

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007  
4

As Engrossed: H3/28/07

# A Bill

HOUSE BILL 2791

5 By: Representative Wills  
6  
7

## For An Act To Be Entitled

9 AN ACT TO EXPAND AND IMPROVE HEALTH CARE IN  
10 ARKANSAS; AND FOR OTHER PURPOSES.  
11

### Subtitle

12 AN ACT TO EXPAND AND IMPROVE HEALTH CARE  
13 IN ARKANSAS.  
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
18

#### 19 SECTION 1. Legislative findings.

20 It is the intent of the General Assembly to expand the access and  
21 quality of medical care to the citizens of the State of Arkansas. Arkansas  
22 is reported to have a very low quality of medical care and ranks forty-sixth  
23 out of fifty (50) states in terms of overall health throughout the United  
24 States. There are many reasons for the low quality of medical care in  
25 Arkansas, but one (1) prevalent issue is that there is a large number of  
26 uninsured citizens throughout the state that delay their healthcare needs due  
27 to the cost or the lack of insurance coverage. This dilemma has created a  
28 significant healthcare crisis in this state with many citizens delaying  
29 healthcare needs because of the lack of insurance coverage. Emergency rooms  
30 are functioning as primary care centers rather than centers for acute  
31 emergency care. There are many reasons for the limited access to healthcare,  
32 but one (1) of the significant burdens has been the cost cutbacks to the  
33 providers. The decreased reimbursement rates to the providers of the state  
34 have resulted in the providers' inability to provide adequate access to  
35 medical care for the citizens of Arkansas. In addition, the cost of delivery  
36 of the healthcare business has continued to increase the burden on the



1 healthcare providers as costs for personnel, malpractice insurance, and other  
2 healthcare-related business expenses continue to rise. This has resulted in  
3 a significant decrease in enrollment applications for medical care provider  
4 training programs, and fewer healthcare providers are choosing rural areas  
5 because of the lack of insurance coverage. Currently, healthcare providers  
6 have no provisions available to offset the losses associated with nonpaid  
7 care delivered and the significantly lower reimbursement rates that are below  
8 the cost of delivery of certain medical services. Therefore, the actual  
9 providers that are delivering the care to our citizens are being asked to  
10 carry the largest burden for our state and are the most affected physically  
11 and financially by our healthcare crisis.

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13 SECTION 2. Arkansas Code Title 26, Chapter 51, Subchapter 5 is amended  
14 to add an additional section to read as follows:

15 26-51-513. Healthcare provider credit.

16 (a) As used in this section, "healthcare provider" means a physician,  
17 dentist, podiatrist, optometrist, physical therapist, or occupational  
18 therapist.

19 (b) In addition to any income tax credit for which a taxpayer  
20 qualifies for under this subchapter, the taxpayer is allowed an income tax  
21 credit in an amount as determined in subsection (c) of this section against  
22 the income tax imposed by the Income Tax Act of 1929, § 26-51-101 et seq., if  
23 the taxpayer is a healthcare provider that provided healthcare services for  
24 which the healthcare provider:

25 (1) Never received compensation; and

26 (2) Made substantial and continuing efforts to collect the debt  
27 for those healthcare services.

28 (c) The amount of the income tax credit allowed under subsection (b)  
29 of this section is equal to ten percent (10%) of the cost of the healthcare  
30 services provided by the healthcare provider as provided in subsection (b) of  
31 this section, excluding any interest or late fees.

32 (d) If an income tax credit is taken under this section and the  
33 healthcare provider is subsequently paid for those healthcare services in  
34 whole or in part, the healthcare provider shall reimburse the state for the  
35 income tax credit taken under this section.

36 (e) The amount of the income tax credit under this section that may be

1 used by the taxpayer for a taxable year may not exceed fifty percent (50%) of  
2 the amount of income tax due for that tax year.

3 (f) Any unused income tax credit under this section may be carried  
4 forward for five (5) consecutive tax years following the tax year the income  
5 tax credit under this section was earned.

6 (g) The Director of the Department of Finance and Administration shall  
7 promulgate rules to implement this section.

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10 SECTION 3. Effective date. This act is effective for tax years  
11 beginning on or after January 1, 2007.

12  
13 /s/ Wills  
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