

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

As Engrossed: H2/28/11

# A Bill

HOUSE BILL 1428

5 By: Representative D. Hutchinson  
6

## For An Act To Be Entitled

8 AN ACT TO REQUIRE CHILD-ONLY INDIVIDUAL HEALTH  
9 INSURANCE POLICIES; TO DECLARE AN EMERGENCY; AND FOR  
10 OTHER PURPOSES.  
11

## Subtitle

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14 TO REQUIRE CHILD-ONLY INDIVIDUAL HEALTH  
15 INSURANCE POLICIES AND TO DECLARE AN  
16 EMERGENCY.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 *SECTION 1. TEMPORARY LANGUAGE. DO NOT CODIFY.*

22 *Health insurance for individuals under nineteen years of age.*

23 *(a) As used in this act:*

24 *(1)(A) "Child-only plan" means renewable individual health*  
25 *insurance for a qualified individual other than excepted benefits as defined*  
26 *in § 23-86-310.*

27 *(B) "Child-only plan" does not include dependent health*  
28 *insurance for a qualified individual under another person's health insurance;*

29 *(2)(A) "Health insurance" means any hospital and medical*  
30 *expense-incurred policy, certificate, or contract provided by an insurer,*  
31 *hospital or medical service corporation, health maintenance organization, or*  
32 *any other health care plan or arrangement that pays for or furnishes medical*  
33 *or health care services whether by insurance or otherwise and includes any*  
34 *excess or stop-loss coverage.*

35 *(B) "Health insurance" does not include long-term care,*  
36 *disability income, short-term, accident, dental-only, vision-only, fixed*



1 indemnity, limited-benefit or credit insurance, coverage issued as a  
2 supplement to liability insurance, insurance arising out of workers'  
3 compensation or similar law, automobile medical-payment insurance, or  
4 insurance under which benefits are payable with or without regard to fault  
5 and that is statutorily required to be contained in any liability insurance  
6 policy or equivalent self-insurance;

7 (3) "Individual health insurance" means health insurance offered  
8 to individuals in the individual market but does not include short-term  
9 limited duration insurance;

10 (4)(A) "Insurer" means any entity that provides health  
11 insurance, including excess or stop-loss health insurance, in the State of  
12 Arkansas.

13 (B) "Insurer" includes an insurance company, medical  
14 services plans, hospital plans, hospital medical service corporations, health  
15 maintenance organizations, fraternal benefits society, or any other entity  
16 providing a plan of health insurance or health benefits subject to state  
17 insurance regulation;

18 (5) "Open enrollment period" means October 1 through October 31  
19 annually, beginning October 1, 2011;

20 (6) "Qualifying event" means the loss of employer-sponsored  
21 health insurance or the involuntary loss of other existing health insurance  
22 for any reason other than fraud, misrepresentation, or failure to pay a  
23 premium if the applicant is a qualified individual when the qualifying event  
24 occurs; and

25 (7)(A) "Qualified individual" means a resident of this state  
26 under nineteen (19) years of age.

27 (B) "Qualified individual" does not include a person who  
28 is not a United States citizen or who is present in the United States  
29 illegally.

30 (b) During the open enrollment period and within thirty (30) days of a  
31 qualifying event, an insurer shall accept and grant an application to insure  
32 a qualified individual for a child-only plan on a guaranteed-issue basis  
33 without any limitations or exclusions of policy benefits based upon the  
34 applicant's health status.

35 (c)(1) Until the end of the initial open enrollment period, the  
36 Arkansas Comprehensive Health Insurance Pool shall provide health insurance

1 to qualified individuals under policies and procedures established by the  
2 Board of Directors of the Arkansas Comprehensive Health Insurance Pool.

3 (2) At the end of the initial open enrollment period, the  
4 eligibility of a qualified individual for health insurance under the Arkansas  
5 Comprehensive Health Insurance Pool is determined under § 23-79-509.

6 (d) The Insurance Commissioner shall adopt rules to implement and  
7 administer this act.

8 (e) This act and the rules adopted by the commissioner to administer  
9 this act expire on January 1, 2014.

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11 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the  
12 General Assembly of the State of Arkansas that recent changes in federal law  
13 prohibit health insurers from imposing preexisting-condition exclusions on  
14 individuals under nineteen (19) years of age; that there exists a limited  
15 market in this state of health insurers voluntarily offering individual  
16 health insurance policies to individuals under nineteen (19) years of age;  
17 that children with preexisting conditions may be unable to obtain any health  
18 insurance coverage; and that this act is immediately necessary because the  
19 lack of health insurance coverage results in the children of this state  
20 receiving inadequate medical care, foregoing wellness treatment and medical  
21 procedures, and experiencing declining health, with potentially devastating  
22 consequences to the future health and welfare of our state. Therefore, an  
23 emergency is declared to exist, and this act being immediately necessary for  
24 the preservation of the public peace, health, and safety shall become  
25 effective on:

26 (1) The date of its approval by the Governor;

27 (2) If the bill is neither approved nor vetoed by the Governor,  
28 the expiration of the period of time during which the Governor may veto the  
29 bill; or

30 (3) If the bill is vetoed by the Governor and the veto is  
31 overridden, the date the last house overrides the veto.

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33 /s/D. Hutchinson  
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