Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1	State of Arkansas	As Engrossed: H3/13/03	
2	84th General Assembly	A B1ll	Act 1044 of 2003
3	Regular Session, 2003		HOUSE BILL 2413
4			
5	By: Representatives Napper, R.	. Smith, Bradford, J. Johnson, Roebuck, Ea	ason, Borhauer, Lendall,
6	Martin, Pace		
7	By: Senators Critcher, Horn		
8			
9			
10	For An Act To Be Entitled		
11	AN ACT TO	AUTHORIZE A HEALTH INSURANCE	
12	FLEXIBILI	TY AND ACCOUNTABILITY INITIATIV	E; AND
13	FOR OTHER	PURPOSES.	
14			
15		Subtitle	
16	AN ACT	TO AUTHORIZE A HEALTH INSURANC	Е
17	FLEXIB	ILITY AND ACCOUNTABILITY	
18	INITIA	TIVE.	
19			
20			
21	BE IT ENACTED BY THE GEN	NERAL ASSEMBLY OF THE STATE OF A	ARKANSAS:
22			
23	SECTION 1. Arkans	sas Code Title 23, Chapter 79 is	s amended to add an
24	additional subchapter ar	nd an explanation for adding thi	is subchapter to read
25	as follows:		
26	<u>23-79-1001.</u> Findi	ings and purpose.	
27	(a) The General A	Assembly finds that:	
28	<u>(1)</u> Many Ar	rkansans have no health insuranc	<u>ce;</u>
29	(2) Increas	sing the number of persons with	health insurance will
30	improve the overall heal	lth of the people of the state;	and
31	<u>(3)</u> The Uni	ited States Department of Health	n and Human Services
32	created the Health Insur	rance Flexibility and Accountabi	<u>ility Initiative to</u>
33	give states more flexibi	ility in creating approaches to	maximize private
34	health care options.		
35	(b) The Arkansas	Safety-Net Benefit Program is i	<u>intended to provide</u>
36	<u>safety-net health care a</u>	for qualifying uninsured employe	ed individuals.



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2	23-79-1002. Medicaid demonstration initiative.		
3	(a) Subject to obtaining all necessary federal approvals, including		
4	approval of a demonstration waiver under Section 1115 of the Social Security		
5	Act as in effect January 1, 2003, the Department of Human Services may		
6	administer the Health Insurance Flexibility and Accountability Demonstration		
7	Initiative created in § 23-79-1004.		
8	(b) Coverage may include certain spouses of covered employed		
9	individuals.		
10			
11	23-79-1003. Arkansas Safety-Net Benefit Program.		
12	(a)(1) There is created the Arkansas Safety-Net Benefit Program.		
13	(2) Employer participation in the program shall be voluntary.		
14	(b) Employers electing to participate shall comply with all program		
15	requirements, including, but not limited to:		
16	(1) Establishing that all employees have health insurance		
17	coverage; and		
18	(2) Making payments to the program at times and in amounts as		
19	determined by the Department of Human Services to be necessary for the		
20	operation of the program for:		
21	(A) All covered employees and covered spouses; and		
22	(B) All other employees, regardless of income, except		
23	employees exempted by rule of the department.		
24			
25	23-79-1004. Arkansas Safety-Net Benefit Fund.		
26	(a)(1) There is created the Arkansas Safety-Net Benefit Fund.		
27	(2) The fund shall be administered by the Department of Finance		
28	and Administration and shall consist entirely of revenues derived from		
29	employer payments to the Arkansas Safety-Net Benefit Program.		
30	(b)(1) The fund shall not be deposited in a general revenue holding		
31	account or be regulated by the State Insurance Department and shall be used		
32	only for the Arkansas Safety-Net Benefit Program.		
33	(2) However, if the federal government eliminates or		
34	substantially modifies the Health Insurance Flexibility and Accountability		
35	Initiative or withdraws approval of the Arkansas Safety-Net Benefit Program,		
	initiative of withdraws approval of the Arkansas Sarety-Net Denerit Hogram,		

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1	in the State Treasury, but shall be expended to provide services to		
2	beneficiaries of the Arkansas Safety-Net Benefit Program.		
3	(3) Moneys in the Arkansas Safety-Net Benefit fund may carry		
4	over from the first fiscal year of any biennium to the second fiscal year of		
5	the biennium, and from one biennium to the next.		
6			
7	23-79-1005. Department of Human Services - Powers and duties.		
8	(a) The Department of Human Services shall promulgate rules to		
9	implement this subchapter.		
10	(b) The department shall administer the Arkansas Safety-Net Benefit		
11	Program and the Arkansas Safety-Net Benefit Fund.		
12	(c) The department shall:		
13	(1) Prepare and submit to the United States Department of Health		
14	and Human Services a request for a demonstration waiver under Section 1115 of		
15	the Social Security Act, describing one (1) or more statewide health		
16	insurance limited safety net benefit packages that can be funded within		
17	existing allotments received by the state under Title XXI of the Social		
18	Security Act;		
19	(2) Administer the Arkansas Safety-Net Benefit Program and the		
20	Arkansas Safety-Net Benefit Fund in accordance with a federally approved		
21	Health Insurance Flexibility and Accountability Demonstration Initiative		
22	waiver;		
23	(3) Deposit Arkansas Employer Sponsored Insurance Fund revenues		
24	in insured interest bearing accounts at banking institutions in Arkansas; and		
25	(4) Expend Arkansas Safety-Net Benefit Fund moneys as state		
26	matching funds in accordance with the requirements of federal health care		
27	programs and the Arkansas Safety-Net Benefit Program.		
28			
29	/s/ Napper, et al		
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32	APPROVED: 4/2/2003		
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