

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 85th General Assembly  
3 Regular Session, 2005

# A Bill

HOUSE BILL 1076

4  
5 By: Representative Thyer  
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## For An Act To Be Entitled

8  
9 AN ACT TO PROHIBIT A TORTFEASOR'S INSURANCE  
10 CARRIER FROM CONDITIONING SETTLEMENT OF A  
11 JUDGMENT OR CLAIM UPON ISSUING ITS CHECK JOINTLY  
12 TO THE INJURED PARTY AND MEDICAL PROVIDER OR ITS  
13 INSURANCE CARRIER; AND FOR OTHER PURPOSES.  
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## Subtitle

15  
16 TO PROHIBIT A TORTFEASOR'S INSURANCE  
17 CARRIER FROM CONDITIONING SETTLEMENT OF  
18 A JUDGMENT OR CLAIM UPON ISSUING ITS  
19 CHECK JOINTLY TO THE INJURED PARTY AND  
20 MEDICAL PROVIDER OR ITS INSURANCE  
21 CARRIER.  
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 23-89-207 is amended to read as follows:  
27 23-89-207. Insurer's right of reimbursement.

28 (a) Whenever a recipient of benefits under § 23-89-202(1) and (2)  
29 recovers in tort for injury, either by settlement or judgment, the insurer  
30 paying the benefits has a right of reimbursement and credit out of the tort  
31 recovery or settlement, less the cost of collection, as defined.

32 (b) All cost of collection thereof shall be assessed against the  
33 insurer and insured in the proportion each benefits from the recovery.

34 (c) The insurer shall have a lien upon the recovery to the extent of  
35 its benefit payments.

36 (d)(1) The insurer for the party who is liable in damages to the



1 injured party shall not condition settlement or payment of a judgment in  
2 favor of the injured party upon issuing its check jointly to the injured  
3 party and a medical provider or the injured party's insurance company.

4 (2) A violation of subdivision (d)(1) of this section is  
5 punishable under the Trade Practices Act, § 23-66-201 et seq.

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