

State of Arkansas

77th General Assembly

Regular Session, 1989

A Bill

HOUSE BILL

1780

By: Representative Horn

For An Act To Be Entitled

"AN ACT TO ESTABLISH THE CHIROPRACTIC PHYSICIANS PEER REVIEW COMMITTEE TO EVALUATE THE REASONABLENESS OF PROFESSIONAL CHIROPRACTIC HEALTH CARE RENDERED TO PERSONS INSURED AND TREATED IN ARKANSAS; AND FOR OTHER PURPOSES."

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

SECTION 1. The purpose of this act is to provide the members of the chiropractic profession with an objective professional forum to hear objections from insurance companies in the evaluation of insurance claims over the extent and scope of their professional standards of care for chiropractic health care in Arkansas.

SECTION 2. (a) There is created the Chiropractic Physicians Peer Review Committee, hereinafter referred to as the "peer review committee" or the "committee", to be composed of six (6) members to be appointed by the Governor for terms of three (3) years.

(b) The Governor shall appoint the members of the peer review committee from a list of ten (10) recommended names of chiropractic physicians licensed in Arkansas which shall be submitted annually by the State Board of Chiropractic Examiners.

(c) The Governor shall initially appoint all six members of the committee. Two members shall be initially appointed for a one year term, two members shall be initially appointed for a two year term, and two members shall be initially appointed for a three year term. After each committee member's initial term, all terms shall be for three years.

(d) In the event a vacancy on the committee occurs due to death, resignation, or other reason, the vacancy shall be filled for the unexpired portion of the term by appointment of the Governor.

(e) Each committee member shall serve until his successor is appointed and qualified.

(f) The committee shall select by majority vote of its members one (1) of its members as a chairman, one (1) as a vice-chairman, and one (1) as a secretary.

(g) The chairman and members of the committee shall be reimbursed for their reasonable subsistence and traveling expenses necessarily incurred in the performance of their duties hereunder. The chairman shall require itemized statements of all reimbursable expenses and shall audit the statements or cause them to be audited before approving them for payment.

SECTION 3. (a) In all cases where an insurance company or firm seeks to evaluate, alter, or reduce an insurance claim of a patient treated in Arkansas for illnesses or injuries to the human body treated by a chiropractic physician licensed in the state of Arkansas, the Chiropractic Physicians Peer Review Committee shall have the authority:

(1) to evaluate the quality of chiropractic health care rendered by providers of chiropractic health services;

(2) to determine if the chiropractic health services rendered were professionally indicated or were performed in compliance with the applicable standard of care; and

(3) to determine if the chiropractic health care services were performed in compliance with the applicable standard of care or the cost of chiropractic health care rendered was considered reasonable by the providers of professional chiropractic health services in the area.

(b) The insurance company or firm shall file a written objection to the insurance claim for chiropractic treatment stating:

(1) the name of the patient treated and the name of the treating chiropractic physician;

(2) the treatment rendered;

(3) the treatment, extent of treatment, and cost of treatment that the company or firm believes should have been rendered; and

(4) other factors the committee, by regulation, shall determine are relevant to a determination of the reasonableness of the health care rendered.

(c) At the next regularly scheduled meeting, the committee shall examine the case file for each contested insurance claim and determine, in their

professional judgement, whether or not the treatment rendered by the chiropractic physician was reasonably within the professional standard of care for chiropractic health care in the state.

(d) Any insurance company or firm receiving a favorable decision on its objections filed with the committee may then reduce or alter the amount of the insurance claim in accordance the committee's decision.

SECTION 4. (a) The peer review committee shall charge each insurance company or firm filing a written objection to an insurance claim a fee of fifty dollars (\$50.00) to evaluate the contested insurance claim. The fee amount shall be paid at the time of the filing of the written objection to the insurance claim.

(b) All fees and any other monies received by the committee shall be cash funds and shall be collected and deposited in any of various financial institutions in the State. No part of those cash funds shall revert to the general funds of the state. No compensation or expenses incurred under this act shall be a charge against the general funds of the State.

(c) All expenses incurred in the organization, maintenance, and operation of the committee shall be paid from the cash funds, and the expenditure of all funds shall be subject to the General Accounting and Budgetary Procedures Law, §19-4-101 et seq., the Arkansas Purchasing Law, §19-11-201 et seq., and other applicable fiscal laws.

(d) The receipts and disbursements of the commission shall be audited annually by the Legislative Auditor.

SECTION 5. (a) The Chiropractic Physicians Peer Review Committee is empowered to incur whatever expenses it may deem necessary or expedient in performing its functions. It may employ whatever employees or assistants it may deem necessary or expedient to carry out its duties under this act.

(b) The committee shall maintain and operate an office for the administration of its business which, if the committee so chooses, may be in combination with or in coordination with the offices of the State Board of Chiropractic Examiners.

(c) It shall be the duty of the committee to meet regularly once in every three (3) month period for the purpose of conducting the business of the committee.

(d) Special meetings of the committee may be called at any time at the pleasure of the chairman or by the vice chairman or secretary on the request of any two (2) members of the committee.

SECTION 6. The peer review committee shall have the power to prescribe, issue, amend, and rescind, pursuant to the Arkansas Administrative Procedures Act (Ark. Code Ann. 25-15-101 et seq.), any reasonable rules and regulations as may be necessary or appropriate to carry out the provisions of this act.

SECTION 7. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 8. All laws or parts of laws in conflict with act are hereby repealed.