

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.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H2/21/01 H2/22/01

A Bill

Act 549 of 2001
HOUSE BILL 1674

5 By: Representatives Cleveland, Prater, McMellon, Verkamp, Borhauer
6 By: Senators Wilkinson, Trusty
7

For An Act To Be Entitled

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9
10 AN ACT TO ESTABLISH A RURAL HEALTH ACCESS PILOT
11 PROGRAM; AND FOR OTHER PURPOSES.
12

Subtitle

13
14 TO ESTABLISH A RURAL HEALTH ACCESS PILOT
15 PROGRAM.
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
19

20 SECTION 1. (a) The General Assembly finds that:

21 (1) The State of Arkansas currently ranks fiftieth (50th) among
22 the fifty (50) states for having the least healthy population;

23 (2) A major contributing factor to the state's low health ranking
24 is its high percentage of uninsured persons;

25 (3) There is a significant gap in the state's health care "safety
26 net", especially with regard to working adults with low incomes; and

27 (4) New relationships are needed between state government, local
28 communities, public and private service agencies and uninsured persons in this
29 state so that health care services for the uninsured will be more accessible,
30 more affordable and more effective.

31 (b) Therefore, there is established the Rural Health Access Pilot
32 Program as a bridge connecting and assisting government, communities and
33 citizens to build a more comprehensive and responsible health care system,
34 which seeks to expand access and education with regard to health services for
35 economically disadvantaged, uninsured, working adults.
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SECTION 2. Definitions.

As used in this act:

(1) "Local", and words of similar import, means of, based in, located in, or primarily relating to the rural community to be served by the rural health access pilot program initiated by a rural health cooperative;

(2) "Medically underserved" means a designation made by the U. S. Health Resources and Services Administration in accordance with the following factors:

(A) The percent of the population living below the federal poverty line;

(B) The percent of the population that is sixty-five (65) years of age or older;

(C) The infant mortality rate; and

(D) The ratio of primary care physicians to the population;

(3) "Rural Community" means an unlimited number of geographically contiguous political subdivisions that are considered medically underserved and in which the total population does not exceed sixty thousand (60,000) persons;

(4) "Rural Health Network" means a system organized by a rural health cooperative and at least three (3) separately-owned local health care providers or other entities that provide or support the delivery of health care services when such system is established and maintained as part of a rural health access pilot program and for the purpose of expanding access to health care in a rural community, coordinating the delivery of health care in a rural community or improving the quality of health care in a rural community; and

(5) "Rural Health Cooperative" means a non-profit corporation organized under the laws of this state that undertakes to establish, maintain, and operate a rural health access pilot program through a rural health network, or combination of networks, whereby hospital, medical, health education, and other health care services may be furnished by or through provider members of the rural health network to such of the uninsured residents of that rural community as become members of the rural health access pilot program under contracts which entitle each member to such services.

SECTION 3. (a) A rural health access cooperative shall administer its

1 program in a manner that:

2 (1) Defines the population that may receive subsidized services
3 provided through the program by limiting program eligibility to adults between
4 the ages of eighteen (18) and sixty-five (65) who:

5 (A) Are residents of the rural community being served by
6 the rural health access pilot program;

7 (B) Are without health care coverage;

8 (C) Are not eligible for Medicare, Medicaid, Veterans
9 Benefits, or other similar government programs;

10 (D) Have an income not exceeding two hundred percent (200%)
11 of the federal poverty guidelines for the State of Arkansas; and

12 (E) Meet certain medical underwriting requirements
13 established by the board of directors of the rural health cooperative;

14 (2) Defines the population that may receive unsubsidized services
15 provided through the program by limiting program eligibility to adults between
16 the ages of eighteen (18) and sixty-five (65) and their dependent children
17 who:

18 (A) Are residents of the rural community being served by
19 the rural health access pilot program;

20 (B) Are without health care coverage;

21 (C) Are not eligible for Medicare, Medicaid, ARKids First,
22 Veterans Benefits, or other similar government programs;

23 (D) Have an income not exceeding three hundred percent
24 (300%) of the federal poverty guidelines for the State of Arkansas or are a
25 full-time employee of the rural health cooperative; and

26 (E) Meet certain medical underwriting requirements
27 established by the board of directors of the rural health cooperative;

28 (3) Provides as a condition of eligibility for the automatic
29 assignment to the rural health cooperative of medical payment due the client
30 member of the rural health access program;

31 (4) Defines the services to be covered under the rural health
32 access program; and

33 (5) Establishes co-payments for services received by client
34 members of the rural health access program.

35 (b) A rural health cooperative shall limit the total number of client
36 members in a rural health access pilot program to a maximum of three thousand

1 (3,000) eligible adults and eligible dependent children.

2 (c) To promote the most efficient use of resources, rural health
3 cooperatives shall emphasize in client member and provider member agreements
4 disease prevention, early diagnosis and treatment of medical problems, and
5 community care alternatives for individuals who would otherwise be at risk to
6 be institutionalized.

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8 SECTION 4. Rural health cooperatives shall actively participate with
9 Area Health Education Center programs, whenever feasible, in developing and
10 implementing recruitment, training, and retention programs directed at
11 positively influencing the supply and distribution of health care
12 professionals serving in or receiving training in rural health network areas.

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14 SECTION 5. (a) The board of directors of a rural health cooperative
15 shall include representatives of:

16 (1) Administrators of hospitals that have contracted with the
17 rural health cooperative as provider members to render hospital services to
18 client members of the rural health access program;

19 (2) Physicians who have contracted with the rural health
20 cooperative as provider members to render medical services to client members
21 of the rural health access program;

22 (3) Non-physician and non-hospital based health care providers or
23 educators who have contracted with the rural health cooperative as provider
24 members to render health services, health education and other similar services
25 to client members of the rural health access program; and

26 (4) The rural community, exclusive of provider representatives.

27 (b) A rural health cooperative shall maintain an active advisory
28 committee that includes representatives of client members of the rural health
29 access pilot program.

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31 SECTION 6. A rural health cooperative shall have power to make
32 donations for the public welfare or for charitable, scientific, or educational
33 purposes, subject to such limitations, if any, as may be contained in its
34 articles of incorporation or any amendment thereto.

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36 SECTION 7. (a) In order to demonstrate viability and effectiveness, a

1 rural health cooperative shall collect data and make a report to the Senate
2 and House Committees on Insurance and Commerce, Senate and House Committees on
3 Public Health, Welfare and Labor, and Senate and House Committees on City,
4 County, and Local Affairs.

5 (b) Data shall include:

6 (1) The results of client member surveys;

7 (2) The results of provider member surveys;

8 (3) The results of community need assessment surveys; and

9 (4) Such other data as may be relevant to the rural health access
10 program.

11 (c) The report shall include recommendations with regard to criteria
12 and priorities for improvement and expansion of the rural health access
13 program.

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15 SECTION 8. No rural health cooperative shall be deemed to be engaged in
16 the corporate practice of medicine.

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18 SECTION 9. No liability on the part of, and no cause of action of any
19 nature shall arise against any member of the board of directors of a rural
20 health cooperative or against an employee or agent of a rural health
21 cooperative for any lawful action taken by them in the performance of their
22 administrative powers and duties under this act.

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24 SECTION 10. (a) Rural health cooperatives shall not be considered or
25 regulated as any type of entity governed by Title 23 of the Arkansas Code.
26 None of the programs offered by a rural health cooperative shall be subject to
27 regulation under Title 23 of the Arkansas Code.

28 (b) Any entity subject to regulation under Title 23 of the Arkansas
29 Code that contracts with a rural health cooperative to provide or to arrange
30 for the provision of secondary or tertiary services to client members of a
31 rural health access pilot program shall not be required to comply with any
32 provision of Title 23 of the Arkansas Code that mandates the provision of
33 certain benefits or mandates the provision of a certain level of benefits, or
34 both, with regard to the client members of a rural health access pilot
35 program.

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