

INTERIM STUDY PROPOSAL 2023-020

State of Arkansas

As Engrossed: H2/22/23

94th General Assembly

A Bill

Regular Session, 2023

HOUSE BILL 1034

By: Representative Pilkington

Filed with: House Committee on Insurance and Commerce
pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

AN ACT TO REGULATE THE REIMBURSEMENT RATE OF A BIRTH UNDER AN INSURANCE POLICY IN THIS STATE; TO ESTABLISH THE REIMBURSEMENT RATE FOR A BIRTH TO BE AT LEAST THE SAME AS THE REIMBURSEMENT RATE FOR A BIRTH BY CESAREAN SECTION; AND FOR OTHER PURPOSES.

Subtitle

TO REGULATE THE REIMBURSEMENT RATE OF A BIRTH UNDER AN INSURANCE POLICY IN THIS STATE; AND TO ESTABLISH THE REIMBURSEMENT RATE FOR A BIRTH TO BE AT LEAST THE SAME AS THE REIMBURSEMENT RATE FOR A BIRTH BY CESAREAN SECTION.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 23, Chapter 79, Subchapter 1, is amended to add an additional section to read as follows:

23-79-168. Reimbursement rate for births – Legislative findings –

Definitions.

(a) The General Assembly finds that:

(1) Approximately ten thousand (10,000) babies are born per day in the United States;

(2) Of those ten thousand (10,000) babies, approximately one-third (1/3) of the births are delivered by Cesarean section instead of

1 vaginal delivery;

2 (3) Healthcare professionals are generally paid more for a birth
3 by Cesarean section than for a vaginal birth; and

4 (4) The reimbursement rate for a birth in this state needs to be
5 equitable and no less than the established reimbursement rate of a birth by
6 Cesarean section under a health benefit plan.

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8 (b) As used in this section:

9 (1) "Birth" means delivery of a newborn child either by vaginal
10 delivery or Cesarean section;

11 (2)(A) "Health benefit plan" means an individual, blanket, or
12 group plan or a policy or contract for healthcare services issued or
13 delivered by a healthcare insurer.

14 (B) "Health benefit plan" includes:

15 (i) Indemnity and managed care plans; and
16 (ii) Nonfederal governmental plans as defined in 29
17 U.S.C. § 1002(32), as it existed on January 1, 2024.

18 (C) "Health benefit plan" does not include:

19 (i) A disability income plan;
20 (ii) A credit insurance plan;
21 (iii) Insurance coverage issued as a supplement to
22 liability insurance;

23 (iv) A medical payment under automobile or
24 homeowner's insurance plans;

25 (v) A health benefit plan provided under Arkansas
26 Constitution, Article 5, § 32, the Workers' Compensation Law, § 11-9-101 et
27 seq., or the Public Employee Workers' Compensation Act, § 21-5-601 et seq.;

28 (vi) A plan that provides only indemnity for
29 hospital confinement;

30 (vii) An accident-only plan;

31 (viii) A specified disease plan;

32 (ix) A long-term-care-only plan;

33 (x) A dental-only plan; or

34 (xi) A vision-only plan;

35 (3) "Healthcare insurer" means an entity subject to the
36 insurance laws of this state or the jurisdiction of the Insurance

1 Commissioner that contracts or offers to contract to provide health insurance
2 coverage, including without limitation an insurance company, a health
3 maintenance organization, a hospital medical service corporation, a self-
4 insured governmental or church plan in this state;

5 (4) "Healthcare professional" means a person who is licensed,
6 certified, or otherwise authorized by the laws of this state to administer
7 health care in the ordinary course of the practice of his or her profession;
8 and

9 (5) "Reimbursement rate" means the amount paid to a healthcare
10 professional by a healthcare insurer for certain procedures based on Current
11 Procedural Terminology codes or the Healthcare Common Procedure Coding System
12 codes and the costs of healthcare services.

13 (c) A healthcare insurer shall use the reimbursement rate for a birth
14 by Cesarean section to reimburse a healthcare professional for a birth in
15 this state.

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17 */s/Pilkington*
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20 Referred requested by the Arkansas House of Representatives

21 Prepared by: ANS/SJA
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