

Hall of the House of Representatives

86th General Assembly - Regular Session, 2007

Amendment Form

Subtitle of House Bill No. 2791

"AN ACT TO EXPAND AND IMPROVE HEALTH CARE IN ARKANSAS."

Amendment No. 1 to House Bill No. 2791.

Amend House Bill No. 2791 as originally introduced:

Page 1, delete SECTION 1 in its entirety and substitute the following:

"SECTION 1. Legislative findings.

It is the intent of the General Assembly to expand the access and quality of medical care to the citizens of the State of Arkansas. Arkansas is reported to have a very low quality of medical care and ranks forty-sixth out of fifty (50) states in terms of overall health throughout the United States. There are many reasons for the low quality of medical care in Arkansas, but one (1) prevalent issue is that there is a large number of uninsured citizens throughout the state that delay their healthcare needs due to the cost or the lack of insurance coverage. This dilemma has created a significant healthcare crisis in this state with many citizens delaying healthcare needs because of the lack of insurance coverage. Emergency rooms are functioning as primary care centers rather than centers for acute emergency care. There are many reasons for the limited access to healthcare, but one (1) of the significant burdens has been the cost cutbacks to the providers. The decreased reimbursement rates to the providers of the state have resulted in the providers' inability to provide adequate access to medical care for the citizens of Arkansas. In addition, the cost of delivery of the healthcare business has continued to increase the burden on the healthcare providers as costs for personnel, malpractice insurance, and other healthcare-related business expenses continue to rise. This has resulted in a significant decrease in enrollment applications for medical care provider training programs, and fewer healthcare providers are choosing rural areas because of the lack of insurance coverage. Currently, healthcare providers have no provisions available to offset the losses associated with nonpaid care delivered and the significantly lower reimbursement rates that are below the cost of delivery of certain medical services. Therefore, the actual providers that are delivering the care to our citizens are being asked to carry the largest burden for our state and are the most affected physically and financially by our healthcare crisis.

SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended



to add an additional section to read as follows:

26-51-513. Healthcare provider credit.

(a) As used in this section, "healthcare provider" means a physician, dentist, podiatrist, optometrist, physical therapist, or occupational therapist.

(b) In addition to any income tax credit for which a taxpayer qualifies for under this subchapter, the taxpayer is allowed an income tax credit in an amount as determined in subsection (c) of this section against the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., if the taxpayer is a healthcare provider that provided healthcare services for which the healthcare provider:

(1) Never received compensation; and

(2) Made substantial and continuing efforts to collect the debt for those healthcare services.

(c) The amount of the income tax credit allowed under subsection (b) of this section is equal to ten percent (10%) of the cost of the healthcare services provided by the healthcare provider as provided in subsection (b) of this section, excluding any interest or late fees.

(d) If an income tax credit is taken under this section and the healthcare provider is subsequently paid for those healthcare services in whole or in part, the healthcare provider shall reimburse the state for the income tax credit taken under this section.

(e) The amount of the income tax credit under this section that may be used by the taxpayer for a taxable year may not exceed fifty percent (50%) of the amount of income tax due for that tax year.

(f) Any unused income tax credit under this section may be carried forward for five (5) consecutive tax years following the tax year the income tax credit under this section was earned.

(g) The Director of the Department of Finance and Administration shall promulgate rules to implement this section.

SECTION 3. Effective date. This act is effective for tax years beginning on or after January 1, 2007."

The Amendment was read _____
By: Representative Wills
MMC/RCK - 03-27-2007 09:43
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Chief Clerk