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	INTERIM STUDY PROPOSAL 2007-109
2	State of ArkansasAs Engrossed: H3/28/07
3	86th General Assembly A B1II
4	Regular Session, 2007HOUSE BILL2791
5	
6	By: Representative Wills
7	Referred to
8	Public Health, Welfare And Labor Committee- House
9	by the House of Representatives
10	on 03/29/2007
11	
12	
13	For An Act To Be Entitled
14	AN ACT TO EXPAND AND IMPROVE HEALTH CARE IN
15	ARKANSAS; AND FOR OTHER PURPOSES.
16	
17	Subtitle
18	AN ACT TO EXPAND AND IMPROVE HEALTH CARE
19	IN ARKANSAS.
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21	
22	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23	
24	SECTION 1. <u>Legislative findings.</u>
25	It is the intent of the General Assembly to expand the access and
26	<u>quality of medical care to the citizens of the State of Arkansas. Arkansas</u>
27	<u>is reported to have a very low quality of medical care and ranks forty-sixth</u>
28	out of fifty (50) states in terms of overall health throughout the United
29	<u>States. There are many reasons for the low quality of medical care in</u>
30	<u>Arkansas, but one (1) prevalent issue is that there is a large number of</u>
31	uninsured citizens throughout the state that delay their healthcare needs due
32	to the cost or the lack of insurance coverage. This dilemma has created a
33	<u>significant healthcare crisis in this state with many citizens delaying</u>
34	healthcare needs because of the lack of insurance coverage. Emergency rooms
35	are functioning as primary care centers rather than centers for acute
36	emergency care. There are many reasons for the limited access to healthcare,



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1	but one (1) of the significant burdens has been the cost cutbacks to the
2	providers. The decreased reimbursement rates to the providers of the state
3	have resulted in the providers' inability to provide adequate access to
4	medical care for the citizens of Arkansas. In addition, the cost of delivery
5	of the heal thcare business has continued to increase the burden on the
6	heal thcare providers as costs for personnel, malpractice insurance, and other
7	heal thcare-related business expenses continue to rise. This has resulted in
8	a significant decrease in enrollment applications for medical care provider
9	training programs, and fewer healthcare providers are choosing rural areas
10	because of the lack of insurance coverage. Currently, healthcare providers
11	have no provisions available to offset the losses associated with nonpaid
12	care delivered and the significantly lower reimbursement rates that are below
13	the cost of delivery of certain medical services. Therefore, the actual
14	providers that are delivering the care to our citizens are being asked to
15	carry the largest burden for our state and are the most affected physically
16	and financially by our healthcare crisis.
17	
18	SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended
19	to add an additional section to read as follows:
20	26-51-513. Heal thcare provider credit.
21	<u>(a) As used in this section, "healthcare provider" means a physician,</u>
22	<u>dentist, podiatrist, optometrist, physical therapist, or occupational</u>
23	therapist.
24	(b) In addition to any income tax credit for which a taxpayer
25	qualifies for under this subchapter, the taxpayer is allowed an income tax
26	credit in an amount as determined in subsection (c) of this section against
27	the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., if
28	the taxpayer is a heal thcare provider that provided heal thcare services for
29	which the healthcare provider:
30	(1) Never received compensation; and
31	(2) Made substantial and continuing efforts to collect the debt
32	for those heal thcare services.
33	(c) The amount of the income tax credit allowed under subsection (b)
34	of this section is equal to ten percent (10%) of the cost of the healthcare
35	services provided by the healthcare provider as provided in subsection (b) of
36	this section, excluding any interest or late fees.

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1	(d) If an income tax credit is taken under this section and the
2	heal thcare provider is subsequently paid for those heal thcare services in
3	whole or in part, the healthcare provider shall reimburse the state for the
4	income tax credit taken under this section.
5	(e) The amount of the income tax credit under this section that may be
6	used by the taxpayer for a taxable year may not exceed fifty percent (50%) of
7	the amount of income tax due for that tax year.
8	(f) Any unused income tax credit under this section may be carried
9	forward for five (5) consecutive tax years following the tax year the income
10	tax credit under this section was earned.
11	(g) The Director of the Department of Finance and Administration shall
12	promulgate rules to implement this section.
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15	SECTION 3. <u>Effective date. This act is effective for tax years</u>
16	<u>beginning on or after January 1, 2007.</u>
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18	/s/ Wills
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