

State of Arkansas
95th General Assembly
Regular Session, 2025

A Bill

SENATE BILL 621

By: Senator Irvin
By: Representative L. Johnson

For An Act To Be Entitled

AN ACT TO AMEND THE TEMPORARY HOSPITAL FACILITY ACT;
TO RETROACTIVELY APPLY TO A HEALTHCARE CONTRACT FOR
THE BENEFIT OF A TEMPORARY HOSPITAL FACILITY; TO
CLARIFY ENFORCEMENT PROVISIONS AGAINST A HEALTHCARE
INSURER; TO REQUIRE A HEALTHCARE INSURER TO REIMBURSE
A TEMPORARY HOSPITAL FACILITY; TO DECLARE AN
EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

TO CLARIFY ENFORCEMENT PROVISIONS
AGAINST A HEALTHCARE INSURER; TO
RETROACTIVELY APPLY TO A HEALTHCARE
CONTRACT FOR THE BENEFIT OF A TEMPORARY
HOSPITAL FACILITY; AND TO DECLARE AN
EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-99-1404 is amended to read as follows:
23-99-1404. Healthcare contract – Good-faith cooperation.

(a) A healthcare insurer shall cooperate in good faith with a
temporary hospital facility in timely executing a healthcare contract.

(b) (1) A healthcare insurer shall cooperate in good faith as required
~~in~~ under subsection (a) of this section by ~~timely~~ offering a healthcare
contract to a temporary hospital facility no later than thirty (30) days
following a demand for a healthcare contract by the temporary hospital
facility ~~a healthcare contract that is.~~



(2) A healthcare contract under subdivision (b)(1) of this section shall be reflective of the healthcare insurer's standard and reasonable terms and conditions, including without limitation rates of reimbursement.

(c) A healthcare contract shall be effective as of the date the temporary hospital facility is licensed as a hospital by the Department of Health.

(d) The time period for a healthcare insurer to respond as stated in § 23-99-411 does not apply if the request for a healthcare contract is made by a temporary hospital facility.

(e)(1) A healthcare insurer shall reimburse a temporary hospital facility at a rate equal to the rate of a regularly-licensed hospital.

(2) Subdivision (e)(1) of this section applies retroactively to the date ambulatory surgery center or other healthcare facility became a temporary hospital facility.

(f) Except as provided under § 23-99-1406(b)(2), all remedies, penalties, and authority granted to the Insurance Commissioner under the Trade Practices Act, § 23-66-201 et seq., including the award of restitution and damages, shall be available to the commissioner for the enforcement of this subchapter.

SECTION 2. Arkansas Code § 23-99-1406 is amended to read as follows:
23-99-1406. Applicability.

(a) This subchapter shall apply:

(1) Retroactively to the date of issuance of the Governor's Executive Order 20-06; and

(2) ~~to~~ To any future public health emergencies if the Centers for Medicare & Medicaid Services and the Department of Health have implemented similar programs as described in § 23-99-1402(a)(2).

(b)(1) The Insurance Commissioner shall enforce this subchapter.

(2) The commissioner shall not waive any provision of this subchapter.

SECTION 3. DO NOT CODIFY. Severability clause.

If any provision of this act or the application of this act to any person or circumstances is held invalid, the invalidity shall not affect

1 other provisions or applications of this act which can be given effect
2 without the invalid provision of application, and to this end, the provisions
3 of this act are declared severable.
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5 SECTION 4. EMERGENCY CLAUSE. It is found and determined by the
6 General Assembly of the State of Arkansas that the absence of adequate
7 statutory enforcement of § 23-99-1404 has resulted in arbitrary reimbursement
8 practices for temporary hospital facilities; that temporary hospital
9 facilities are not receiving adequate reimbursement; and that this act is
10 immediately necessary to clarify Arkansas law to require the Insurance
11 Commissioner to enforce this act retroactively. Therefore, an emergency is
12 declared to exist, and this act, being immediately necessary for the
13 preservation of the public peace, health, and safety, shall become effective
14 on:

15 (1) The date of its approval by the Governor;

16 (2) If the bill is neither approved nor vetoed by the Governor,
17 the expiration of the period of time during which the Governor may veto the
18 bill; or

19 (3) If the bill is vetoed by the Governor and the veto is
20 overridden, the date the last house overrides the veto.
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