

**[Ariz. Rev. Stat. § 8-142.01.]**

**§ 8-142.01. Adoption subsidy program; hospital reimbursement: Adoption Subsidies**

A. Notwithstanding section 8-144, subsection B, for inpatient hospital admissions and outpatient hospital services on or after March 1, 1993, the department shall reimburse a hospital according to the rates established by the Arizona health care cost containment system pursuant to section 36-2903.01, subsection G.

B. The department shall use the Arizona health care cost containment system rates as identified in subsection A of this section for any child enrolled in the adoption subsidy program. This requirement shall not be construed to expand the liability of the adoption subsidy program beyond eligible preexisting conditions on an adoption subsidy agreement entered into between the department and the adoptive parent.

C. A hospital bill is considered received for purposes of subsection E of this section on initial receipt of the legible, error-free claim form by the department if the claim includes the following error-free documentation in legible form:

1. An admission face sheet.
2. An itemized statement.
3. An admission history and physical.
4. A discharge summary or an interim summary if the claim is split.
5. An emergency record, if admission was through the emergency room.
6. Operative reports, if applicable.
7. A labor and delivery room report, if applicable.

D. The department shall require that the hospital pursue other third party payors before submitting a claim to the department. Payment received by a hospital from the department pursuant to this section is considered payment by the department of the department's liability for the hospital bill. A hospital may collect any unpaid portion of its bill from other third party payors or in situations covered by title 33, chapter 7, article 3.

E. For inpatient hospital admissions and outpatient hospital services rendered on and after October 1, 1997, if the department receives the claim directly from the hospital for services rendered, the department shall pay a hospital's rate established according to this section subject to the following:

1. If the hospital's bill is paid within thirty days of the date the bill was received, the department shall pay ninety-nine per cent of the rate.
  2. If the hospital's bill is paid after thirty days but within sixty days of the date the bill was received, the department shall pay one hundred per cent of the rate.
  3. If the hospital's bill is paid any time after sixty days of the date the bill was received, the department shall pay one hundred per cent of the rate plus a fee of one per cent per month for each month or portion of a month following the sixtieth day of receipt of the bill until the date of payment.
- F. For medical services other than those for which a rate has been established pursuant to section 36-2903.01, subsection G, the department shall pay according to the Arizona health care cost containment system capped fee-for-service schedule adopted pursuant to section 36-2904, subsection K.
- G. For any hospital or medical claims not covered under subsection A or F of this section, the department shall establish and adopt a schedule setting out maximum allowable fees that the department deems reasonable for such services after appropriate study and analysis of usual and customary fees charged by providers.