1	INTERIM STUDY PROPOSAL 2015-091
2	State of Arkansas As Engrossed: \$3/17/15
3	90th General Assembly A B1II
4	Regular Session, 2015SENATE BILL 828
5	
6	By: Senators D. Sanders, J. Hendren, Rapert
7	By: Representative Collins
8	Filed with: Senate Committee on Insurance and Commerce
9	pursuant to A.C.A. §10-3-217.
10	For An Act To Be Entitled
11	AN ACT TO AUTHORIZE THE INSURANCE COMMISSIONER, THE
12	DEPARTMENT OF FINANCE AND ADMINISTRATION, THE
13	DEPARTMENT OF HUMAN SERVICES, AND THE ARKANSAS HEALTH
14	INSURANCE MARKETPLACE TO SEEK FEDERAL WAIVERS TO
15	FACILITATE INNOVATIVE APPROACHES TO HEALTH INSURANCE
16	COVERAGE AND HEALTH CARE; TO DECLARE AN EMERGENCY;
17	AND FOR OTHER PURPOSES.
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20	Subtitle
21	TO CREATE THE ARKANSAS HEALTH INSURANCE
22	INNOVATION ACT OF 2015; AND TO DECLARE AN
23	EMERGENCY.
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26	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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28	WHEREAS, the General Assembly is obligated to pursue appropriate means
29	to protect Arkansas citizens, employers, and healthcare providers from the
30	challenges and obstacles created by federal healthcare legislation; and
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32	WHEREAS, state-based solutions to health insurance coverage and
33	healthcare needs are inherently more efficient, more effective, and less
34	costly than federal mandates; and
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36	WHEREAS, under 31 C.F.R. Subtitle A, Part 33, federal Waivers for State

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     Innovation, commonly referred to as "Section 1332 Waivers", are authorized to
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     permit a state to waive provisions of federal laws relating to the provision
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     of healthcare items or services; and
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           WHEREAS, under 31 C.F.R. § 33.108, applications for Waivers for State
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     Innovation are to be submitted to and reviewed by the United States Secretary
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     of the Treasury and the United States Secretary of Health and Human Services;
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     and
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           WHEREAS, under 31 C.F.R. § 33.108, as an initial criterion for an
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     application for Waivers for State Innovation, evidence of state legislation
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     that provides the state with authority to implement the proposed waiver is
     required; and
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           WHEREAS, existing state legislation may be insufficient in providing
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     the authority to permit an application under 31 C.F.R. § 33.108,
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     NOW THEREFORE,
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     BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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           SECTION 1. Arkansas Code Title 23, Chapter 61, is amended to add a
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     additional subchapter to read as follows:
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            Subchapter 9 - Arkansas Health Insurance Innovation Act of 2015
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           23-61-901. Title.
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           This subchapter shall be known and may be cited as the "Arkansas Health
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     Insurance Innovation Act of 2015".
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           23-61-902. Purpose.
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           The purpose of this subchapter is to encourage the executive and
     legislative branches to explore, develop, and facilitate innovative
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     approaches to improving access to, affordability, and quality of
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     comprehensive health insurance coverage and health care.
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           23-61-903. Waiver authority.
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           The Governor is authorized to:
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1	(1) Submit and apply for federal waivers under:
2	(A) 42 U.S.C. § 1315, § 1396n, and § 18052;
3	(B) 31 C.F.R. Subtitle A, Part 33; and
4	(C) 45 C.F.R. Subtitle A, Part 155, Subpart N; and
5	(2) Submit and apply for federal waivers necessary to effectuate
6	the purposes of this <i>subchapter</i> .
7	((b) Any waiver submitted under this section shall have
8	legislative approval under this section.
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10	23-61-904. Rules.
11	(a) The Insurance Commissioner may promulgate rules to implement this
12	subchapter and any federal waivers sought in furtherance of this subchapter.
13	(b) The Department of Finance and Administration may promulgate rules
14	to implement this subchapter and any federal waivers sought in furtherance of
15	this subchapter, including without limitation rules pertaining to the
16	calculation, assessment, or collection of state taxes.
17	(c) The Department of Human Services may promulgate rules to implement
18	this subchapter and any federal waivers sought in furtherance of this
19	subchapter, including without limitation any required state plan amendments
20	to the Medicaid program, any waivers or other approvals required from the
21	Centers for Medicare and Medicaid Services, and any other rules pertaining to
22	the Medicaid program.
23	(d)(l) The Arkansas Health Insurance Marketplace may promulgate rules
24	to implement this subchapter and any federal waivers sought in furtherance of
25	this subchapter, including without limitation rules pertaining to the
26	<u>Arkansas Health Insurance Marketplace.</u>
27	(2) Rules adopted by the Arkansas Health Insurance Marketplace
28	under subdivision (d)(l) of this section:
29	(A) Are exempt from the Arkansas Administrative Procedure
30	<u>Act, § 25-15-201 et seq.; and</u>
31	(B) Shall be adopted in compliance with the procedures of
32	<u>§ 23-61-803.</u>
33	<u>(e)(1) Joint waiver applications shall have rules submitted as</u>
34	authorized by the entities listed in § 23-61-904(a)-(d) that have been
35	selected for the joint waiver application.

1	(2) The Governor shall determine rule distribution and priority
2	in the case of a joint waiver application.
3	(f) In the event of a conflict between the rules promulgated under
4	this subchapter by different entities, priority shall be given to any rule
5	that has been approved or formally reviewed by the Centers for Medicare and
6	Medicaid Services or other federal agency.
7	(g) Rules promulgated under this section shall not conflict with or
8	prevent the application of regulations promulgated by the Secretary of Health
9	and Human Services, the Secretary of the Treasury, or the Commissioner of the
10	Internal Revenue under federal law.
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12	SECTION 2. EMERGENCY CLAUSE. It is found and determined by the General
13	Assembly of the State of Arkansas that federal law sets specific timeframes
14	and deadlines for the submission of federal waiver requests under 31 C.F.R.
15	Subtitle A, Part 33; that prompt and immediate action is necessary to take
16	full advantage of opportunities for innovation under federal law; that
17	ensuring an efficient and effective process for development of a waiver will
18	promote innovation and optimize the use of taxpayer dollars; and that this
19	act is immediately necessary to initiate reforms of the state's health
20	insurance market and healthcare system. Therefore, an emergency is declared
21	to exist, and this act being immediately necessary for the preservation of
22	the public peace, health, and safety shall become effective on:
23	(1) The date of its approval by the Governor;
24	(2) If the bill is neither approved nor vetoed by the Governor,
25	the expiration of the period of time during which the Governor may veto the
26	<u>bill; or</u>
27	(3) If the bill is vetoed by the Governor and the veto is
28	overridden, the date the last house overrides the veto.
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30	/s/D. Sanders
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33	Referred by the Arkansas Senate
34	Prepared by: VJF
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