

## The 2nd Regular Session of the 53rd Arizona Legislature (2018)

*Adjourned sine die May 4, 2018*  
*Total days of session: 116*

### Session Stats

|                           |                |
|---------------------------|----------------|
| General Effective Date:   | August 3, 2018 |
| Bills Introduced:         | 1206           |
| Bills Passed:             | 369            |
| Bills Vetoed:             | 16             |
| Bills Signed:             | 285            |
| Special Sessions Called:  | 1              |
| Ballot Measures Referred: | 2              |

### Session Overview

The 2<sup>nd</sup> Regular Session of the 53<sup>rd</sup> Arizona Legislature convened on Monday, January 8<sup>th</sup>. Governor Ducey outlined his priorities for the year in his State of the State address, focusing on K-12 funding and the opioid epidemic. Governor Ducey called a special session to address issues related to the opioid epidemic on January 22<sup>nd</sup> and the legislature passed mirror bills making changes to prescribing practices and regulation of schedule II controlled substances before adjourning on January 25<sup>th</sup>.

This session was marked by several high-profile departures that included resignations to run for other offices or fill vacancies elsewhere. Additionally, House Appropriations Chair Don Shooter was removed from his chairmanship shortly before session began and was expelled from the chamber on February 1<sup>st</sup>, following the conclusion of a House ethics investigation into Shooter's alleged sexual harassment.

The final months of the 2018 session were dominated by a growing grassroots movement seeking higher funding for K-12 education and teacher pay. Governor Ducey held a press conference on April 12<sup>th</sup> in which he announced that he would seek a 20 percent teacher pay raise by the 2020-2021 school year in addition to restoring \$371 million in district and charter additional assistance by FY 2023. However, a budget deal was not reached the following week and teachers voted to walk off the job in protest. On April 26<sup>th</sup>, school districts and charters closed as more than 50,000 teachers and other "Red for Ed" supporters descended on the State Capitol. Many districts remained closed in subsequent days as thousands of teachers returned daily to the Capitol, refusing to return to work until the legislature passed a budget. A budget deal was reached on April 27<sup>th</sup> and, after many hours of debate, was passed in the early morning hours of Thursday, May 3<sup>rd</sup>. The legislature returned to work later that afternoon to wrap up outstanding bills and adjourned *sine die* at 12:26 am on Friday, May 4<sup>th</sup>.

### The Story of the Dental Therapy Bill in a Nutshell

After failure to pass through the sunrise process last year, the dental therapy sunrise application passed the Health Committee of Reference in November 2017, and Senator Nancy Barto introduced SB 1377 to create a dental therapist license in Arizona this session. In Arizona, this grassroots effort was led by the Pew Charitable Trust and supported by a broad based coalition that included AzDHA, the Goldwater Institute, many

tribal communities and organizations, Valle del Sol, Chicanos Por La Causa, Inc., Asian Pacific Community in Action, and the Arizona Section of the American Congress of Obstetricians and Gynecologists. The most vocal opponent was the Arizona Dental Association who was successful at killing SB1377 in the House Health Committee with a close 4-5 vote. Not to be undone, dental therapy advocates continued to push the issue and struck the language onto Representative Bob Thorpe's HB 2235 in the Senate Government Committee, from which it passed during the final week of committees. Despite a great deal of support in the Senate, President Yarbrough refused to allow the measure to go to the floor without an agreement from the dentists. Eventually a deal was struck to restrict dental therapists to practicing only in specified settings – FQHCs, facilities with a federal look-alike designation, community health centers, nonprofit dental practices or nonprofit organizations that provide dental care to low-income and underserved individuals, and private dental practices that provide services to patients that are patients of record and referred by community health centers. With the amendment, the Arizona Dental Association changed its position and the amended bill passed the Senate unanimously and passed the House on final read 47-13 on the last night of session. It was signed by the governor on May 16<sup>th</sup>.

### **Sunrise Reform**

AzDHA and a coalition of other health professionals worked with Senator Sonny Borrelli to introduce legislation this year (SB 1470) reforming the sunrise process. The sunrise process is a statutorily required process for health professional groups to make changes to their scopes of practice. Under current law, applicant groups must submit a disclosure by September 1<sup>st</sup> and appear before the Health Committee of Reference in the fall for approval of their application. AzDHA and others have found the current process gives an undue advantage to physicians' and dentists' groups seeking to preserve their competitive advantages, and SB 1470 would have changed the due date of the required disclosure to before session and make the committee of reference hearing optional. After passing the Senate 21-9 and passing through the House Government Committee on a party-line vote, Representative Thorpe convened stakeholder meetings and, surprisingly, the physicians proposed a "compromise" that accomplished the coalition's goals. The agreed-upon language, which was amended onto Senator John Kavanagh's SB 1034 (sunrise process; committee of reference), moves the disclosure date to November 1<sup>st</sup> and making the committee of reference hearing optional and information-only. Additionally, the language adds specifications on how the legislature should evaluate a proposed scope expansion and modifies the makeup of the committee of reference. SB 1034 passed both chambers unanimously and was signed into law on April 12<sup>th</sup>.

### **Pregnant Women Dental Benefit**

AzDHA worked with a large coalition of stakeholders to advocate for the addition of a comprehensive dental benefit for pregnant women on AHCCCS capped at \$1000 per year. The legislature added an emergency dental benefit for adults age 21 and older last year, but AHCCCS adults do not have access to a restorative or preventative benefit. The governor's office, unfortunately, did not include the benefit in the executive budget proposal released in January, so AzDHA and other stakeholders worked with Senate Majority Leader Kimberly Yee to introduce legislation. Senator Yee's SB 1445 (AHCCCS; dental care; pregnant women) added the comprehensive benefit and appropriated funds to cover the benefit.

However, the cost of the benefit soon became contentious; although AHCCCS estimated the actual cost of the benefit to be \$268,100 if utilization rates stay the same, they feared that the existence of the benefit would cause women who have not and would not otherwise report their pregnancy to AHCCCS to report and be moved into the SOBRA category. The SOBRA population receives the traditional federal match of about 70 percent and the General Fund pays the state's share. AHCCCS estimated the cost of the additional expenses incurred by women shifting into the SOBRA category could be as high as \$14 million, but would more likely be around \$4 million.

Nevertheless, the bill passed out of the Senate with a 27-3 vote and a \$269,100 appropriation. In the House, the bill was double assigned to Health and Appropriations and passed both committees unanimously. As is typical for bills that include appropriations, SB 1445 was held in Rules during budget negotiations. AzDHA and other proponents worked with the Joint Legislative Budget Committee (JLBC) and AHCCCS to amend down the \$4 million cost estimate, as we believe it is unlikely that women who are not seeking any prenatal care at all would shift into the SOBRA category to access a dental benefit. Despite our efforts and those of Senator Yee, JLBC was unmovable. When the governor announced his plan to increase teacher pay by 20 percent, most member budget requests over \$1 million were removed from budget negotiations and the dental benefit for pregnant women suffered this fate. It was not included in the budget deal, and so SB 1445 did not pass the legislature. AzDHA and other proponents will meet over the summer with AHCCCS to determine how to best address the secondary costs associated with the benefit and whether they may be demonstrably offset by cost savings from improved pregnancy outcomes.

### **KidsCare Enrollment Flexibility**

Two years ago, the legislature restored funding to KidsCare, Arizona's Children's Health Insurance Program (CHIP), with trigger language requiring that AHCCCS freeze enrollment if the federal match falls below 100 percent. AzDHA supported this restoration with the hope that the trigger would later be amended. This year, Representative Regina Cobb introduced legislation this year to allow AHCCCS to continue to enroll new members if federal funding falls below 100 percent if the director determines that there are sufficient federal and state monies. The bill enjoyed broad support from the public health community and passed out of the House 46-12. However, it failed to receive a hearing in the Senate. Representative Heather Carter struck the language onto SB 1087 in the House Health Committee, but that bill subsequently got held in Rules as a "money bill." It was not included in the budget deal and, despite Representative Kelli Butler's attempt to amend the health budget reconciliation bill with the CHIP language, the issue failed to pass the legislative session.

### **Health Care Workforce Data**

In the fall of 2017, Senator Nancy Barto and Representative Heather Carter co-chaired a Joint Ad Hoc Committee on Health Care Workforce. The Committee's charge was to research and make recommendations about the collection of health professions workforce data including the following:

- The organization and administration of the data collection process;
- The costs and funding for data collection and reporting; and
- The means of oversight for the data collection process and funding.

In its final report, the Committee states the following:

*The Committee finds that the healthcare sector is vital to Arizona's economy and that its healthcare professional workforce is crucial to assure that high quality healthcare is accessible to all citizens of this state. The State, however, lacks a consistent, affordable and easily accessible source of important information concerning its health care workforce. Some states have model health workforce databases used for recruiting, retention, planning and development by existing health care employers, attracting new businesses to the state, enhancing the rural health infrastructure and addressing unmet health needs and planning for future health workforce demand and supply. The data is also important for evaluating loan repayment and other programs designed to address workforce shortages and assessing educational capacity, programs and curriculum as well as determining the effectiveness of retaining Arizona graduates into the state's workforce.*

The work of the Committee resulted in HB 2197 that stipulates that beginning January 2, 2020, an initial group of five health professional regulatory boards (Medicine & Surgery, Nursing, Osteopathic Physicians & Surgeons, Physical Therapy, and Behavioral Health Professionals) are required to collect from applicants for initial or renewal licensure, certification or registration specific database information prescribed in rule by the Director of the Department of Health Services. Personally identifiable information collected under this requirement is confidential and not subject to public records laws. The bill was signed into law on May 16, 2018.

### **Another Bill of Interest!**

#### **Community Health Worker Certification**

For the second year in a row, the Arizona Community Health Workers Association (AzCHOW) pushed legislation to create a voluntary certification for community health workers through the Department of Health Services. Although last year's effort floundered, AzCHOW reintroduced the effort this year and amassed an impressive coalition, including AzDHA. AzDHA supports certification of community health workers to ensure community health workers are properly trained to serve as resources to patients and direct them to oral health care. The bill ultimately passed both chambers with broad support and was signed by the Governor on May 16<sup>th</sup>.