCE STANDARDS AT
22 LEAST ONCE EACH YEAR, UNLESS THE DEPARTMENT HAS GRANTED DEEMED STATUS TO THE
23 SERVICE PROVIDER. IF THE DEPARTMENT HAS GRANTED DEEMED STATUS TO THE SERVICE
24 PROVIDER, THE DEPARTMENT SHALL MONITOR THAT PROVIDER ONCE EVERY TWO YEARS.
25 IF THE DEPARTMENT HAS REASONABLE CAUSE TO BELIEVE A SERVICE PROVIDER IS NOT
26 ADHERING TO THE DEPARTMENT'S CONTRACTUAL, PROGRAMMATIC OR QUALITY ASSURANCE
27 STANDARDS, THE DEPARTMENT AND ANY DULY DESIGNATED EMPLOYEE OR AGENT OF THE
28 DEPARTMENT MAY ENTER ON OR INTO THE SERVICE PROVIDER'S PREMISES AT ANY
29 REASONABLE TIME FOR THE PURPOSE OF DETERMINING THE STATE OF COMPLIANCE WITH
30 THE DEPARTMENT'S PROGRAMMATIC, CONTRACTUAL AND QUALITY ASSURANCE
31 REQUIREMENTS.

1 ~~I.~~ J. The division shall ensure that all contracted developmental
2 disabilities service providers rendering services pursuant to this chapter
3 are reimbursed in accordance with title XIX of the social security act.

4 ~~J.~~ K. Contracts for client services issued by the department shall
5 include language outlining the provisions for a grievance and appeal
6 procedure. The director shall provide notice to providers not less than
7 thirty days before the issuance of an amendment to a qualified vendor
8 agreement. The decision of the director regarding qualified vendor agreement
9 amendments may be appealed pursuant to title 41, chapter 6, article 10. The
10 grievance process applicable to these contracts shall comply with title XIX
11 requirements.

12 ~~K.~~ L. As a condition of contracts with any developmental disabilities
13 service provider, the director shall require terms that conform with state
14 and federal laws, title XIX statutes and regulations and quality standards.
15 The director shall further require contract terms that ensure performance by
16 the provider of the provisions of each contract executed pursuant to this
17 article.

18 ~~L.~~ M. The division shall establish a rate structure that ensures an
19 equitable funding basis for private nonprofit or for profit agencies for
20 services pursuant to subsection B of this section and section 36-2943. In
21 each fiscal year, the division shall review and adjust the rate structure
22 based on section 36-2959. A rate book shall be published and updated by the
23 division to announce the rate structure that shall be incorporated by
24 reference in contracts for client services.

25 ~~M.~~ N. The division shall disclose to a service provider in the
26 individual program plan defined by section 36-551, and in all meetings
27 resulting from a response to a vendor call, any historical and behavioral
28 information necessary for the provider to be able to anticipate the client's
29 future behaviors and needs, including summary information from the program
30 review committee, unusual incident reports reviewed by the human rights
31 committee and behavioral treatment plans. The division shall redact the
32 client's identification from this information.

1 ~~N~~. 0. Service providers are authorized to engage in the following
2 activities in accordance with a client's individual program plan:

3 1. Administer medications, including assisting with the client's
4 self-administration of medications.

5 2. Log, store, remove and dispose of medications.

6 3. Maintain medications and protocols for direct care.

7 4. Serve as the client's representative payee if requested by the
8 client or the client's guardian and approved by the payer.

9 ~~Q~~. P. The department may adopt rules establishing procedures for
10 engaging in the activities listed in subsection ~~N~~. 0 of this section.

11 ~~P~~. Q. To protect the health and safety of a client, a provider must
12 notify the division within twenty-four hours if an emergency situation exists
13 in which the provider is unable to meet the health or safety needs of the
14 client.

15 ~~Q~~. R. On notification of an emergency situation, the department shall
16 hold an individual program plan meeting within fifteen days after
17 notification to recommend any changes, including whether there is a need for
18 temporary additional staffing to provide appropriate care for a client, and
19 develop a plan within thirty days after notification to resolve the
20 situation."

21 Amend title to conform

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