

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4  
5 By: Senator E. Williams  
6

As Engrossed: S3/10/11  
**A Bill**

SENATE BILL 895

7 **For An Act To Be Entitled**

8 AN ACT TO PROHIBIT INSURERS FROM REQUIRING THE  
9 PURCHASE OF LIFE INSURANCE TO OBTAIN HEALTH  
10 INSURANCE; AND FOR OTHER PURPOSES.  
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12  
13 **Subtitle**

14 TO PROHIBIT INSURERS FROM REQUIRING THE  
15 PURCHASE OF LIFE INSURANCE TO OBTAIN  
16 HEALTH INSURANCE.  
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code Title 23, Chapter 63, Subchapter 1 is amended  
22 to add an additional section to read as follows:

23 23-63-115. Prohibition against insurers requiring the purchase of life  
24 insurance to obtain health insurance – Definitions.

25 (a) As used in this section:

26 (1)(A) "Employee" means:

27 (i) A person who performs work or service of any  
28 type for compensation on a full-time or part-time basis; or

29 (ii) An applicant for a position to perform work or  
30 service of any type for compensation on a full-time or part-time basis.

31 (B) "Employee" does not include:

32 (i) An individual employed by his or her parents,  
33 spouse, or child;

34 (ii) An individual participating in a specialized  
35 employment training program conducted by a nonprofit sheltered workshop or  
36 rehabilitation facility;



1                    (iii) An individual employed outside the State of  
2 Arkansas unless the employer's headquarters or principal place of business is  
3 located in this state; or

4                    (iv) An independent contractor;

5                    (2) "Employer" means a person or entity located in this state  
6 who employs five (5) or more employees in the State of Arkansas in each of  
7 twenty (20) or more calendar weeks in the current or preceding calendar year;

8                    (3)(A) "Health insurance" means a hospital and medical expense-  
9 incurred policy, certificate, or contract provided by an insurer, hospital or  
10 medical service corporation, health maintenance organization, or any other  
11 health care plan or arrangement that pays for or furnishes medical or health  
12 care services whether by insurance or otherwise and includes any excess or  
13 stop-loss coverage.

14                    (B) "Health insurance" does not include long-term care,  
15 disability income, short-term, accident, dental-only, vision-only, fixed  
16 indemnity, limited-benefit or credit insurance, coverage issued as a  
17 supplement to liability insurance, insurance arising out of workers'  
18 compensation or similar law, automobile medical-payment insurance, or  
19 insurance under which benefits are payable with or without regard to fault  
20 and that is statutorily required to be contained in any liability insurance  
21 policy or equivalent self-insurance;

22                    (4) "Insurer" means an insurance company, a health maintenance  
23 organization, a hospital and medical service corporation, or a self-insured  
24 health plan for employees of a governmental entity; and

25                    (5) "Life insurance" means insurance on human life.

26                    (b) A requirement by an insurer that employers shall purchase life  
27 insurance for their employees before qualifying to purchase health insurance  
28 through the insurer is prohibited.

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30                    */s/E. Williams*  
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