



25th Navajo Nation Council

25TH NAVAJO NATION COUNCIL OFFICE OF THE SPEAKER

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FOR IMMEDIATE RELEASE

February 15, 2024

Speaker Curley offers support for AHCCCS reforms to address fraudulent sober living homes



PHOTO: Navajo Nation Speaker Crystalyne Curley is joined by legislation sponsor Arizona Sen. Theresa Hatathlie as she provides testimony supporting Senate Bill 1655.

PHOENIX, Ariz. – On Tuesday, 25th Navajo Nation Council Speaker Crystalyne Curley testified before the Arizona State Senate Committee on Health and Human Services, in support of Arizona Sen. Theresa Hatathlie’s Senate Bill 1655, which aims to strengthen regulations and penalties for operators of residential healthcare facilities who engage in fraudulent activities that have victimized tribal members from various communities.

The 25th Navajo Nation Council has continued to work with Arizona officials and elected leaders to address fraudulent sober living homes in the Phoenix area. SB 1655 would reform the Arizona Health Care Cost Containment System (AHCCCS) to close loopholes that have allowed fraudulent sober homes to operate.

“The operators of these fraudulent sober living homes have deceptively lured Native American patients into their facilities for treatment of substance abuse and mental health. The treatment received was nothing more than a false promise to get fees from AHCCCS,” Speaker Curley said. “The patients and their families hoped that they would get the help they needed, and they didn’t. However, the dollars to pay for the treatment were very real.”

According to Arizona Attorney General Kris Mayes, fraudulent sober living homes have scammed over \$1 billion from the state and impacted the lives of thousands of Native American victims and families, not only in Arizona, but other states. In January, the Attorney General's Office reported that it had indicted 72 individuals and entities and has seized over \$90 million in property and vehicles pertaining to these crimes.

SB 1655 legislates reforms to AHCCCS that will increase fines, standardize inspections, and address licensing requirements for sober living homes. The bill also establishes a fund for restitution and repatriation for victims of these facilities.

Opponents to the bill debated language regarding the violation of substantial compliance, stating that every technical violation by every healthcare institution in the state, if found and documented by the Arizona Department of Health, would lead to a \$5,000 penalty.

Substantial compliance means that the nature or number of violations revealed by any type of inspection or investigation of a healthcare institution does not pose a direct risk to the life, health, or safety of residents or patients.

"If you're saying that because a facility has left a trashcan lid open, they will be fined \$5,000. That is incorrect. This regards the number of violations that have been revealed by any type of inspection. It doesn't mean one violation, there could be many," said Senator Hatathlie. "I want to make sure that we have a deterrent in place. This deterrent will make sure that bad actors are not taking advantage of the state."

Speaker Curley thanked Senator Hatathlie for developing a comprehensive approach to reforming AHCCCS and stated that SB 1655 provides positive direction for those needing substance abuse and mental health services.

"I am here today to speak in support of SB 1655 so that fundamental and desperately needed change will be made to the AHCCCS program," Speaker Curley said.

Arizona Senate Bill 1655 unanimously passed the Arizona State Senate Committee on Health and Human Services with a vote of 9-0 and now awaits consideration from the full Senate.

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