The Office of Administrative Hearings

The Thirty-First Annual Report

To

Governor Katie Hobbs

Senator Warren Petersen, President of the Senate

Representative Steve Montenegro, Speaker of the House

Pursuant to A.R.S. § 41-1092.01(C)(5)
and
A.R.S. § 41-1092.01(C)(9)

Tammy L. Eigenheer, Director

October 28, 2026

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I. Introduction and Overview

The Office of Administrative Hearings (OAH) was created pursuant to Laws 1995, Chapter 251, adding Arizona Revised Statutes § 41-1092 *et seq.*, and commenced operation on January 1, 1996. Administrative hearings previously provided by regulatory agencies (except those specifically exempted) were transferred to OAH for independent proceedings. In fiscal year 2026 the agency had 14 full-time positions, including the Director, the Office Manager, 8 Administrative Law Judges, and 4 support staff. Our statutory mandate is to "ensure that the public receives fair and independent administrative hearings."

Responsibility:

OAH understands its responsibility to create a system that is efficient and cost effective. OAH statistics in FY 2026 indicate agency acceptance of Administrative Law Judge Decisions without modification was 89.89%. Agency acceptance of Findings of Fact and Conclusions of Law without modification was 90.66%. Rehearings (1.10%) and Appeals (2.77%) were rare.

Integrity:

OAH takes its statutory mandate to provide fair, impartial, and independent hearings seriously. Although part of the executive branch, together with its client agencies, OAH maintains a conscious detachment from political issues and the missions of those agencies. Procedures, rulings, and case assignments are at all times kept free of outside pressures to ensure the parties can be assured hearings are impartial and independent.

Commitment:

OAH views commitment as a willingness to advance its mission, including improving the quality of decision-writing. While the Administrative Law Judges must render decisions according to the evidence before them and using their independent judgment, OAH requires that Administrative Law Judges review all decisions that have been modified or rejected by an agency to encourage them to identify any possible incorrect citations or other areas where quality can be improved. This commitment is in furtherance of the duty of OAH to provide continuing education to its Administrative Law Judges.

Efficiency:

Through careful case management the completion rate for cases in FY 2026 was 101.78%.

II. Continued Development of the Office

1. Mediation Option for Litigants

OAH implemented a voluntary mediation program in 2016 to provide litigants with alternative dispute resolution and OAH continues to expand its ability to provide mediation. As of September 2026, one paralegal and all but two administrative law judges are trained mediators. Dozens of cases each year have been successfully mediated under the program saving hundreds of hours of time. Litigants, including unrepresented litigants, continue in increasing numbers to utilize OAH's mediation program to resolve their disputes. By offering a mediation option, OAH substantially reduces costs and stress for litigants who choose the mediation option. This, in turn, creates a concomitant reduction in demands on state resources. OAH will continue to provide this effective and cost-lowering alternative to traditional litigation for dispute resolution.

2. Technical Advances Saving Time and Money

OAH has worked to enhance efficiency and productivity by automating routine clerical tasks such as filing documents in OAH's docketing system and providing notice of the filing of such documents to parties. To this end, OAH has developed a proprietary computer program to automate the docketing of the several thousand motions and other documents filed with OAH each year. This has virtually eliminated time and costs associated with staff manually docketing such entries.

In addition, OAH has implemented its integration with Google Mail and Google calendaring in conformity with ADOA requirements. To this end, OAH developed methodologies to make Google compatible with OAH's existing docketing system, saving tens of thousands of dollars that would have otherwise been required to purchase and deploy new docketing system software to interface with Google.

In Fiscal Year 2021, OAH developed a proprietary method of automatically extracting and downloading audio hearing recordings to OAH's record retention platform. This saves substantial time both for judges and secretarial staff and provides a concomitant reduction in costs. It also enhances the integrity of record keeping processes.

In Fiscal Year 2025, OAH updated its electronic case portal technology to optimize user friendliness and enhance security. Both litigants and public users now experience a more intuitive and streamlined program for researching case information.

3. Implementation and Increased Utilization of Video Conference Hearings to Prevent Interruption of Adjudication Services and Enhance Litigant Access to Hearing Processes.

Within three weeks of the implementation of the March 2020 COVID-19 pandemic restrictions placed upon in-person meetings, OAH implemented video conferencing for hearings via the Google Meet platform. This permitted parties to see and hear each other at hearing while at the same time protecting the health of litigants, witnesses and OAH staff. The ability to rapidly

switch to video conferencing prevented case backlogs and ensured timely adjudication of matters.

During Fiscal Year 2026, OAH continued to expand access to hearings through video conferencing. In doing so, OAH provides increased convenience and cost savings to persons residing outside of Phoenix by permitting litigants and witnesses to appear through video conferencing, saving them time and travel costs. It also provides the public with an efficient means to view those hearings, which are open to the public. OAH will continue to utilize video conferencing to meet the needs of litigants, witnesses, and the public.

III. Summary of Agency Use of OAH Services

1. Case Management

a. Breakdown of Cases Filed by Agency (FY 2026):

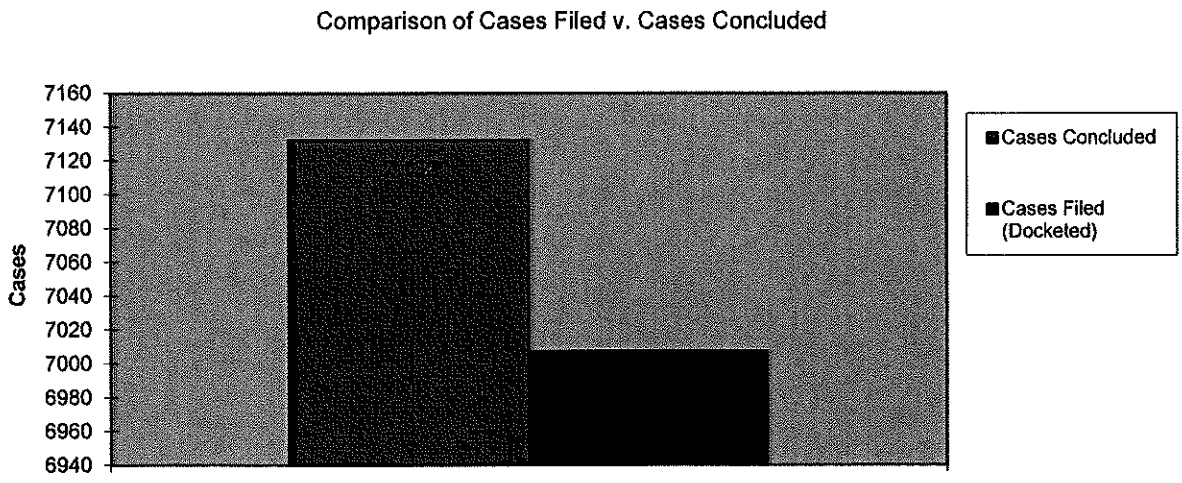
7,007 cases were filed with OAH in FY 2026. The distribution among the agencies, boards, commissions, or political subdivisions (Agencies) are as follows (in descending order by number of cases filed):

Arizona Health Care Cost Containment System - 19	4,892
Registrar of Contractors	834
Department of Health Services - Marijuana	205
Department of Child Safety	200
Department of Education - Special Ed	125
Department of Health Services - Licensing	107
State Board of Education (ESA)	92
Arizona Division of Occupational Safety and Health	82
Department of Economic Security	73
Department of Public Safety - Fingerprint Clearance Cards	65
Department of Real Estate - H/C	61
Department of Insurance and Financial Institutions - Insurance	59
Arizona Health Care Cost Containment System - 21	40
Department of Public Safety - Student Transportation	27
State Board of Accountancy	18
Department of Health Services - Non-Licensing	16
State Board of Nursing	15
Secretary of State	13
Arizona Department of Revenue	10
Department of Real Estate	10
Arizona Medical Board	10
Arizona State Department of Housing	7
Department of Administration	6
Arizona State Department of Housing - LTA	5
Board of Technical Registration	4
Arizona State Retirement System	3

Board of Behavioral Health Examiners	3
Department of Insurance and Financial Institutions - Financial	3
Department of Environmental Quality	3
Department of Agriculture	2
Department of Public Safety - Criminal History Records	2
Liquor Licenses and Control	2
Board of Dental Examiners	2
Arizona Commission for the Deaf and the Hard of Hearing	2
Board of Nursing Care Institution Administrators Examiners	1
Peace Officers Standards and Training	1
Arizona State Mine Inspector's Office	1
Department of Insurance - Confidential	1
State Land Department	1
Board of Psychologist Examiners	1
Citizens Clean Elections Commission	1
Department of Water Resources	1
Pharmacy Board	1
Total	**7,007**

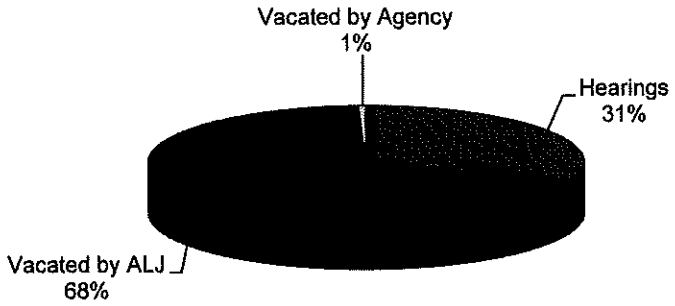
b. Number of Cases Concluded Versus Cases Filed:

In FY 2026, the conclusion rate (defined as cases concluded divided by new cases filed) was 101.78%.



The following diagram illustrates the proportion of cases that proceeded to full hearing:

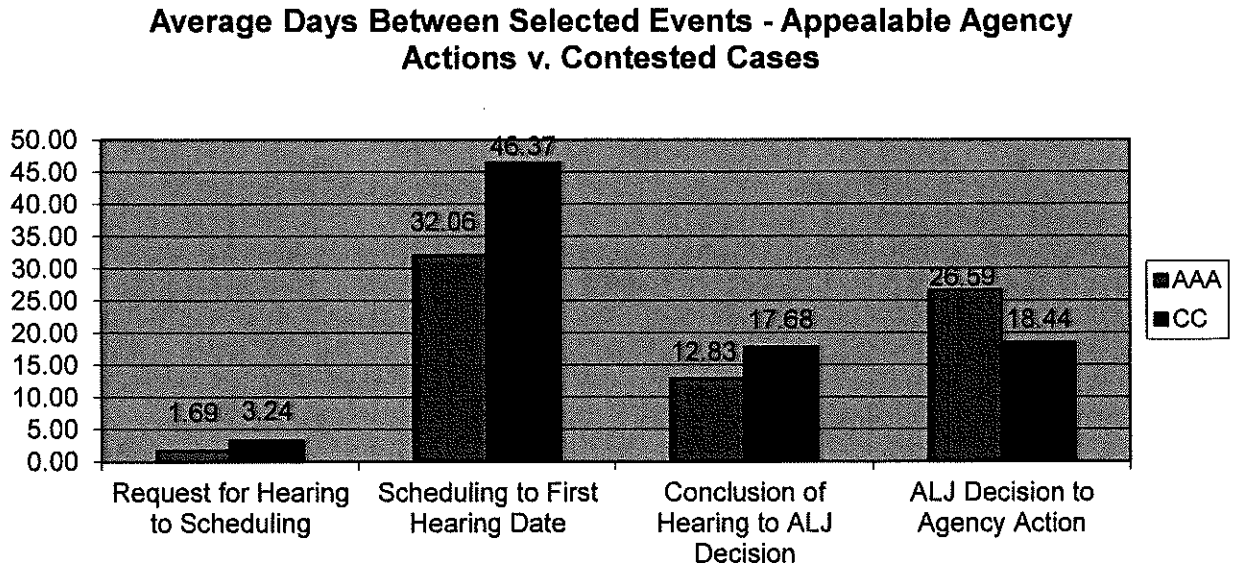
Disposition of Concluded Cases FY 2026



c. Timeline of Case Management:

A.R.S. § 41-1092.05(A) and § 41-1092.08(A) and (B) contemplate a rigorous timeline to expedite hearings and final agency actions. "Appealable agency actions" (defined as actions taken by an agency without a prior hearing) are required to be set for hearing within 60 days of a request by a party. "Contested cases" (defined as proposed actions for which a hearing is required) are required to be set within 60 days of an agency request. Administrative Law Judge Decisions must be transmitted to the agencies within 20 days of the conclusion of the hearing. The agency heads are required to take final action within 30 days of receipt. Boards and Commissions generally must take final action within 5 days of their next scheduled meeting.

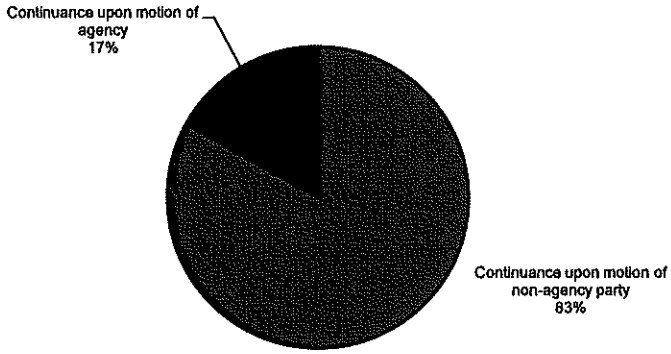
The following diagram illustrates the average timelines:



d. Incidence of Continuance:

A single continuance in FY 2026 added an average of 52.48 days to the total length of a case. Although 95.3% of all continuance requests were granted in FY 2026, OAH has developed a well-deserved reputation for discouraging "convenience" continuances. Instead, litigants must demonstrate good cause for the continuance before it will be granted. The frequency of continuances, defined as the number of continuances granted (4,662) divided by the total number of cases scheduled (7,007), was .67%.

The following diagram illustrates the source of continuances:



The following chart is a breakdown of cases set for a continued hearing date on the FY 2026 calendar and their sources, by agency. (Note: the numbers in Table 1, below, differ from those in Table 2, page 8, because a motion for continuance granted in one fiscal year may result in the continued date being set in the following fiscal year.)

Table 1

Agency	Continued – Motion by non–agency party	Continued – Motion by agency party	TOTAL
Arizona Board of Osteopathic Examiners In Medicine and Surgery	1	0	1
Arizona Department of Revenue	6	4	10
Arizona Division of Occupational Safety and Health	7	2	9
Arizona Health Care Cost Containment System	795	102	897
Arizona Medical Board	5	2	7
Arizona State Department of Housing	14	0	14
Arizona State Mine Inspector's Office	2	0	2
Arizona State Retirement System	2	0	2
Board of Behavioral Health Examiners	4	0	4
Board of Nursing Care Institution Administrators Examiners	1	1	2
Board of Technical Registration	2	2	4
Department of Administration	9	0	9
Department of Child Safety	146	81	227
Department of Economic Security	54	11	65
Department of Education - Special Ed	40	0	40
Department of Environmental Quality	3	1	4
Department of Gaming	1	2	3

Department of Health Services - Licensing	25	21	46
Department of Health Services - Marijuana	2	6	8
Department of Health Services - Non-Licensing	3	0	3
Department of Insurance and Financial Institutions - Insurance	20	8	28
Department of Insurance and Financial Institutions - Financial	1	0	1
Department of Public Safety - Fingerprint Clearance Cards	7	2	9
Department of Public Safety - Student Transportation	2	3	5
Department of Real Estate	13	4	17
Department of Real Estate - H/C	60	3	63
Liquor Licenses and Control	1	0	1
Registrar of Contractors	369	60	429
Secretary of State	1	3	4
State Board for Charter Schools	3	0	3
State Board of Accountancy	3	6	9
State Board of Education (ESA)	8	2	10
State Board of Nursing	3	2	5
Water Quality Appeals Board	3	0	3
Total	**1,616**	**328**	**1,944**

The following chart reflects the number of motions to continue that were entertained in FY 2026 and the percentage granted:

Table 2

Agency	Continuance Granted	Continuance Denied	Total Motions	% Granted
Arizona Board of Osteopathic Examiners In Medicine and Surgery	2	0	2	100.00
Arizona Commission for the Deaf and the Hard of Hearing	5	0	5	100.00
Arizona Division of Occupational Safety and Health	173	2	175	98.86
Arizona Health Care Cost Containment System - 19	3146	133	3279	95.94
Arizona Health Care Cost Containment System - 21	10	0	10	100.00
Arizona Medical Board	8	0	8	100.00
Arizona State Department of Housing	17	0	17	100.00
Arizona State Mine Inspector's Office	2	0	2	100.00
Board of Technical Registration	6	0	6	100.00
Citizens Clean Elections Commission	1	0	1	100.00
Department of Administration	14	0	14	100.00
Department of Economic Security	73	2	75	97.33
Department of Education - Special Ed	150	11	161	93.17
Department of Environmental Quality	2	0	2	100.00

Department of Gaming	2	0	2	100.00
Department of Health Services	16	0	16	100.00
Department of Health Services - Licensing	172	7	179	96.09
Department of Health Services - Marijuana	17	1	18	94.44
Department of Health Services - Non-Licensing	29	0	29	100.00
Department of Insurance and Financial Institutions - Insurance	38	2	40	95.00
Department of Insurance and Financial Institutions - Financial	2	3	5	40.00
Department of Public Safety - Fingerprint Clearance Cards	9	0	9	100.00
Department of Real Estate	18	2	20	90.00
Department of Real Estate - H/C	75	4	79	94.94
Department of Water Resources	9	0	9	100.00
Liquor Licenses and Control	1	0	1	100.00
Pharmacy Board	1	0	1	100.00
Registrar of Contractors	602	44	646	93.19
State Board for Charter Schools	2	0	2	100.00
State Board of Accountancy	17	0	17	100.00
State Board of Education (ESA)	13	1	14	92.86
State Board of Nursing	24	0	24	100.00
State Land Department	2	0	2	100.00
Water Quality Appeals Board	4	0	4	100.00
Arizona Department of Revenue	0	1	1	0.00
Board of Behavioral Health Examiners	0	3	3	0.00
Department of Child Safety	0	12	12	0.00
Secretary of State	0	1	1	0.00
State Board of Nursing	0	1	1	0.00
Total	**4,662**	**230**	**4,892**	**95.30**

2. Rehearings and Appeals

a. Incidence of Rehearing and Appeal:

Rehearings are permitted pursuant to A.R.S. § 41-1092.09 under certain conditions. In FY 2026, the rehearing rate (defined as rehearings scheduled divided by cases heard) was 1.10%.

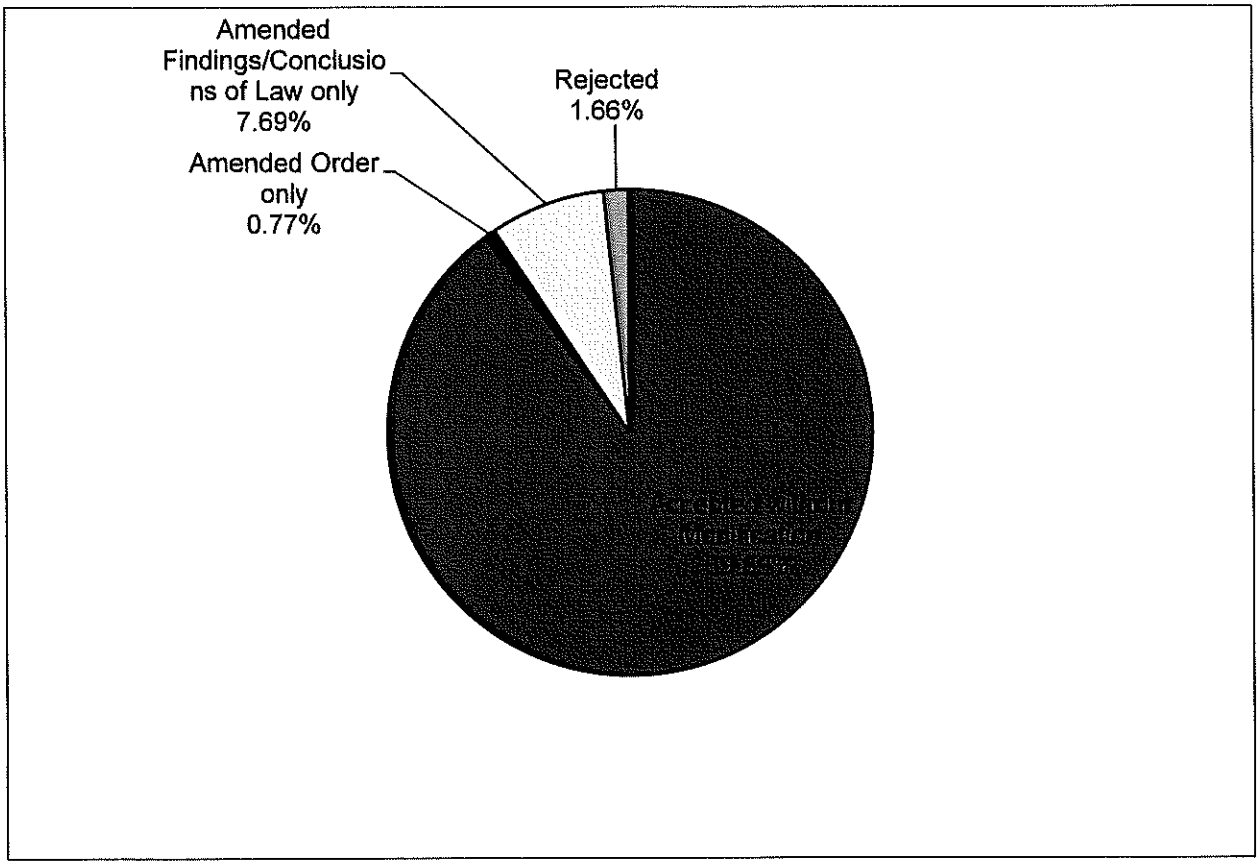
Appeals to Superior Court are provided for pursuant to A.R.S. § 41-1092.08(H). In FY 2026, the judicial appeal rate (defined as judicial appeals taken divided by cases decided on the merits) was 2.77%. As reflected in the following diagram, rehearings and judicial appeals in FY 2026 were relatively rare.

Agency	Rehearings	Appeals
Arizona Healthcare Cost Containment System	4	14
Arizona Medical Board	0	1
Department of Child Safety	5	2
Department of Economic Security	0	1
Department of Health Services	0	1
Department of Real Estate	0	0
Department of Real Estate - H/C	4	5
Liquor Licenses and Control	0	0
Registrar of Contractors	8	17
Arizona Department of Revenue	0	1
Department of Administration	0	1
Department of Education - Special Ed	0	2
Department of Environmental Quality	0	1
Department of Gaming	0	1
Department of Insurance and Financial Institutions - Insurance	0	1
Department of Public Safety - Fingerprint Clearance Cards	0	3
State Board of Nursing	0	2
Total	**21**	**53**

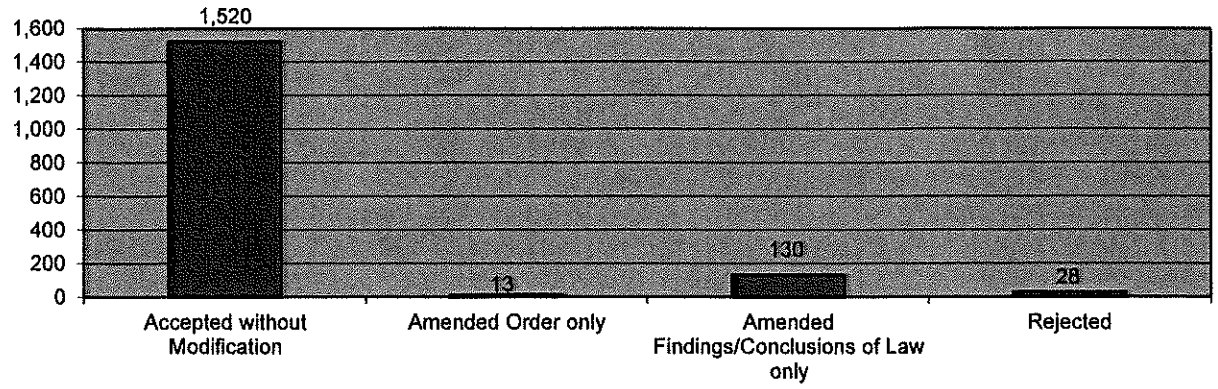
IV. Acceptance of Administrative Law Judge Decisions by Agencies

1. Agency Action

Agency acceptance of the Administrative Law Judge Decisions is high. 89.89% of all decisions acted upon by the agencies were accepted without modification. Agency acceptance was 88% if viewed from the vantage point of acceptance of Findings of Fact and Conclusions of Law, the core function of the Administrative Law Judge.



The following chart reports the number of cases in the various categories of agency response.

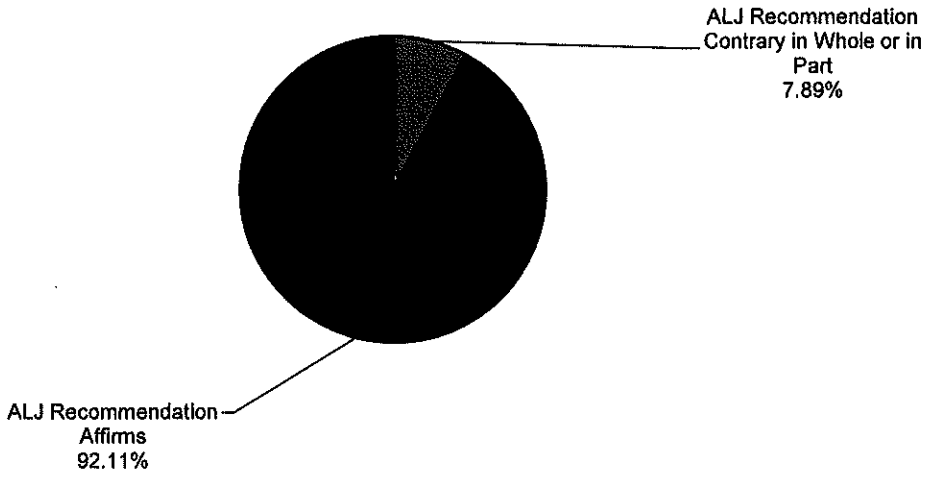


The following chart reports the breakdown of agency response by agency. This list further illustrates that amendments and rejections are few relative to the decisions accepted.

Agency	Accept	Amend Order	Amend Findings	Reject	Total
Accountancy	5	0	0	0	5
Department of Housing	3	0	0	0	3
Department of Administration	0	0	1	0	1
Agriculture	1	0	0	0	1
AHCCCS	918	129	0	25	1,072
Adult Protective Services	44	0	0	1	45
Arizona State Retirement	2	0	0	0	2
Department of Public Safety-BUS	7	0	0	0	7
Department of Health Services	18	0	0	0	18
Fingerprint Clearance	45	0	0	0	45
Department of Insurance and Financial Institutions - Financial	1	0	0	0	1
Department of Gaming	1	0	0	0	1
Department of Insurance and Financial Institutions - Insurance	12	0	0	0	12
Land	1	0	0	0	1
Medical	4	0	0	0	4
Nursing	9	0	0	0	9
Psychology	1	0	0	0	1
Department of Real Estate	4	0	0	0	4
Registrar of Contractors	445	1	0	2	448
State Board of Education (ESA)	12	0	0	0	12
Total	**1,533**	**130**	**1**	**28**	**1,692**

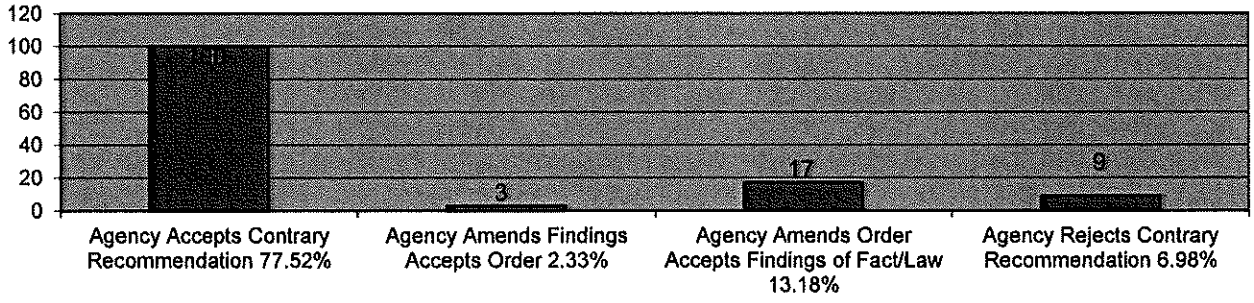
In FY 2026, Administrative Law Judges rendered decisions that were contrary in whole or contrary in part to agencies' original positions in 7.89% of cases.

Recommendations Contrary to Original Agency Action FY 2026



Agency acceptance of contrary decisions was high at 93.02%.

Agency Response to Contrary Recommendations FY 2026



The following chart reports the breakdown of agency responses to contrary decisions.

Agency	Accepted	Amended Order	Amended Findings	Rejected	Certified	Total
Arizona Department of Housing	1	0	0	0	0	1
Department of Administration	0	0	0	0	1	1
AHCCCS	11	0	16	9	0	36
DES- Adult Protective Services	22	1	0	0	6	29
Department of Child Safety	0	0	0	0	36	36
Department of Health Services	1	0	0	0	0	1

Insurance	0	0	0	0	2	2
Medical Board	0	0	0	0	1	1
Secretary of State - Notary	0	0	0	0	1	1
Registrar of Contractors	8	2	1	0	10	21
Total	**43**	**3**	**17**	**9**	**57**	**129**

2. Agency Inaction with Subsequent OAH Certification of Finality

OAH is required by statute to certify the Administrative Law Judge Decision as the final administrative decision if OAH had not received the agency, board, or commission's action accepting, modifying, or rejecting the recommended decision within 30 days of transmission. Special rules apply if the board or commission meets monthly or less frequently. A.R.S. § 41-1092.08(D). In FY 2026, 166 Administrative Law Judge Decisions were certified by OAH as final administrative decisions.

Agency	**Certified**
Department of Public Safety - Student Transportation	3
Arizona Commerce Authority	1
Secretary of State	1
Department of Child Safety	89
Arizona State Retirement System	1
Registrar of Contractors[1]	44
Department of Economic Security	6
Department of Administration	2
Arizona Health Care Cost Containment System - 19	3
Department of Insurance and Financial Institutions - Insurance	3
Department of Insurance - Confidential	2
Department of Gaming	1
State Board of Education (ESA)	4
Department of Health Services - Licensing	1
Liquor Licenses and Control	1
Arizona Medical Board	1
Department of Environmental Quality	3
Total	**166**

[1] OAH has determined that this number is artificially high because it includes those decisions certified after the licensee accepted the Administrative Law Judge Decision pursuant to A.R.S. § 41-1092.08(I). OAH is in the process of creating a new method to track those certifications.

V. Motions for Change of Administrative Law Judge Granted Pursuant to A.R.S. § 41-1092.07

A.R.S. § 41-1092.01(C)(9)(b) requires that OAH report the number of motions for change of Administrative Law Judge for bias, prejudice, personal interest, or lack of necessary expertise which were filed and the number granted. In FY 2026, the agency did not receive a motion for change of Administrative Law Judge.

VI. Violations of A.R.S. § 41-1009

Pursuant to A.R.S. § 41-1092.01(C)(9)(c), OAH reports that it has no knowledge of violations of A.R.S. § 41-1009 by any agency.

VII. Recommendations for Changes in the Administrative Procedures Act

The regulated community has long complained about inconsistent procedures among the various agencies. The following recommendations point to the areas where uniformity or greater consistency can be accomplished:

1. Establish uniform standards for appeal rights notice.
Currently there are no standards for how, and with what degree of specificity, appeal rights to Superior Court should be communicated to parties once the agency has acted.

2. Establish uniform basis for rehearing.
Parties must research the specific rules of each agency, board, or commission to determine the bases for rehearing because there is little uniformity. Standardizing and recapitulating possible bases in Title 41 would make the process easier, particularly for the unrepresented.

3. Conform rehearing and appeal rules.
Currently parties have 30 days from service of an agency's final action, which is presumed after 5 days of mailing to the party's last known address, to request a rehearing under A.R.S. § 41-1092.09(A)(1) and (C). However, under A.R.S. § 12-904(A), parties have 35 days to file an appeal to Superior Court upon service, presumed after 5 days of mailing to the party's last known address. Conforming the time limits for requesting rehearings and filing appeals will simplify the process by eliminating varying time limits for parties to act on final orders and will allow agencies to frame the effective dates of their final orders to a single date.

VIII. Recommendation for Changes or Improvements in Agency Practice with Respect to the Administrative Procedures Act

Recoupment of Costs for Administrative Hearings:
Billed costs to non-General Fund supported agencies, boards, and commissions (ISA agencies), pursuant to A.R.S. § 41-1092.01(E) and (K), could be recouped by them by extending the statutory authority found in isolated statutes to all such ISA agencies.

An example of statutory authority for recoupment is found in A.R.S. § 32-128(H), which permits the Board of Technical Registration to recoup certain costs:

> H. On its determination that any person has violated this chapter or a rule adopted pursuant to this chapter, the board may assess the person with its reasonable costs and expenses, including attorney fees, incurred in conducting the investigation and administrative hearing. All monies collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the technical registration fund established by section 32-109 and shall only be used by the board to defray its expenses in connection with investigation related training, disciplinary investigations, and hearings. Notwithstanding section 35-143.01, these monies may be spent without legislative appropriation.