

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 87th General Assembly
3 Regular Session, 2009
4

As Engrossed: H3/24/09 H3/30/09

A Bill

HOUSE BILL 2075

5 By: Representative Hawkins
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For An Act To Be Entitled

9 AN ACT TO ADDRESS INSURANCE MATTERS AFFECTING THE
10 STATE OF ARKANSAS; TO AMEND ARKANSAS CODE § 23-
11 89-216, AS ENACTED BY ACT 485 OF 2009; TO ADDRESS
12 ELIGIBILITY REQUIREMENTS AND ENFORCEMENT OF THE
13 COMPREHENSIVE HEALTH INSURANCE POOL PROGRAM; AND
14 FOR OTHER PURPOSES.

Subtitle

15 TO AMEND ARKANSAS CODE § 23-89-216, AS
16 ENACTED BY ACT 485 OF 2009, AND TO
17 ADDRESS ELIGIBILITY REQUIREMENTS AND
18 ENFORCEMENT OF THE COMPREHENSIVE HEALTH
19 INSURANCE POOL PROGRAM.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code § 23-89-216, as enacted by of Act 485 of
26 2009, is amended to read as follows:

27 23-89-216. Notice concerning use of insurance proceeds.

28 (a) When making payment to a third-party on a claim under a motor
29 vehicle insurance policy for damage to a motor vehicle, a motor vehicle
30 liability insurer shall provide a written notice to the ~~insured~~ third-party
31 claimant in substantially the following form:

32 "Failure to use the insurance proceeds in accordance with a security
33 agreement between you and a lienholder, if any, may constitute the criminal
34 offense of defrauding a secured creditor in violation of Arkansas Code § 5-
35 37-203. If you have any questions, contact your lienholder."

36 (b) The written notice required by subsection (a) of this section may



1 be provided by including the written notice on each written loss estimate
2 prepared in connection with the claim.

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4 SECTION 2. Arkansas Code § 23-79-509(a)(2)(G), concerning persons not
5 eligible for coverage under a plan offered by the Arkansas Comprehensive
6 Health Insurance Pool, is amended to read as follows:

7 (G) ~~The~~ All or part of the person's premium is paid for or
8 reimbursed;

9 (i) By one (1) of the following:

10 (a) The person's current employer;

11 (b) If the person is retired, by the person's
12 former employer; or

13 (c) If the person is a dependent of an
14 employee or retiree, by the current or former employer of the employee or
15 retiree; or

16 (ii) ~~under~~ Under any government-sponsored program or
17 by any government agency, foundation, health care facility, or health care
18 provider except for premiums paid on behalf of:

19 ~~(i)~~ (a) A trade adjustment assistance eligible
20 person or a qualified trade adjustment assistance eligible person in
21 accordance with section 35 of the Internal Revenue Code; or

22 ~~(ii)~~ (b) An otherwise qualifying full-time
23 employee or dependent of ~~such an~~ a qualifying full-time employee of a
24 government agency, foundation, health care facility, or health care provider;
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26 SECTION 3. Arkansas Code § 23-79-513 is amended to read as follows:

27 23-79-513. Unfair referral to plan - Prohibited practices by
28 employers.

29 (a) It shall constitute an unfair trade practice ~~for the purposes of~~
30 under the Trade Practices Act, § 23-66-201 et seq., for an insurer, agent,
31 broker, or third-party administrator to refer an individual to the Arkansas
32 Comprehensive Health Insurance Pool, or arrange for an individual to apply to
33 the pool, for the purpose of:

34 (1) ~~separating that~~ Separating the individual from group health
35 insurance coverage provided ~~in connection with any~~ by a group health
36 insurance coverage ~~plan~~; or

1 (2) Facilitating enrollment in the pool by any of the following
2 individuals associated with an employer, with the knowledge that the employer
3 intends to pay or is paying all or part of the premium payments owed by the
4 individual for pool coverage:

5 (A) An employee of the employer;

6 (B) A retired employee of the employer; or

7 (C) A dependent of an employee or retired employee of the
8 employer.

9 (b) Because pool coverage is not intended to cover participants who
10 are eligible for a group health plan, an individual described in subdivision
11 (a)(2) of this section is not eligible:

12 (1) For pool coverage if the employer associated with the
13 applicant intends to pay for all or part of the pool premium payments for the
14 individual; or

15 (2) To continue pool coverage if the employer associated with
16 the individual directly or indirectly pays all or part of the pool premium
17 payments for the individual.

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20 /s/ Hawkins
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