

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015
4

A Bill

HOUSE BILL 1491

5 By: Representatives D. Whitaker, Leding
6

For An Act To Be Entitled

8 AN ACT TO ALLOW A NONPROFIT HOSPITAL TO OPERATE A
9 DENTAL CLINIC; AND FOR OTHER PURPOSES.

Subtitle

12 TO ALLOW A NONPROFIT HOSPITAL TO OPERATE
13 A DENTAL CLINIC.
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code § 4-29-401(b), concerning definitions under
20 the Dental Corporation Act, is amended to add an additional subdivision to
21 read as follows:

22 (4) "Nonprofit hospital" means a corporation that is:

23 (A) Organized and existing under the Arkansas Nonprofit
24 Corporation Act of 1993, § 4-33-101 et seq.;

25 (B) Recognized by the Internal Revenue Service as exempt
26 from federal taxation under 26 U.S.C. § 501(c)(3);

27 (C) A private foundation as defined under 26 U.S.C. §
28 509(a)(1); and

29 (D) Operating as a hospital as defined under 26 U.S.C. §
30 170(b)(1)(A)(iii).

31
32 SECTION 2. Arkansas Code § 4-29-402(a), concerning the application of
33 the Arkansas Business Corporation Act, is amended to read as follows:

34 (a)(1)(A) The Except as provided in subdivision (a)(2) of this
35 section, the Arkansas Business Corporation Act of 1987, § 4-27-101 et seq.,
36 shall be applicable apply to such corporations a corporation, including their



1 its organization, except that the required number of incorporators of a
 2 dental corporation shall be one (1) or more; and

3 (B) they The incorporators shall enjoy the powers and
 4 privileges and be subject to the duties, restrictions, and liabilities of
 5 other corporations, except so far as the same may be limited or enlarged by
 6 this subchapter.

7 (2) The Arkansas Business Corporation Act , § 4-27-101 et seq.,
 8 does not apply to a nonprofit hospital as defined in this subchapter.

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 10 SECTION 3. Arkansas Code § 4-29-404 is amended to read as follows:

11 4-29-404. Formation of corporation – Employee licensing required.

12 (a)(1) One (1) or more persons A person licensed pursuant to under the
 13 Arkansas Dental Practice Act, § 17-82-101 et seq., may ~~associate to~~ form a
 14 corporation pursuant to under the Arkansas Business Corporation Act ~~of 1987,~~
 15 § 4-27-101 et seq., to own, operate, and maintain an establishment for the
 16 study, diagnosis, and treatment of dental ailments and injuries and to
 17 promote dental and scientific research and knowledge.

18 (2) However, treatment, consultation, or advice may be given by
 19 ~~employees~~ an employee of the corporation only if ~~they are~~ the employee is
 20 licensed pursuant to under the Arkansas Dental Practice Act, § 17-82-101 et
 21 seq.

22 (b) A nonprofit hospital may own, operate, and maintain an
 23 establishment for the study, diagnosis, and treatment of dental ailments and
 24 injuries and to promote dental and scientific research and knowledge subject
 25 to the requirements of subsection (c) of this section.

26 (c)(1)(A) A nonprofit hospital shall register with the Arkansas State
 27 Board of Dental Examiners before operating a dental clinic or providing
 28 dental services.

29 (B) A nonprofit hospital registering a dental clinic shall
 30 provide to the board:

31 (i) The name of the nonprofit hospital;

32 (ii) A copy of the nonprofit hospital's
 33 determination letter from the Internal Revenue Service recognizing the exempt
 34 status of the nonprofit hospital under 26 U.S.C. § 501(c)(3);

35 (iii) Sites and locations where dental services are
 36 to be provided by the nonprofit hospital; and

1 (iv) The identity of all persons employed by or
 2 under contract with the nonprofit hospital who are required to be licensed
 3 under the Arkansas Dental Practice Act, § 17-82-101 et seq.

4 (C) A nonprofit hospital shall:

5 (i) Register each location it owns, operates, or
 6 maintains; and

7 (ii) Designate a licensed dentist who maintains a
 8 supervisory position for the registered locations of the nonprofit hospital's
 9 dental clinics.

10 (2) A person shall not practice dentistry, as defined in § 17-
 11 82-102, at any dental clinic that is owned, operated, or maintained by a
 12 nonprofit hospital unless the person is a dentist or dental hygienist
 13 licensed under the Arkansas Dental Practice Act, § 17-82-101 et seq.

14 (3)(A) A nonprofit hospital authorized by the board to provide
 15 dental services shall not direct or interfere or attempt to direct or
 16 interfere with a licensed dentist's or dental hygienist's professional
 17 clinical judgment and competent practice of dentistry.

18 (B) This subsection does not make it unlawful for a
 19 nonprofit hospital to enforce employment contracts, corporate policy and
 20 procedure manuals, quality improvement, or assurance requirements.

21
 22 SECTION 4. Arkansas Code § 4-29-405(a), concerning a corporate name
 23 under the Arkansas Dental Practice Act, is amended to read as follows:

24 (a)(1) The A corporate name shall contain the names of one (1) or more
 25 of the shareholders or, when a nonprofit hospital, the name as registered
 26 with the Arkansas State Board of Dental Examiners.

27 (2) However, the name of a person who is not employed by the
 28 corporation shall not be included in the corporate name, except that the name
 29 of a deceased shareholder may continue to be included in the corporate name
 30 for one (1) year following the ~~decease~~ death of the shareholder.

31
 32 SECTION 5. Arkansas Code § 4-29-406 is amended to read as follows:
 33 4-29-406. Officers, directors, and shareholders.

34 (a)(1) All of the officers, directors, and shareholders of a
 35 corporation subject to this subchapter shall at all times be persons licensed
 36 ~~pursuant to~~ under the Arkansas Dental Practice Act, § 17-82-101 et seq.

1 consistently with ~~the provisions of~~ subsection (b) of this section.

2
3 SECTION 8. Arkansas Code § 17-82-104(b)(2), concerning unlawful
4 practices by a dentist or dental hygienist, is amended to read as follows:

5 (2) ~~However, the phrase As used in this subsection, “any person”~~
6 ~~as used in this subsection shall not apply to~~ does not include:

7 (A) a patient’s dental insurer, or dental HMO, or a
8 patient’s designated utilization review organization; or

9 (B) A nonprofit hospital as defined in the Dental
10 Corporation Act, § 4-29-401 et seq.

11
12 SECTION 9. Arkansas Code § 17-82-105 is amended to read as follows:

13 17-82-105. Sales of dental services or appliances.

14 (a)(1) ~~Any~~ A person other than a licensed dentist or a nonprofit
15 hospital registered under the Dental Corporation Act, § 4-29-401 et seq., who
16 sells or delivers or offers to sell or deliver to the general public the
17 services of construction, repair, reproduction, duplication, alteration,
18 adjustment, cleaning, polishing, refinishing, or processing in any other
19 manner of any artificial or prosthetic tooth or teeth, bridge, crown,
20 denture, restoration, appliance, device, structure, or material or
21 orthodontic appliance or material to be worn or used in the mouth is subject
22 to the penalties and liabilities prescribed in § 17-82-301(b) and (c).

23 (2) This section does not prohibit selling or delivering or
24 offering to sell or deliver any ~~of such~~ articles referred to in subdivision
25 (a)(1) of this section to a licensed dentist or a nonprofit hospital
26 registered under the Dental Corporation Act, § 4-29-401 et seq.

27 (b) ~~Any~~ A licensed dentist or nonprofit hospital registered under the
28 Dental Corporation Act, § 4-29-401 et seq., who employs or engages the
29 services of a dental laboratory or dental laboratory technician or any other
30 person, firm, or corporation to perform any of the operations or to fabricate
31 any of the appliances or devices referred to in subsection (a) of this
32 section shall furnish that person, firm, or corporation with a written work
33 authorization which shall contain:

34 (1) The name and address of the person, firm, or corporation to
35 which the work authorization is directed;

36 (2) The patient’s name or an identification number. If a number

1 is used, the patient's name shall be written upon the duplicate copy of the
 2 work authorization retained by the dentist or the nonprofit hospital;

3 (3) The date on which the work authorization was written;

4 (4) A description of the work to be done, including diagrams, if
 5 necessary;

6 (5) A specification of the type and quality of materials to be
 7 used; and

8 (6) The signature of the dentist and the number of his or her
 9 license to practice dentistry.

10 (c) ~~The~~ A person, firm, or corporation receiving a work authorization
 11 from a licensed dentist or a nonprofit hospital shall retain the original
 12 work authorization and the dentist or the nonprofit hospital shall retain a
 13 duplicate copy for ~~a period of~~ two (2) years.

14 (d) ~~Any~~ A licensed dentist or a nonprofit hospital shall be guilty of
 15 a Class A misdemeanor and the Arkansas State Board of Dental Examiners may
 16 revoke or suspend the license of that dentist or the certificate of
 17 registration of the nonprofit hospital if that dentist or nonprofit hospital:

18 (1) Employs or engages the services of ~~any~~ a person, firm, or
 19 corporation to construct or repair, extraorally, prosthetic dentures,
 20 bridges, or other dental appliances without first providing the person, firm,
 21 or corporation with a written work authorization;

22 (2) Fails to retain a duplicate copy of the work authorization
 23 for two (2) years; or

24 (3) ~~Commits any violation of~~ Violates this section.

25 (e) Any person, firm, or corporation shall be guilty of a Class A
 26 misdemeanor if that person, firm, or corporation:

27 (1) Furnishes ~~such~~ services a service to ~~any~~ a licensed dentist
 28 or a registered nonprofit hospital without first obtaining a written work
 29 authorization from the dentist or the registered nonprofit hospital;

30 (2) Fails to retain the original work authorization for two (2)
 31 years; or

32 (3) ~~Commits any violation of~~ Violates this section.

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 34 SECTION 10. Arkansas Code § 17-82-601 is amended to read as follows:

35 17-82-601. Definitions.

36 As used in this subchapter:

1 (1) “Dental home” means a licensed primary dental care provider
 2 or a nonprofit hospital registered by the Arkansas State Board of Dental
 3 Examiners under the Dental Corporation Act, § 4-29-401 et seq., who has an
 4 ongoing relationship with a patient, including without limitation:

5 (A) Comprehensive oral health care that is continuously
 6 accessible;

7 (B) Coordinated;

8 (C) Family-centered; and

9 (D) Provided in compliance with policies of the American
 10 Dental Association beginning not later than one (1) year of age;

11 (2) “Mobile dental facility” means a self-contained, intact
 12 facility in which dentistry and dental hygiene are practiced and that may be
 13 moved, towed, or transported from one (1) location to another; and

14 (3) “Operator” means an individual licensed to practice
 15 dentistry in this state or a nonprofit hospital registered by the board under
 16 the Dental Corporation Act, § 4-29-401 et seq.

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