

INTERIM STUDY PROPOSAL 2021-141

State of Arkansas

93rd General Assembly

Third Extraordinary Session, 2022

**A Bill**

ANS/ANS

HOUSE BILL

By: Representative Pilkington

Filed with: House Committee on Insurance and Commerce  
pursuant to A.C.A. §10-3-217.

**For An Act To Be Entitled**

AN ACT TO REGULATE THE REIMBURSEMENT RATE OF A BIRTH UNDER AN INSURANCE POLICY IN THIS STATE; TO ESTABLISH THE REIMBURSEMENT RATE FOR A BIRTH TO BE AT LEAST THE SAME AS THE REIMBURSEMENT RATE FOR A BIRTH BY CESAREAN SECTION; AND FOR OTHER PURPOSES.

**Subtitle**

TO REGULATE THE REIMBURSEMENT RATE OF A BIRTH UNDER AN INSURANCE POLICY IN THIS STATE; AND TO ESTABLISH THE REIMBURSEMENT RATE FOR A BIRTH TO BE AT LEAST THE SAME AS THE REIMBURSEMENT RATE FOR A BIRTH BY CESAREAN SECTION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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

23-79-168. Reimbursement rate for births – Legislative findings –

Definitions.

(a) The General Assembly finds that:

(1) Approximately ten thousand (10,000) babies are born per day in the United States;

(2) Of those ten thousand (10,000) babies, approximately one-third (1/3) of the births are delivered by Cesarean section instead of

1 vaginal delivery;

2 (3) Healthcare professionals are generally paid more for a birth  
3 by Cesarean section than for a vaginal birth; and

4 (4) The reimbursement rate for a birth in this state needs to be  
5 equitable and no less than the established reimbursement rate of a birth by  
6 Cesarean section under a health benefit plan.

7  
8 (b) As used in this section:

9 (1) "Birth" means delivery of a newborn child either by vaginal  
10 delivery or Cesarean section;

11 (2)(A) "Health benefit plan" means:

12 (i) An individual, blanket, or group plan or a  
13 policy or contract for healthcare services issued or delivered by a  
14 healthcare insurer; and

15 (ii) Any health benefit program receiving state or  
16 federal appropriations from the State of Arkansas, including the Arkansas  
17 Medicaid Program and the Arkansas Health and Opportunity for Me Program, or  
18 any successor program.

19 (B) "Health benefit plan" includes:

20 (i) Indemnity and managed care plans; and

21 (ii) Nonfederal governmental plans as defined in 29  
22 U.S.C. § 1002(32), as it existed on January 1, 2024.

23 (C) "Health benefit plan" does not include:

24 (i) A disability income plan;

25 (ii) A credit insurance plan;

26 (iii) Insurance coverage issued as a supplement to  
27 liability insurance;

28 (iv) A medical payment under automobile or  
29 homeowner's insurance plans;

30 (v) A health benefit plan provided under Arkansas  
31 Constitution, Article 5, § 32, the Workers' Compensation Law, § 11-9-101 et  
32 seq., or the Public Employee Workers' Compensation Act, § 21-5-601 et seq.;

33 (vi) A plan that provides only indemnity for  
34 hospital confinement;

35 (vii) An accident-only plan;

36 (viii) A specified disease plan;

1                   (ix) A long-term-care-only plan;

2                   (x) A dental-only plan; or

3                   (xi) A vision-only plan;

4                   (3) "Healthcare insurer" means an entity subject to the  
5 insurance laws of this state or the jurisdiction of the Insurance  
6 Commissioner that contracts or offers to contract to provide health insurance  
7 coverage, including without limitation an insurance company, a health  
8 maintenance organization, a hospital medical service corporation, a self-  
9 insured governmental or church plan in this state, or the Arkansas Medicaid  
10 Program;

11                   (4) "Healthcare professional" means a person who is licensed,  
12 certified, or otherwise authorized by the laws of this state to administer  
13 health care in the ordinary course of the practice of his or her profession;  
14 and

15                   (5) "Reimbursement rate" means the amount paid to a healthcare  
16 professional by a healthcare insurer for certain procedures based on Current  
17 Procedural Terminology codes or the Healthcare Common Procedure Coding System  
18 codes and the costs of healthcare services.

19                   (c) A healthcare insurer shall use the reimbursement rate for a birth  
20 by Cesarean section to reimburse a healthcare professional for a birth in  
21 this state.

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24 Referred by Representative Pilkington

25 Prepared by: ANS/ANS

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