

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1741

5 By: Representative D. Ferguson
6 By: Senator J. Boyd
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE ASSIGNMENT OF
10 BENEFITS TO A HEALTHCARE PROVIDER; TO REQUIRE CONSENT
11 TO THE ASSIGNMENT OF BENEFITS TO A HEALTHCARE
12 PROVIDER; TO MANDATE NOTICE TO AN ENROLLEE OF THE
13 ASSIGNMENT OF BENEFITS TO A HEALTHCARE PROVIDER; AND
14 FOR OTHER PURPOSES.
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Subtitle

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18 TO REQUIRE CONSENT TO THE ASSIGNMENT OF
19 BENEFITS TO A HEALTHCARE PROVIDER; AND TO
20 MANDATE NOTICE TO AN ENROLLEE OF THE
21 ASSIGNMENT OF BENEFITS TO A HEALTHCARE
22 PROVIDER.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 23-99-1301(3)(B), concerning the definition
28 of "health benefit plan" used in assignment of benefits to a healthcare
29 provider, is amended to read as follows:

30 (B) "Health benefit plan" does not include:

31 (i) A disability income plan;

32 (ii) A credit insurance plan;

33 (iii) Insurance coverage issued as a supplement to
34 liability insurance;

35 (iv) Medical payments under an automobile or
36 homeowners insurance plan;



1 (v) A health benefit plan provided under Arkansas
 2 Constitution, Article 5, § 32, the Workers' Compensation Law, § 11-9-101 et
 3 seq., or the Public Employee Workers' Compensation Act, § 21-5-601 et seq.;

4 (vi) A plan that provides only indemnity for hospital
 5 confinement;

6 (vii) An accident-only plan;

7 (viii) A specified disease plan;

8 (ix) A long-term care insurance plan; or

9 (x) ~~A dental-only plan; or~~

10 ~~(xi) A vision-only plan;~~

11
 12 SECTION 2. Arkansas Code § 23-99-1302 is amended to read as follows:
 13 23-99-1302. Assignment of benefits - Consent and notice required.

14 (a) An enrollee, through an assignment of benefits, may assign to a
 15 healthcare provider the enrollee's right to receive reimbursement for any
 16 healthcare service rendered by a healthcare provider regardless of whether
 17 the healthcare provider is a participating provider or an out-of-network
 18 provider.

19 (b)(1) A healthcare provider that is provided an assignment of
 20 benefits by an enrollee under this section shall provide notice to the payor
 21 of the assignment of benefits with a claim for payment for healthcare
 22 services provided to an enrollee.

23 (2) If the healthcare provider providing notice to the payor is
 24 an out-of-network provider, the notice shall be accompanied by a complete
 25 copy of the assignment of benefits bearing the enrollee's signature and the
 26 date the assignment was executed.

27 (c)(1) A payor, upon receipt of the claim and notice of the assignment
 28 of benefits submitted by the healthcare provider, shall promptly remit
 29 payment of the claim directly to the healthcare provider.

30 (2) When payment is made directly to the healthcare provider,
 31 the payor shall give written notice of the payment to an enrollee.

32 (3) A violation of this subsection is:

33 (A) An unfair trade practice under § 23-66-206; and

34 (B) Subject to the Trade Practices Act, § 23-66-201 et
 35 seq.

36 (d)(1)(A) If an enrollee executes an assignment of benefits and the

1 healthcare provider submits notice of that assignment of benefits with the
 2 healthcare provider's claim for payment under this section, the claim is not
 3 paid if the payor remits payment of the claim to the enrollee rather than to
 4 the healthcare provider.

5 (B) Notwithstanding the incorrect payment of a claim to an
 6 enrollee, a payor shall remain liable for remitting payment of the claim to
 7 the healthcare provider under the assignment of benefits.

8 (2) If an assignment of benefits has been executed but the payor
 9 remits payment of the claim to the enrollee, then the payor shall remit
 10 payment of the claim to the healthcare provider under the assignment of
 11 benefits within ten (10) days of receiving notice of the incorrect payment
 12 from the healthcare provider.

13 (e) An enrollee shall provide annual consent of an assignment of
 14 benefits to the healthcare provider and the healthcare insurer or payor.

15 (f) Before providing healthcare services to an enrollee, a healthcare
 16 provider shall provide a notice or statement to the enrollee informing the
 17 enrollee:

18 (1) The healthcare provider is not a participating provider;

19 (2) The healthcare provider may charge the enrollee for
 20 noncovered healthcare services;

21 (3) The healthcare provider may charge the enrollee the balance
 22 bill for covered healthcare services;

23 (4) An estimate of the cost of healthcare services that the
 24 healthcare provider will provide the enrollee; and

25 (5) Any terms of payment that apply, including without
 26 limitation interest that the healthcare provider charges.

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 28 SECTION 3. Arkansas Code § 23-99-1305 is amended to read as follows:
 29 23-99-1305. Rules.

30 ~~(a)~~ The Insurance Commissioner shall promulgate rules necessary to
 31 ensure compliance with this subchapter.

32 ~~(b)(1) When adopting the initial rules to ensure compliance with this~~
 33 ~~subchapter, the final rule shall be filed with the Secretary of State for~~
 34 ~~adoption under § 25-15-204(f):~~

35 ~~(A) On or before March 1, 2020; or~~

36 ~~(B) If approval under § 10-3-309 has not occurred by March~~

1 ~~1, 2020, as soon as practicable after approval under § 10-3-309.~~

2 ~~(2) The commissioner shall file the proposed rule with the~~
3 ~~Legislative Council under § 10-3-309(e) sufficiently in advance of March 1,~~
4 ~~2020, so that the Legislative Council may consider the rule for approval~~
5 ~~before March 1, 2020.~~

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7 SECTION 4. DO NOT CODIFY. EFFECTIVE DATE. This act is effective on
8 and after January 1, 2024.