

As Engrossed: 3/30/95

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 1020 OF 1995
SENATE BILL 120

4 **By: Senators Beebe, Gordon and Harriman**

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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 23-79-146 TO CLARIFY
9 LIMITATIONS ON SUBROGATION RECOVERY; AND FOR OTHER
10 PURPOSES."

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Subtitle

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"TO CLARIFY LIMITATIONS ON SUBROGATION
RECOVERY."

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

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18 SECTION 1. Arkansas Code 23-79-146 is amended to read as follows:

19 "23-79-146. Limit on subrogation recovery.

20 (a) Any *casualty insurer*, health insurer, health maintenance
21 organization, self-funded group, multiple-employer welfare arrangement, or
22 hospital or medical services corporation that issues, delivers, or renews a
23 contract of health or disability insurance or individual or group health care
24 coverage containing a provision for subrogation for any benefits or services
25 of any kind furnished to an insured, or for payments made or credit extended
26 to or on behalf of any covered person for a physical condition or injury
27 caused by a third party or for which a third party may be liable, shall be
28 entitled to receive subrogation benefits from such third party.

29 (b) *In the event that the insured or covered person recovers from the*
30 *third party, reasonable cost of collection and attorney's fees thereof shall*
31 *be assessed against insurer and insured in the proportion each benefits from*
32 *the recovery.*

33 (c) In the event more than one (1) *casualty insurer*, health insurer,
34 health maintenance organization, self-funded group, multiple-employer welfare
35 arrangement, or hospital or medical services corporation having contractual
36 subrogation rights are entitled to the subrogation benefits specified in

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1 subsections (a) and (b) of this section, reasonable cost of collection and
2 attorney's fees thereof shall be assessed against the insurers and insured in
3 the proportion each benefits from the recovery."
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5 SECTION 2. All provisions of this act of a general and permanent nature
6 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
7 Revision Commission shall incorporate the same in the Code.
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9 SECTION 3. If any provision of this act or the application thereof to
10 any person or circumstance is held invalid, such invalidity shall not affect
11 other provisions or applications of the act which can be given effect without
12 the invalid provision or application, and to this end the provisions of this
13 act are declared to be severable.
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15 SECTION 4. All laws and parts of laws in conflict with this act are
16 hereby repealed.

17 /s/Beebe et al
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19 APPROVED: 4-10-95
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