

1 State of Arkansas  
2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

HOUSE BILL 1837

5 By: Representative McCollum  
6 By: Senator Bledsoe  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE STATUTES CONCERNING REGISTRATION  
10 OR LICENSURE REQUIREMENTS OF MULTIPLE EMPLOYER TRUSTS  
11 AND SELF-INSURED PLANS; TO EXPAND ACCESS TO  
12 ASSOCIATION HEALTH PLANS THAT ALLOW MORE SMALL  
13 BUSINESSES TO BAND TOGETHER TO PURCHASE INSURANCE;  
14 AND FOR OTHER PURPOSES.  
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## Subtitle

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18 TO EXPAND ACCESS TO ASSOCIATION HEALTH  
19 PLANS THAT ALLOW MORE SMALL BUSINESSES TO  
20 BAND TOGETHER TO PURCHASE INSURANCE.  
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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 § 23-92-101 is amended to read as follows:

26 23-92-101. Registration or licensure required.

27 (a) "Multiple employer welfare arrangement" has the same meaning as  
28 under 29 U.S.C. § 1002(40), as it existed on ~~January 1, 2003~~ January 1, 2019.

29 (b)(1) ~~Every~~ A fully insured multiple employer trust and fully insured  
30 multiple employer welfare arrangement that intends to provide benefits to  
31 citizens of this state shall register with the Insurance Commissioner ~~prior~~  
32 ~~to~~ before soliciting or enrolling members or ~~prior to~~ before conducting any  
33 other business activity in Arkansas.

34 (2)(A) Each fully insured multiple employer trust and fully  
35 insured multiple employer welfare arrangement under this section that is  
36 conducting any business activity in Arkansas ~~as of March 18, 2003~~, shall



1 register with the commissioner ~~no later than July 1, 2003.~~

2 (B) After the initial registration, ~~each~~ a fully insured  
 3 multiple employer trust and fully insured multiple employer welfare  
 4 arrangement under this section that conducts business in Arkansas shall  
 5 ~~thereafter~~ register with the commissioner no later than January 1 of each  
 6 year for as long as it continues to do business in Arkansas.

7 (c)(1) A multiple employer trust or multiple employer welfare  
 8 arrangement that is not fully insured ~~must~~ shall obtain a certificate of  
 9 authority under ~~regulations~~ rules promulgated by the commissioner before  
 10 doing business in Arkansas.

11 (2) In order to remain licensed, a multiple employer trust or multiple  
 12 employer welfare arrangement that is not fully insured ~~must~~ shall comply with  
 13 ~~all Arkansas laws that are not inconsistent with~~ applicable terms of the  
 14 Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq., as  
 15 it existed on ~~January 1, 2003~~ January 1, 2019.

16 (3)(A) The commissioner shall adopt rules regulating multiple  
 17 employer trusts and multiple employer welfare arrangements that are not fully  
 18 insured.

19 (B) The rules shall include information and procedures  
 20 concerning:

21 (i) The criteria and application for obtaining a  
 22 certificate of authority from the State Insurance Department to conduct  
 23 business in Arkansas that are not inconsistent with 29 C.F.R. § 2510, as it  
 24 existed on January 1, 2019;

25 (ii) The benefits to be offered that are not  
 26 inconsistent with similarly situated single employer plans;

27 (iii) Financial requirements consistent with sound  
 28 actuarial principles and requirements of the Internal Revenue Code of 1986,  
 29 as it existed on January 1, 2019;

30 (iv) Fees;

31 (v) Insolvency procedures;

32 (vi) Examinations;

33 (vii) Filing of forms and rates;

34 (viii) Written disclosures and other consumer  
 35 protections;

36 (ix) Reporting requirements;

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(x) Excess or stop loss insurance; and  
(xi) Other factors the commissioner deems necessary  
for the effective regulation of multiple employer welfare trusts and multiple  
employer welfare arrangements that are not fully insured, if the requirements  
are not inconsistent with 29 C.F.R. § 2510, as it existed on January 1, 2019.