

ARKANSAS SENATE
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of Senate Bill No. 984

"AN ACT TO ESTABLISH DUE PROCESS REQUIREMENTS TO BE FOLLOWED BY
HEALTH CARRIERS WHEN TERMINATING PROVIDERS FROM PARTICIPATION IN
HEALTH CARE PLANS."

Amendment No. 4 to Senate Bill No. 984.

Amend Senate Bill No. 984 as engrossed, S3/13/01:

Page 2, line 34, delete "act or to expel a" and substitute "act."

AND

Page 2, delete lines 35 and 36

AND

Page 3, delete line 1

AND

Page 3, delete line 6 and substitute the following:

"(2) Notwithstanding any other provision in this act, nothing shall prevent a health carrier from terminating or nonrenewing a participating provider outside the provisions of this act if the carrier withdraws its business from the geographic area or the state or if the carrier ceases to offer the type of health care service provided by a participating provider.

(3) It shall not be a violation of this act to terminate or"

AND

Page 3, line 9, delete "(3)" and substitute "(4)"

AND

Page 4, delete lines 21 through 25 and substitute the following:

"(i) A determination by the hearing panel shall be binding on the health carrier and the provider except to the extent that either has other available remedies under applicable federal or state law. The decision of

the hearing panel shall not be admissible in any other proceeding."

AND

Insert an additional section immediately following Section 8 to read as follows:

"SECTION 9. Legislative findings and purposes.

The General Assembly finds that health carriers and providers both serve essential functions in the health care market of this state. However, because of the dramatic changes in the health care market, carriers have come to enjoy superior bargaining power. Terminating a provider from a carrier's network can significantly impair the ability of the provider to practice medicine or other profession in that geographic area, thereby affecting an important substantial economic interest. But the removal of a provider from a participating provider list affects more than the provider's interest. It affects the patient. There is a unique tripartite relationship among carriers, their insureds, and the participating providers. The public has a substantial interest in seeing that the relationships between patients and providers are not unduly interrupted and that patients continue to enjoy access to quality health care. The due process protections contained in this act are designed to protect the public interest by regulating the manner in which carriers terminate their agreements with providers who provide care to the insureds and enrollees."

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

**By: Senator DeLay
LH/RRS - 031520011538
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Secretary