



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

FACT SHEET FOR S.B. 1598

transitional services; long-term care; appropriation

Purpose

Appropriates \$5 million from the state General Fund (state GF) in FY 2025 to the Arizona Health Care Cost Containment System (AHCCCS) to provide up to three months of institutional services and home and community-based services (HCBSs) to individuals who have not been determined eligible for coverage under the Arizona Long Term Care System (ALTCS). Allows AHCCCS to provide services through a program contractor.

Background

AHCCCS contracts with health professionals to provide medically necessary health and medical services to eligible members. AHCCCS contractors are required to provide services and supplies including but not limited to: 1) inpatient and outpatient hospital services; 2) laboratory and X-ray services; 3) prescription medications; 4) medical supplies, durable medical equipment, insulin pumps and prosthetic devices, excluding cochlear implants; 5) treatment of medical conditions of the eye; 6) early and periodic health screening and diagnostic services; 7) family planning services; 8) podiatry services; 9) nonexperimental transplants; 10) emergency dental care; 11) ambulance and nonambulance transportation; 12) hospice care; 13) orthotics; and 14) diabetes outpatient self-management training services ([A.R.S. § 36-2907](#)).

ALTCS is the management and delivery system of hospitalization, medical care, institutional services and home and community-based services to members through AHCCCS administration, program contractors and providers together with federal participation ([A.R.S. § 36-2932](#)).

HCBSs are available through AHCCCS to be provided in a member's home, group home, intermediate care facility or behavioral health alternative residential facility and include: 1) home health services; 2) licensed health aid; 3) homemaker services; 4) personal care; 5) day care; 6) habilitation; 7) respite care; 8) transportation; and 9) other services approved by the Director of AHCCCS.

Institutional services include: 1) nursing facility services other than services in an institution for tuberculosis or mental disease; 2) behavioral health services; 3) hospice services; 4) case management services; 5) health and medical services; and 6) dental services, as prescribed ([A.R.S. § 36-2939](#)).

*Program contractor* means the Department of Economic Security or any other entity that contracts with AHCCCS to provide services to members with developmental disabilities (A.R.S. §§ [36-2931](#)).

S.B. 1598 appropriates \$5 million from the state GF to AHCCCS in FY 2025.

Provisions

1. Appropriates \$5 million from the state GF in FY 2025 to AHCCCS for providing up to three months of institutional services and HCBS to individuals who have not been determined eligible for coverage under ALTCS.
2. Allows AHCCCS to provide services through a program contractor.
3. Allows AHCCCS administration to use up to 10 percent of the appropriation for administrative purposes.
4. Exempts the appropriation from lapsing.
5. Exempts AHCCCS from statutory rulemaking requirements for one year for purposes of implementing transitional ALTCS services.
6. Specifies that the appropriation and service requirements do not entitle any person to receive a particular service.
7. Specifies that AHCCCS is not required to provide services or spend monies exceeding the appropriation amount.
8. Becomes effective on the general effective date.

Prepared by Senate Research

February 9, 2024

MM/DM/sdr