

INTERIM STUDY PROPOSAL 2023-055

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023

A Bill

SENATE BILL 119

4 By: Senator Irvin
5 By: Representative L. Johnson

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

For An Act To Be Entitled

8 AN ACT TO CLARIFY PAYMENT FOR HEALTHCARE SERVICES
9 PERFORMED BY CERTAIN OUTPATIENT SURGERY CENTERS; AND
10 FOR OTHER PURPOSES.

Subtitle

11 TO CLARIFY PAYMENT FOR HEALTHCARE
12 SERVICES PERFORMED BY CERTAIN OUTPATIENT
13 SURGERY CENTERS.

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

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24 SECTION 1. Arkansas Code § 23-79-115(a), concerning the rates of
25 insurance policy reimbursement for services, is amended to read as follows:

26 (a)(1)(A) ~~Notwithstanding any provisions of any individual or group~~
27 ~~accident and health insurance policy, or any provision of a policy, contract,~~
28 ~~plan, or agreement covering hospital or medical services, in~~ In cases in
29 which the insurer, under a policy, contract, plan, or agreement, provides for
30 payment or reimbursement for any healthcare service provided by ~~hospitals or~~
31 ~~related facilities~~ a hospital or related facility as defined in § 20-9-201 or
32 § 20-10-213, the person entitled to payment or reimbursement for the
33 healthcare services ~~service~~ under the policy, contract, plan, or agreement,
34 including without limitation a healthcare provider, is entitled to payment or
35 reimbursement on an equal basis for the healthcare service when the

1 healthcare service is provided by ~~facilities~~ a facility licensed as an
2 outpatient surgery ~~centers~~ center under §§ 20-9-214 and 20-9-215.

3 (B) Subdivision (a)(1)(A) of this section applies
4 notwithstanding any provision of:

5 (i) An individual or group accident and health
6 insurance policy;

7 (ii) A policy, contract, plan, or agreement covering
8 hospital or medical services;

9 (iii) A network participation agreement; or

10 (iv) An agreement between an insurer and a
11 healthcare provider.

12 (2) This subsection applies to an insurance ~~policies~~ policy and
13 hospital service corporation ~~contracts~~ contract that ~~are~~ is delivered or
14 issued for delivery in this state more than one hundred twenty (120) days
15 after July 6, 1977, and to ~~such~~ any other ~~contracts, plans, or agreements~~
16 contract, plan, or agreement that ~~are~~ is entered into or effectuated in this
17 state more than one hundred twenty (120) days after July 6, 1977, including
18 without limitation a network participation agreement or an agreement between
19 an insurer and a healthcare provider.

20 (3)(A) An insurer may consider and apply the Patient Protection
21 Act of 1995, § 23-99-201 et seq., and § 23-99-801 et seq. when setting a rate
22 for payment or reimbursement for a healthcare service that is provided by an
23 outpatient surgery center licensed under §§ 20-9-214 and 20-9-215.

24 (B) An insurer shall not set a rate for payment or
25 reimbursement for a healthcare service that is less than ninety percent (90%)
26 of the average rate of payment or reimbursement for a healthcare service by
27 an insurer under the relevant Current Procedural Terminology code for a
28 procedure billed as a hospital outpatient service for a county where the
29 outpatient surgery center licensed under §§ 20-9-214 and 20-9-215 is located.

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32 Referred requested by the Arkansas Senate

33 Prepared by: ANS/SJA