

1 State of Arkansas
2 93rd General Assembly
3 Regular Session, 2021
4

A Bill

SENATE BILL 666

5 By: Senator B. Ballinger
6 By: Representative Wardlaw
7

For An Act To Be Entitled

9 AN ACT CONCERNING AN INSURER’S RIGHT TO SUBROGATION
10 AND REIMBURSEMENT FOR MEDICAL AND HOSPITAL BENEFITS;
11 AND FOR OTHER PURPOSES.
12
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Subtitle

15 CONCERNING AN INSURER’S RIGHT TO
16 SUBROGATION AND REIMBURSEMENT FOR MEDICAL
17 AND HOSPITAL BENEFITS.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. DO NOT CODIFY. Legislative intent.

23 It is the intent of the General Assembly to limit the applicability of
24 this act to only the aggregate five thousand dollars (\$5,000) in medical and
25 hospital benefits described in § 23-89-202(1).
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27 SECTION 2. Arkansas Code § 23-89-207 is amended to read as follows:
28 23-89-207. Insurer’s right of reimbursement.

29 (a)(1) Whenever a recipient of benefits under § 23-89-202(1) ~~and (2)~~
30 recovers in tort for injury, either by settlement or judgment, the insurer
31 paying the benefits has a right of reimbursement and credit out of the tort
32 recovery or settlement, less the cost of collection, as defined.

33 ~~(b)(2)~~ An insurer shall have a lien upon the recovery to the
34 extent of the insurer’s benefit payments.

35 (3) If a recipient of benefits under § 23-89-202(1) does not
36 pursue recovery against a liable third party, an insurer shall have a right



1 of subrogation.

2 (4) All cost of collection thereof shall be assessed against the
3 insurer and insured in the proportion each benefits from the recovery.

4 ~~(e) The insurer shall have a lien upon the recovery to the extent of~~
5 ~~its benefit payments.~~

6 ~~(d)(5) The An~~ insurer for the party who is liable in damages to
7 the injured party shall not condition settlement or payment of a judgment in
8 favor of the injured party upon issuing a single check jointly to the injured
9 party and the injured party's insurance company.

10 (b) The common law doctrine that requires a party to be made whole
11 before an insurer is reimbursed or is able to subrogate does not apply to the
12 recovery of an insurer under this section.

13 (c) This subchapter does not apply to, modify, or abrogate the rights
14 and obligations under the Workers' Compensation Law, § 11-9-101 et seq.

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