

## NOTICES OF PUBLIC INFORMATION

Notices of Public Information contain corrections that agencies wish to make to their notices of rulemaking; miscellaneous rule-making information that does not fit into any other category of notice; and other types of information required by statute to be published in the *Register*. Because of the variety of material that is contained in a Notice of Public Information, the Office of the Secretary of State has not established a specific format for these notices.

### NOTICE OF PUBLIC INFORMATION

[M09-463]

**1. Name of the agency:** Arizona Health Care Cost Containment System (AHCCCS)

**2. Subject of the public information:**

Due to Arizona's fiscal crisis, the State can no longer ensure the availability of adequate funding to support further growth in mandatory expenditures. Therefore, pursuant to Executive authority in A.R.S. § 35-173, Governor Brewer has ordered agencies to transfer monies out of all eligible special line items to help cover mandatory expenditures.

Accordingly, AHCCCS will transfer funds currently in the line items for two optional supplemental payments made to hospitals: (1) Graduate Medical Education (GME); and (2) Disproportionate Share Hospital (DSH) payments made to private hospitals. These funds will be transferred to other appropriations in the AHCCCS budget where there is currently an estimated General Fund shortfall in excess of \$76 million for Fiscal Year 2010 due to caseload growth.

All of the existing funds in the line item for GME, \$8,885,100 will be transferred to other appropriations in the AHCCCS budget. The aggregate total fund reduction in GME payments that would otherwise be made to hospitals is approximately \$36,664,800. All of the existing funds in the line item for DSH, other than \$500,000 in total funds to make the minimum mandatory payments required under sections 42 U.S.C. 1396a(a)(13)(A)(iv) and 1396r-4 and the special terms and conditions of Arizona's Section 1115 Demonstration Project, will be transferred to other appropriations in the AHCCCS budget. The transfer to other appropriations will be approximately \$7,842,900 which will correspond to an aggregate total fund reduction in DSH payments to qualifying hospitals of approximately \$22,902,600. The transfers will be used to partially offset existing shortfalls in mandated Medicaid programs. This transfer will affect payments that would have otherwise been made in the summer of 2010.

It should be noted that these appropriation transfers are in addition to reductions that will be imposed to GME and DSH as part of the lump sum reduction imposed by the recently completed 5th Special Session. A detailed summary of those reductions plus the impact of the transfer amounts is below.

AHCCCS will be holding a public hearing regarding the transfer of these funds, where written and oral comments can be submitted at the hearing. In addition, written comments will be accepted for the 30 day period following publication of this notice. See item 5 for information on the location and time of the public hearing:

**3. A list of previous notices published in the *Arizona Administrative Register* relating to the notice of public information:**

None

**4. The name, address, and telephone number of agency personnel to whom questions and comment may be addressed:**

Name: Mariaelena Ugarte  
Address: AHCCCS  
Office of Legal Assistance  
701 E. Jefferson St., Mail Drop 6200  
Phoenix, AZ 85034  
Telephone: (602) 417-4693  
Fax: (602) 253-9115  
E-mail: AHCCCSRules@azahcccs.gov

**5. The date, time, and location of the oral proceeding:**

Date: January 12, 2010  
Time: 10:00 a.m.  
Location: AHCCCS  
701 E. Jefferson St., MD 6200  
Phoenix, AZ 85034  
Nature: Public Hearing  
  
Date: January 12, 2010  
Time: 10:00 a.m.  
Location: ALTCS: Arizona Long-term Care System

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Nature: 1010 N. Finance Center Drive, Suite 201  
Tucson, AZ 85710  
Public Hearing

Date: January 12, 2010  
Time: 10:00 a.m.

Location: DAHL /Office of Special Investigations  
2721 N. 4th St., Suite 23  
Flagstaff, AZ 86004

Nature: Public Hearing

**FY 2010 AHCCCS Budget Reductions**

	Original 15% Reduction Plan		5 Special Session Lump Sum Reductions		Additional Transfer Reduction Plan		Total Impact	
	GF	TF	GF	TF	GF	TF	GF	TF
KidsCare Cap/Freeze	9,249,400	43,608,400	3,165,600	13,206,500	-	-	3,165,600	13,206,500
Administration	2,254,000	4,508,000	2,254,000	4,508,000	-	-	2,254,000	4,508,000
Graduate Medical Education	4,341,200	12,675,000	1,302,300	5,410,500	8,885,100	36,664,800	10,187,400	42,075,300
Disproportionate Share Hospital	3,134,000	9,150,400	940,200	2,745,100	7,842,900	22,902,600	8,783,100	25,647,700
<b>Totals</b>	<b>18,978,600</b>	<b>69,941,800</b>	<b>7,662,100</b>	<b>25,870,100</b>	<b>16,728,000</b>	<b>9,567,400</b>	<b>24,390,100</b>	<b>85,437,500</b>

**NOTICE OF PUBLIC INFORMATION**

**LAWS 2009, 3RD SPECIAL SESSION, CH. 7, § 28**

**(“Moratorium on rule making relating to increased monetary or regulatory costs; exceptions; definitions”)**

[M09-429]

**1. Reason for the Notice of Public Information:**

Laws 2009, 3rd Special Session, Ch. 7, § 28 enacted into law a moratorium on rulemaking through June 30, 2010.

**2. Effective date of Laws 2009, 3rd Special Session, Ch. 7, § 28:**

November 24, 2009

**3. Text of Laws 2009, 3rd Special Session, Ch. 7, § 28:**

Sec. 28. Moratorium on rule making relating to increased monetary or regulatory costs; exceptions; definitions

- A.** Notwithstanding any other law, for fiscal year 2009-2010, an agency shall not conduct any rule making, including an informal rule making process, that would impose increased monetary or regulatory costs on other state agencies, political subdivisions of this state, persons or individuals or would not reduce the regulatory burden on the persons or individuals so regulated.
- B.** Subsection A of this section does not apply to rule making for any of the following:
  - 1. An authorization or requirement enacted by the legislature after January 1, 2009 or as authorized by the governor after January 22, 2009.
  - 2. To avoid a violation of a court order or federal law that would result in sanctions by the court or federal government to an agency in fiscal year 2009-2010 for failure to conduct the rule making action.
  - 3. To prevent a threat to the public health, peace or safety.
  - 4. To fulfill an obligation related to fees, rates, fines or regulations that are expressly delineated in the constitution of this state.
  - 5. To implement or comply with the fiscal year 2009-2010 state budget or the American recovery and reinvestment act of 2009 (P.L. 111-5).
  - 6. A rule or other item that is exempt from title 41, chapter 6, Arizona Revised Statutes, pursuant to section 41-1005, Arizona Revised Statutes.
  - 7. To eliminate or replace archaic or illegal rules.

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- C. An agency shall not conduct any informal or formal rule making pursuant to this section without the prior written approval of the office of the governor. This subsection does not apply to any agency that is independent of the office of the governor, including any agency that is headed by a single elected official or the corporation commission.
- D. For the purposes of this section, “agency”, “person”, “rule” and “rule making” have the same meanings prescribed in section 41-1001, Arizona Revised Statutes.

**4. Governor’s Office contact information:**

Communications regarding written approval of the office of the governor should be addressed to Richard Bark, Deputy Chief of Staff, Policy at rbark@az.gov.