

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

A Bill

SENATE BILL 831

5 By: Senator D. Sanders
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For An Act To Be Entitled

8 AN ACT TO AUTHORIZE THE DIRECTOR OF THE DIVISION OF
9 MEDICAL SERVICES OF THE DEPARTMENT OF HUMAN SERVICES
10 TO DETERMINE THAT A MEDICAID PROVIDER IS OUT OF
11 BUSINESS AND THAT A MEDICAID OVERPAYMENT OWED BY THE
12 MEDICAID PROVIDER CANNOT BE COLLECTED UNDER STATE LAW
13 AND PROCEDURES; AND FOR OTHER PURPOSES.
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Subtitle

15
16 TO AUTHORIZE THE DIRECTOR OF THE DIVISION
17 OF MEDICAL SERVICES OF THE DEPARTMENT OF
18 HUMAN SERVICES TO DETERMINE THAT A
19 MEDICAID PROVIDER IS OUT OF BUSINESS AND
20 THAT A MEDICAID OVERPAYMENT CANNOT BE
21 COLLECTED.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code Title 20, Chapter 77, Subchapter 1, is
28 amended to add an additional section to read as follows:

29 20-77-131. Determination that a Medicaid provider is out of business.

30 (a) As used in this section, "entity" means:

31 (1) A corporation, including without limitation a professional,
32 medical, or dental corporation;

33 (2) A limited liability company, including without limitation a
34 professional, medical, or dental limited liability company; and

35 (3) A partnership, including without limitation a limited
36 partnership.



1 (b)(1) For the purpose of determining whether an overpayment must be
2 refunded to the federal government, the Director of the Division of Medical
3 Services of the Department of Human Services is authorized to determine and
4 certify that a Medicaid provider is out of business and that an overpayment
5 owed by the provider cannot be collected under state law and procedures.

6 (2) The director may make this determination on the basis of any
7 facts and circumstances deemed relevant and material by the director.

8 (c) For the purpose of this section, the director may conclusively
9 presume a provider to be out of business as of:

10 (1) The date of suspension, expiration, surrender, or revocation
11 of a license or certification required for the provider to operate; or

12 (2) For a provider that did business in the form of an entity,
13 the date of:

14 (A) Dissolution of the entity;

15 (B) Occurrence of an event which would trigger
16 dissolution; or

17 (C) Forfeiture or revocation of the entity's charter or
18 authority to do business by the Secretary of State or other state authority.

19 (d) A determination or certification made by the director under this
20 section:

21 (1) Does not abrogate, limit, or modify a provider's debt or
22 obligation to repay;

23 (2) Is not a defense to recoupment of Medicaid payments from a
24 provider; and

25 (3) May not serve as the basis for an adverse action against a
26 provider.

27 (e) The Department of Human Services may promulgate rules to
28 administer this section.

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31 **APPROVED: 04/08/2015**
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