

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
2 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 1322

4
5 By: Representatives Lendall, Elliott, Walters, Judy, Chesterfield, J. Johnson, Dees, S. Prater
6 By: Senators Gullett, Madison

For An Act To Be Entitled

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10 THE EQUITY IN PRESCRIPTION INSURANCE AND
11 CONTRACEPTIVE COVERAGE ACT.

Subtitle

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13
14 THE EQUITY IN PRESCRIPTION INSURANCE AND
15 CONTRACEPTIVE COVERAGE ACT.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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20 SECTION 1. Arkansas Code Title 23, Chapter 79, is amended to add an
21 additional subchapter to read as follows:

22 23-79-1001. Title.

23 This act shall be known and may be cited as "The Equity in Prescription
24 Insurance and Contraceptive Coverage Act".

25
26 23-79-1002. Findings.

27 The General Assembly finds that:

28 (1) Insurance coverage of contraceptives is inadequate;

29 (2)(A) Three-fourths (3/4) of women of childbearing age rely on
30 some form of private employment-related insurance to defray their medical
31 expenses.

32 (B) However, forty-nine percent (49%) of all typical large
33 group insurance plans that are written for one hundred (100) or more
34 employees do not routinely cover any contraceptive method at all; and

35 (3)(A) Ninety-seven percent (97%) of large group insurance plans
36 routinely cover prescription drugs.



1 (B) However, only fifteen percent (15%) routinely cover
2 all five (5) primary reversible contraceptive methods: oral contraception,
3 IUD insertion, diaphragm fitting, Norplant insertion, and Depo-Provera
4 injection.

5
6 23-79-1003. Definitions.

7 As used in this subchapter:

8 (1) "Covered person" means a policy holder, subscriber, certificate
9 holder, enrollee, or other individual who is participating in, or receiving
10 coverage under, the health insurance plan;

11 (2)(A) "Health insurance plan" means health insurance coverage, i.e.,
12 benefits consisting of medical care, provided directly through insurance or
13 reimbursement or otherwise, and including items and services paid for as
14 medical care, under any hospital or medical service policy or certificate,
15 hospital or medical service plan contract, or health maintenance organization
16 contract offered by a health insurance issuer.

17 (B) "Health insurance plan " does not include:

18 (i) Accident-only, credit, dental, or disability income
19 insurance;

20 (ii) Coverage issued as a supplement to liability
21 insurance;

22 (iii) Workers' compensation or similar insurance; or

23 (iv) Automobile medical-payment insurance;

24 (3) "Health insurer" means a disability insurer, health care insurer,
25 health maintenance organization, accident and sickness insurer, fraternal
26 benefit society, nonprofit hospital service corporation, health service
27 corporation, health care service plan, preferred provider organization or
28 arrangement, or multiple employer welfare arrangement; and

29 (4) "Outpatient contraceptive services" means consultations,
30 examinations, procedures and medical services, provided on an outpatient
31 basis and related to the use of contraceptive drugs and devices to prevent
32 pregnancy.

33
34 23-79-1004. Parity for contraceptives.

35 (a) Health insurance plans that provide benefits for prescription
36 drugs or devices shall not exclude or restrict benefits to covered persons

1 for any prescription contraceptive drug or device approved by the Food and
 2 Drug Administration.

3 (b) Health insurance plans that provide benefits for outpatient
 4 services provided by a health care professional shall not exclude or restrict
 5 outpatient contraceptive services for covered persons.

6
 7 23-79-1005. Extraordinary surcharges prohibited.

8 A health insurance plan may not:

9 (1) Impose for prescription contraceptive drugs or devices
 10 deductibles, copayments, other cost-sharing mechanisms, or waiting periods
 11 greater than deductibles, copayments, other cost-sharing mechanisms, or
 12 waiting periods for other covered prescription drugs or devices;

13 (2) Impose for outpatient contraceptive services deductibles,
 14 copayments, other cost-sharing mechanisms, or waiting periods greater than
 15 deductibles, copayments, other cost-sharing mechanisms, or waiting periods
 16 for other covered outpatient services;

17 (3) Deny eligibility, continued eligibility, enrollment, or renewal of
 18 coverage to any individual because of his or her use or potential use of
 19 contraceptives;

20 (4) Provide monetary payments or rebates to covered persons to
 21 encourage them to accept less than the minimum protections available under
 22 this subchapter;

23 (5) Penalize, or otherwise reduce or limit the reimbursement of a
 24 health care professional because the professional prescribed contraceptive
 25 drugs or devices, or provided contraceptive services; or

26 (6) Provide incentives, monetary or otherwise, to a health care
 27 professional to induce the professional to withhold contraceptive drugs,
 28 devices, or services from covered persons.

29
 30 23-79-1006. Enforcement.

31 (a) The Insurance Commissioner shall receive and review written
 32 complaints regarding compliance with this subchapter.

33 (b) If the commissioner determines that a health insurance plan is not
 34 in compliance with this subchapter, the commissioner shall:

35 (1)(A) Impose a civil penalty of ten thousand dollars (\$10,000)
 36 per violation.

1 (B) An additional ten thousand dollars (\$10,000) shall be
2 imposed for every thirty (30) days that a health insurance plan is not in
3 compliance;

4 (2) Suspend or revoke the certificate of authority or deny the
5 health insurer's application for a certificate of authority; or

6 (3) Impose both the appropriate civil penalty and either a
7 suspension or revocation of the certificate of authority or a denial of the
8 application for a certificate of authority.

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