ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature Second Regular Session House: HHS DP 7-3-0-0

HB 2504: forced organ harvesting; insurance; prohibition Sponsor: Representative Biasiucci, LD 30 Caucus & COW

Overview

Entitles this act the Arizona End Organ Harvesting Act which establishes prohibitions on forced organ harvesting.

<u>History</u>

A *health care institution* is every place, institution, building or agency, whether organized for profit or not, that provides facilities with medical services, nursing services, behavioral health services, health screening services, other health-related services, supervisory care services, personal care services or directed care services and includes home health agencies, outdoor behavioral health care programs and hospice service agencies (A.R.S. § 36-401).

Health care insurer includes a disability insurer, group disability insurer and blanket disability insurer (A.R.S. § 20-3501). A *subscription contract* is a written agreement for a subscription service (A.A.C. R9-25-901).

The National Organ Transplant Act deems it unlawful for any person to knowingly acquire, receive or otherwise transfer any human organ for valuable consideration for use in human transplantation if the transfer affects interstate commerce. The term *human organ* means the human (including fetal) kidney, liver, heart, lung, pancreas, bone marrow, cornea, eye, bone, and skin or any subpart thereof and any other human organ (or any subpart thereof, including that derived from a fetus) specified by the US Secretary of Health and Human Services by regulation ($42 \text{ USC } \S 274e$).

Provisions

Insurers

- 1. Prohibits a subscription contract, evidence of coverage, disability insurance policy, group or blanket disability insurance policy (insurers) and the Arizona Health Care Cost Containment System (AHCCCS) from providing coverage to an insured, subscriber, enrollee or member if the genetic sequencing is performed on a device that is either produced by a company:
 - a) that is domiciled in a foreign adversary; or
 - b) that is owned or substantially controlled by a company that is domiciled in a foreign adversary. (Sec. 1-4, 8)
- 2. Allows insurers and AHCCCS to cover genetic sequencing if both of the following apply:
 - a) the enrollee suffers an immediate health risk if genetic sequencing is not covered; and
 - b) there is no other reasonable option for conducting the genetic sequencing. (Sec. 1-4, 8)

□ Prop 105 (45 votes) □ Prop 108 (40 votes) □ Emergency (40 votes) □ Fiscal Note

- 3. Prohibits insurers and AHCCCS from providing coverage to an insured, subscriber, enrollee or member for a human organ transplant or post-transplant care if either of the following applies:
 - a) the transplant operation is performed in a foreign adversary; or
 - b) the human organ to be transplanted was procured by a sale or donation originating in a foreign adversary. (Sec. 1-4, 8)

Health Care Institutions

- 4. Requires the Arizona Department of Health Services (DHS) to designate a country as a foreign adversary if the country's government funds, sponsors or otherwise facilitates forced organ harvesting and to provide written notice of these designated countries to the Director of the Department of Insurance and Financial Institutions (DIFI) at regular intervals, as appropriate. (Sec. 5)
- 5. Prohibits health care institutions and research facilities from using genetic sequencers or any operational or research software used for genetic sequencing for the purposes of conducting genetic sequencing if the genetic sequencers or research software is produced in or by any of the following:
 - a) a foreign adversary;
 - b) a company, subsidiary or enterprise that is owned by a foreign adversary;
 - c) a company, subsidiary or enterprise that is domiciled with a foreign adversary; or
 - d) a company owned or controlled subsidiary of a company that is domiciled in a foreign adversary. (Sec. 6)
- 6. Mandates that all prohibited genetic sequencers, operational and research software used for genetic sequencers or genetic sequencing devices that are not permanently disabled must be removed and replaced with those that are not prohibited. (Sec. 6)
- 7. Requires by December 31, 2025, and annually thereafter, an attorney for the health care institution or research facility must certify in writing that the health care institution or research facility is in compliance. (Sec. 6)
- 8. Asserts that a health care institution or research facility that spends state monies in violation of these requirements is subject to a civil penalty of \$20,000 per violation. (Sec. 6)
- 9. Allows any individual to notify the Attorney General of a violation or suspected violation. (Sec. 6)
- 10. Specifies that the employee has whistleblower protection if the notifying individual is an employee of the health care institution or research facility. (Sec. 6)
- 11. Entitles an individual to recover statutory damages of not less than \$1,000 for each instance in which that individual's human genome was processed using prohibited technology if the notifying individual is a patient or research subject and the provider used the human genome. (Sec. 6)
- 12. Requires all genetic sequencing data to be stored in the United States. (Sec. 6)
- 13. Specifies any remote access of data storage, other than open data, is prohibited unless approved in writing by the DHS Director (Sec. 6)
- 14. Requires health care institutions and research facilities that store genetic sequencing, including through contracts with third-party data storage companies to ensure that the

data is secured through reasonable encryption methods, restriction on access and other cybersecurity methods. (Sec. 6)

Miscellaneous

15. Defines the following terms:

- a) *company;*
- b) *domiciled;*
- c) genetic sequencing;
- d) foreign adversary;
- e) forced organ harvesting; and
- f) violation. (Sec. 1-6, 8)

16. Adds that a document of gift is valid if executed in accordance with:

- a) the laws of state or country where it was executed unless the gift was received from a foreign adversary; and
- b) the laws of state or country where the person making the anatomical gift was domiciled, has a place of residence or was a national at the time the document of gift was executed unless the gift was received from a foreign adversary. (Sec. 7)

17. Cites this act as the Arizona End Organ Harvesting Act. (Sec. 9)