

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 S4/3/09

# 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 in connection with a  
10 group health plan:

11 (a) The person's current employer;

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

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

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

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

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

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

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

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

1 ~~insurance coverage plan; or~~

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

6 (A) An employee of the employer;

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

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

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

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

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

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21 /s/ Hawkins  
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