

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB828**

**Bill Subtitle: TO CREATE THE ARKANSAS HEALTH INSURANCE INNOVATION ACT OF 2015; AND TO DECLARE AN EMERGENCY.**

---

**Basic Change :** Sponsor: Senator D. Sanders

SB828 is known as the Arkansas Health Insurance Innovation Act of 2015. It will authorize the Insurance Commissioner, Department of Finance and Administration, Department of Human Services, and Arkansas Health Insurance Marketplace to submit and apply for federal waivers to implement state-based solutions to health insurance coverage and healthcare needs because they are inherently more efficient, effective, and less costly than federal mandates. It creates the Arkansas Health Insurance Innovation Legislative Steering Committee which is comprised of 8 members. This committee will facilitate the purposes of the Arkansas Health Insurance Act of 2015. This act is effective immediately after passage and approval.

**Revenue Impact :**

None

**Taxpayer Impact :**

Unknown

**Resources Required :**

The Bureau of Legislative Research must provide staffing for committee.

**Time Required :**

Adequate time is provided.

**Procedural Changes :**

Changes are dependent on whether federal waivers are granted and provisions adopted by the committee. The Department of Finance and Administration may promulgate rules that adhere to federal waivers with respect to taxation.

**Other Comments :**

None

**Legal Analysis :**

SB828 creates the Arkansas Health Insurance Innovation Act of 2015 for the purpose of developing innovative approaches to improve access to and the affordability of healthcare. It authorizes the Insurance Commissioner, Department of Finance and Administration (DFA), Department of Human Services (DHS), and the Arkansas Health Insurance Marketplace (AHIM) to submit and apply for waivers under federal law (specifically waivers related to the provisions of the Patient Protection and Affordable Care Act (P.L. 111-148). It also authorizes each to promulgate rules. The Department of Finance is authorized, but not required, to promulgate rules that pertain to waivers and the calculation, assessment, or collection of state taxes.

Page 3, line 1 of the bill contains an incorrect cite to the Code of Federal Regulations. The bill cites 45 C.F.R. Subtitle A, Part 1555 and there is no Part 1555. It is believed that the correct cite should be 45

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: SB828**

**Bill Subtitle: TO CREATE THE ARKANSAS HEALTH INSURANCE INNOVATION ACT OF 2015;  
AND TO DECLARE AN EMERGENCY.**

---

C.F.R. Subtitle A, Part 155 as 45 C.F.R. § 155.1302 pertains to the coordination of the waiver process.

Provisions authorizing DFA to promulgate rules pertaining to the calculation, assessment, or collection of state taxes already exist under Title 26 of the Arkansas Code and it is not necessary for the bill to provide DFA with authority to promulgate such rules

The submission of applications for waiver is governed by federal law, which generally requires submission in electronic format sufficiently in advance of requested effective dates to allow appropriate implementation timelines. See 31 C.F.R. § 33.108. In addition, applications for waiver cannot be submitted unless a state has provided public notice and an appropriate comment period. See 31 C.F.R. § 33.112.