

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1129

By: Representatives Landers, Newman, Fairchild, S. Miller, McCoy, McGee and Walker

For An Act To Be Entitled

"AN ACT TO PROHIBIT HEALTH INSURANCE COMPANIES AND COMPANIES REGULATED BY CHAPTER 76 OF TITLE 23 OF ARKANSAS CODE OF 1987 FROM WRITING INSURANCE POLICIES OR HEALTH CARE PLANS THAT DENY THE POLICY OR PLAN BENEFICIARY THE FREEDOM OF CHOICE TO SELECT THE HEALTH CARE PROFESSIONAL OF THEIR CHOICE; TO PROVIDE FOR LIMITED EXCEPTIONS IN THE CASES OF HEALTH CARE PLANS AND GROUP DENTAL CARE COVERAGE; TO AUTHORIZE THE INSURANCE COMMISSIONER TO PROMULGATE RULES; TO PRESCRIBE THE EFFECTIVE DATE OF THE ACT TO INSURANCE POLICIES AND TO PROHIBIT ITS APPLICATION TO THE MEDICAID AND MEDICARE PROGRAMS."

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

SECTION 1. In this act, unless the context otherwise requires:

(a) "Health care professional" means all qualified and licensed medical doctors, dentists, chiropractic physicians, pharmacists, and podiatrists.

(b) "Health care plan" means any arrangement whereby any person regulated by Chapter 76 of Title 23 of the Arkansas Code of 1987 [Ark. Code §§23-76-101 et seq.] undertakes to provide, arrange for, pay for, or reimburse any part of the cost of any health care services, and at least part of the arrangement consists of arranging for, or the provision of, health care services as distinguished from mere indemnification against the cost of the services on a prepaid basis through insurance or otherwise.

(c) "Insurer" means any health or disability insurance company regulated under the laws of the State and any person or company regulated by Chapter 76 of Title 23 of the Arkansas Code of 1987 [Ark. Code §§23-76-101 et seq.].

SECTION 2. (a) On and after the effective date of this act, all insurance policies, plans, and contracts and all health care plans in this state which provide health care coverage for diagnosis and treatment of any illness or injury to the human body shall provide each person benefiting from the coverage the freedom of choice to seek treatment from any health care professional the person chooses, except as provided for in subdivisions (b) (2) and (c) (2) of this section.

(b) (1) No insurance policies, plans, or contracts and no health care plans in this state which provide health care coverage for diagnosis and treatment of any illness or injury to the human body shall limit participation in the policy or plan to only those health care professionals selected by the insurer.

(2) Provided, however, if a health care plan provides a method of registration by which any health care professional may register to participate in the plan, the health care plan may exclude any health care professional who has not registered.

(c) (1) Insurers in this state which provide group health insurance policies or prepaid health care plans that include dental care shall not condition the coverage of dental care services under the policy or plan to only a list of dentists or groups of dentists approved by the insurer.

(2) Provided, however, insurers may condition the coverage of dental care services to only an approved list of dentists or groups of dentists only when the insurer provides for an alternative plan that allows each person benefiting from coverage to obtain dental care services from a dentist or group of dentists outside the approved list. The insurer is only obligated under the alternative plan to contribute up to the same amount toward the payment of dental care services under the alternative plan as they would have contributed under their original limited plan.

(3) The requirement for an alternative plan does not require the insurer to commingle the costs and claims experience between the alternative plan and the original plan.

(4) Insurers providing group health insurance policies or prepaid health care plans shall advise the employer, group or organization of the requirements of subdivision (c) (2) during the course of marketing or renewal of the policies or plans.

(d) No insurance policy, plan, or contract or no health care plan shall

require an examination by or referral from a physician or other health care professional as a condition precedent for coverage of benefits under their health care provisions.

SECTION 3. (a) The Arkansas Insurance Commissioner shall approve for sale in this state only those insurance policies, plans and contracts for health care services or those health care plans which conform to the provisions of this act.

(b) The Arkansas Insurance Commissioner shall promulgate rules and regulations to require all insurers and other persons and companies regulated by Chapter 76 of Title 23 of the Arkansas Code of 1987 offering health care policies, plans, or contracts to comply with this act.

SECTION 4. (a) The provisions of this act shall apply to all insurance policies, plans, and contracts and all health care plans providing health care benefits to persons with illnesses or injuries delivered or issued for delivery in this state on or after the effective date of this act.

(b) The provisions of this act shall apply to all insurance policies, plans, and contracts and all health care plans providing health care benefits to persons with illnesses and injuries delivered or issued for delivery before the effective date of this act when the issuer next has the right to refuse to renew the policy or plan or to change the premium, or one year after the effective date of the act, whichever is earlier. It shall not apply to policies, plans, or contracts or to the health care plans issued or organized before the effective date of this act where the issuer does not have the right to refuse to renew the coverage or to increase its premiums to meet the actual additional costs of the coverage required under this act.

(c) The provisions of this act shall not apply to the health care benefits of persons covered by the state and federal Medicaid and Medicare programs.

(d) This act shall be effective on and after January 1, 1990.