

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.

Act 1452 of the Regular Session

1 State of Arkansas

As Engrossed: H3/24/09 H3/30/09 S4/3/09

2 87th General Assembly

A Bill

3 Regular Session, 2009

HOUSE BILL 2075

4
5 By: Representative Hawkins

6
7
8 **For An Act To Be Entitled**

9 *AN ACT TO ADDRESS INSURANCE MATTERS AFFECTING THE*
10 *STATE OF ARKANSAS; TO AMEND ARKANSAS CODE § 23-*
11 *89-216, AS ENACTED BY ACT 485 OF 2009; TO ADDRESS*
12 *ELIGIBILITY REQUIREMENTS AND ENFORCEMENT OF THE*
13 *COMPREHENSIVE HEALTH INSURANCE POOL PROGRAM; AND*
14 *FOR OTHER PURPOSES.*

15 **Subtitle**

16 *TO AMEND ARKANSAS CODE § 23-89-216, AS*
17 *ENACTED BY ACT 485 OF 2009, AND TO*
18 *ADDRESS ELIGIBILITY REQUIREMENTS AND*
19 *ENFORCEMENT OF THE COMPREHENSIVE HEALTH*
20 *INSURANCE POOL PROGRAM.*

21
22
23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

24
25 *SECTION 1. Arkansas Code § 23-89-216, as enacted by of Act 485 of*
26 *2009, is amended to read as follows:*

27 *23-89-216. Notice concerning use of insurance proceeds.*

28 *(a) When making payment to a third-party on a claim under a motor*
29 *vehicle insurance policy for damage to a motor vehicle, a motor vehicle*
30 *liability insurer shall provide a written notice to the ~~insured~~ third-party*
31 *claimant in substantially the following form:*

32 *"Failure to use the insurance proceeds in accordance with a security*
33 *agreement between you and a lienholder, if any, may constitute the criminal*
34 *offense of defrauding a secured creditor in violation of Arkansas Code § 5-*
35 *37-203. If you have any questions, contact your lienholder."*



1 (b) The written notice required by subsection (a) of this section may
2 be provided by including the written notice on each written loss estimate
3 prepared in connection with the claim.

4
5 SECTION 2. Arkansas Code § 23-79-509(a)(2)(G), concerning persons not
6 eligible for coverage under a plan offered by the Arkansas Comprehensive
7 Health Insurance Pool, is amended to read as follows:

8 (G) ~~The~~ All or part of the person's premium is paid for or
9 reimbursed;

10 *(i) By one (1) of the following in connection with a*
11 *group health plan:*

12 *(a) The person's current employer;*

13 *(b) If the person is retired, by the person's*
14 *former employer; or*

15 *(c) If the person is a dependent of an*
16 *employee or retiree, by the current or former employer of the employee or*
17 *retiree; or*

18 *(ii) ~~under~~ Under any government-sponsored program or*
19 *by any government agency, foundation, health care facility, or health care*
20 *provider except for premiums paid on behalf of:*

21 ~~(i)~~ *(a) A trade adjustment assistance eligible*
22 *person or a qualified trade adjustment assistance eligible person in*
23 *accordance with section 35 of the Internal Revenue Code; or*

24 ~~(ii)~~ *(b) An otherwise qualifying full-time*
25 *employee or dependent of ~~such an~~ a qualifying full-time employee of a*
26 *government agency, foundation, health care facility, or health care provider;*

27
28 SECTION 3. Arkansas Code § 23-79-513 is amended to read as follows:

29 23-79-513. Unfair referral to plan – Prohibited practices by
30 employers.

31 (a) It shall constitute an unfair trade practice ~~for the purposes of~~
32 under the Trade Practices Act, § 23-66-201 et seq., for an insurer, agent,
33 broker, or third-party administrator to refer an individual to the Arkansas
34 Comprehensive Health Insurance Pool, or arrange for an individual to apply to
35 the pool, for the purpose of:

36 (1) ~~separating that~~ Separating the individual from group health

1 ~~insurance coverage provided in connection with any~~ by a group health
2 ~~insurance coverage plan; or~~

3 (2) Facilitating enrollment in the pool by any of the following
4 individuals associated with an employer, with the knowledge that the employer
5 intends to pay or is paying all or part of the premium payments owed by the
6 individual for pool coverage:

7 (A) An employee of the employer;

8 (B) A retired employee of the employer; or

9 (C) A dependent of an employee or retired employee of the
10 employer.

11 (b) Because pool coverage is not intended to cover participants who
12 are eligible for a group health plan, an individual described in subdivision
13 (a)(2) of this section is not eligible:

14 (1) For pool coverage if the employer associated with the
15 applicant intends to pay for all or part of the pool premium payments for the
16 individual; or

17 (2) To continue pool coverage if the employer associated with
18 the individual directly or indirectly pays all or part of the pool premium
19 payments for the individual.

20
21
22 /s/ Hawkins

23
24 APPROVED: 4/10/2009