

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4  
5 By: Senator D. Sanders  
6

# A Bill

SENATE BILL 831

## 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

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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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