

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

A Bill

HOUSE BILL 1939

5 By: Representative Nickels
6

For An Act To Be Entitled

8 AN ACT TO ENHANCE THE REGULATION OF HEALTH CARE
9 PROVIDERS; TO CLARIFY THE REQUIREMENTS FOR HEALTH
10 CARE PROVIDERS THAT ARE NOT SUBJECT TO THE
11 JURISDICTION OF THE INSURANCE COMMISSIONER; AND FOR
12 OTHER PURPOSES.
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Subtitle

15 TO ENHANCE THE REGULATION OF HEALTH CARE
16 PROVIDERS; TO CLARIFY THE REQUIREMENTS
17 FOR HEALTH CARE PROVIDERS THAT ARE NOT
18 SUBJECT TO THE JURISDICTION OF THE
19 INSURANCE COMMISSIONER.
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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 § 23-61-502 is amended to read as follows:

26 23-61-502. ~~Exempt health care plans~~ Application of subchapter.

27 ~~(a)(1) The provisions of this subchapter shall not apply to those~~
28 Except as provided under subdivision (a)(2) of this section, this subchapter
29 does not apply to a health care plans which are plan that is maintained:

30 ~~(1)(A)~~ Pursuant to a collective bargaining agreement;

31 ~~(2)(B)~~ By a tax exempt rural electric cooperative;

32 ~~(3)(C)~~ By the Arkansas Poultry Federation; or

33 ~~(4)(D)~~ By any nonprofit vision service plan corporation composed
34 of at least fifty (50) participating optometrists or ophthalmologists
35 licensed by the State of Arkansas to provide vision care services on a
36 prepaid basis when each licensed optometrist or ophthalmologist is subject to



1 the rules and regulations of the professional's respective state board and
 2 when each participating licensed optometrist or ophthalmologist agrees to
 3 assume responsibility for completion of the provisions of the vision care
 4 services contracted for so that no element of risk is incurred by any
 5 subscriber group or person.

6 (2) This subchapter applies to a policy or product issued by the
 7 Little Rock Municipal League that attempts to provide benefits for future
 8 events.

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 10 SECTION 2. Arkansas Code § 23-61-503 is amended to read as follows:

11 23-61-503. Jurisdiction of State Insurance Department – Application of
 12 Arkansas Insurance Code.

13 (a) Notwithstanding any other provision of law and except as provided
 14 in this subchapter, ~~any~~ a person, entity, or plan that provides coverage in
 15 this state for medical, surgical, chiropractic, physical therapy, speech
 16 pathology, audiology, professional mental health, dental, hospital, or
 17 optometric expenses, whether the coverage is by direct payment,
 18 reimbursement, or otherwise, shall be presumed to be subject to the
 19 jurisdiction of the State Insurance Department and to all other applicable
 20 provisions of the Arkansas Insurance Code unless the person, entity, or plan
 21 described in this section shows that it is not subject to the jurisdiction of
 22 the department.

23 (b) This subchapter ~~shall~~ does not apply to:

24 (1) A trust established under §§ 14-54-101 and 25-20-104 to
 25 provide benefits such as accident and health benefits, death benefits, dental
 26 benefits, and disability income benefits if:

27 (A) The provider of the health care benefits is regulated
 28 by a state or federal regulator other than the Insurance Commissioner; and

29 (B) The trust provides the information required by § 23-
 30 61-509; or

31 (2) The Comprehensive Health Insurance Pool Act, § 23-79-501 et
 32 seq.

33 (c) A person, entity, or plan that claims it is not subject to the
 34 jurisdiction of the department shall provide annual notice to the department.

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 36 SECTION 3. Arkansas Code Title 23, Chapter 61, Subchapter 5, is

1 amended to add an additional section to read as follows:

2 23-61-509. Proof of alternate jurisdiction.

3 Annually and upon the request of the Insurance Commissioner, a health
4 care provider that provides any of the services stated in § 23-61-503 and
5 claims to be exempt from this subchapter or the jurisdiction of the
6 commissioner shall provide proof satisfactory to the commissioner that it is
7 exempt from this subchapter or otherwise not subject to the jurisdiction of
8 the commissioner.

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