

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

# A Bill

SENATE BILL 566

4  
5 By: Senator Rapert

## For An Act To Be Entitled

8 AN ACT CONCERNING AN INSURER'S RIGHT TO SUBROGATION  
9 AND REIMBURSEMENT FOR MEDICAL AND HOSPITAL BENEFITS;  
10 AND FOR OTHER PURPOSES.

## Subtitle

14 CONCERNING AN INSURER'S RIGHT TO  
15 SUBROGATION AND REIMBURSEMENT FOR MEDICAL  
16 AND HOSPITAL BENEFITS.

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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 § 23-89-207 is amended to read as follows:  
22 23-89-207. Insurer's right of reimbursement.

23 (a)(1) Whenever a recipient of benefits under § 23-89-202(1) ~~and (2)~~  
24 recovers in tort for injury, either by settlement or judgment, the insurer  
25 paying the benefits has a right of reimbursement and credit out of the tort  
26 recovery or settlement, less the cost of collection, as defined.

27 ~~(b)(2)~~ An insurer shall have a lien upon the recovery to the  
28 extent of the insurer's benefit payments.

29 (3) If a recipient of benefits under § 23-89-202(1) does not  
30 pursue recovery against a liable third party, an insurer shall have a right  
31 of subrogation.

32 (4) All cost of collection thereof shall be assessed against the  
33 insurer and insured in the proportion each benefits from the recovery.

34 ~~(c) The insurer shall have a lien upon the recovery to the extent of~~  
35 ~~its benefit payments.~~

36 ~~(d)(5)~~ The An insurer for the party who is liable in damages to



1 the injured party shall not condition settlement or payment of a judgment in  
2 favor of the injured party upon issuing a single check jointly to the injured  
3 party and the injured party's insurance company.

4 (b) The common law doctrine that requires a party to be made whole  
5 before an insurer is reimbursed or is able to subrogate does not apply to the  
6 recovery of an insurer under this section.

7 (c) This chapter does not apply to, modify, or abrogate the rights and  
8 obligations under the Workers' Compensation Law, § 11-9-101 et seq.

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