

**ARKANSAS SENATE**  
89th General Assembly - Regular Session, 2013  
**Amendment Form**

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**Subtitle of House Bill No. 1143**

TO CREATE THE HEALTH CARE INDEPENDENCE ACT OF 2013; AND TO DECLARE AN EMERGENCY.

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**Amendment No. 1 to House Bill No. 1143**

Amend House Bill No. 1143 as engrossed, (version: 04/16/2013 03:22:35 PM):

Add Senator Irvin as a cosponsor of the bill

AND

Page 4, line 29, delete "and"

AND

Page 4, delete line 32 and substitute the following:

"Health Insurance Marketplace; and  
(9) "Independence account" mean individual financing structures  
that operate similar to a health savings account or a medical savings  
account."

AND

Page 4, delete lines 35 and 36 and substitute the following:

"(a) The Department of Human Services shall:  
(1) Create and administer the Health Care Independence Program;  
and  
(2)(A) Submit and apply for any:  
(i) Federal waivers necessary to implement the program in  
a manner consistent with this subchapter, including without limitation  
approval for a comprehensive waiver under Section 1115 of the Social Security  
Act, 42 U.S.C. § 1315; and  
(ii)(a) Medicaid State Plan Amendments necessary to  
implement the program in a manner consistent with this subchapter.  
(b) The Department of Human Services shall submit  
only those Medicaid State Plan Amendments under subdivision (a)(2)(A)(ii)(a)  
of this section that are optional and therefore may be revoked by the state  
at its discretion.  
(B)(i) As part of its actions under subdivision (a)(2)(A)  
of this section, the Department of Human Services shall confirm that  
employers shall not be subject to the penalties, including without limitation



an assessable payment, under Section 1513 of Pub. L. No. 111-148, as existing on January 1, 2013, concerning shared responsibility, for employees who are eligible individuals if the employees:

(a) Are enrolled in the program; and

(b) Enroll in a Qualified Health Plan through the Health Insurance Marketplace.

(ii) If the Department of Human Services is unable to confirm provisions under subdivision (a)(2)(B)(i) of this section, the program shall not be implemented."

AND

Page 5, delete lines 1 through 4

AND

Page 6, delete lines 27 through 35 and substitute the following:

"(j)(1) The Department of Human Services shall develop a model and seek from the Center for Medicare and Medicaid Services all necessary waivers and approvals to allow non-aged, non-disabled program-eligible participants to enroll in a program that will create and utilize Independence Accounts that operate similar to a Health Savings Account or Medical Savings Account during the calendar year 2015.

(2) The Independence Accounts shall:

(A) Allow a participant to purchase cost-effective high-deductible health insurance; and

(B) Promote independence and self-sufficiency.

(3) The state shall implement cost sharing and co-pays and, as a condition of participation, earnings shall exceed fifty percent (50%) of the federal poverty level.

(4) Participants may receive rewards based on healthy living and self-sufficiency.

(5)(A) At the end of each fiscal year, if there are funds remaining in the account, a majority of the state's contribution will remain in the participant's control as a positive incentive for the responsible use of the health care system and personal responsibility of health maintenance.

(B) Uses of the funds may include without limitation rolling the funds into a private sector health savings account for the participant according to rules promulgated by the Department of Human Services.

(6) The Department of Human Services shall promulgate rules to implement this subsection (j)."

AND

Page 7, line 25, delete "(b)" and substitute "(b)(1)"

AND

Page 7, delete line 27 and substitute the following:

"subchapter.

(2) A participating carrier in the Health Insurance Marketplace

shall maintain a medical loss ratio of at least eighty percent (80%) for an individual and small group market policy and at least eighty-five percent (85%) for a large group market policy as required under Pub. L. No. 111-148, as existing on January 1, 2013."

AND

Page 9, delete line 3 and substitute the following:

"not passed by the Eighty-Ninth General Assembly, this act is void."

SECTION 4. NOT TO BE CODIFIED. The enactment and adoption of this act shall supersede Section 21 of HB1219 of the Eighty-Ninth General Assembly, if Section 21 of HB1219 of the Eighty-Ninth General Assembly is enacted and adopted."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator J. Dismang

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Secretary