

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 84th General Assembly
3 Regular Session, 2003
4

As Engrossed: H3/13/03

A Bill

Act 1044 of 2003
HOUSE BILL 2413

5 By: Representatives Napper, R. Smith, Bradford, J. Johnson, Roebuck, Eason, Borhauer, Lendall,
6 Martin, Pace

7 By: Senators Critcher, Horn
8
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For An Act To Be Entitled

11 AN ACT TO AUTHORIZE A HEALTH INSURANCE
12 FLEXIBILITY AND ACCOUNTABILITY INITIATIVE; AND
13 FOR OTHER PURPOSES.
14

Subtitle

15 AN ACT TO AUTHORIZE A HEALTH INSURANCE
16 FLEXIBILITY AND ACCOUNTABILITY
17 INITIATIVE.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code Title 23, Chapter 79 is amended to add an
24 additional subchapter and an explanation for adding this subchapter to read
25 as follows:

26 23-79-1001. Findings and purpose.

27 (a) The General Assembly finds that:

28 (1) Many Arkansans have no health insurance;

29 (2) Increasing the number of persons with health insurance will
30 improve the overall health of the people of the state; and

31 (3) The United States Department of Health and Human Services
32 created the Health Insurance Flexibility and Accountability Initiative to
33 give states more flexibility in creating approaches to maximize private
34 health care options.

35 (b) The Arkansas Safety-Net Benefit Program is intended to provide
36 safety-net health care for qualifying uninsured employed individuals.



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2 23-79-1002. Medicaid demonstration initiative.

3 (a) Subject to obtaining all necessary federal approvals, including
4 approval of a demonstration waiver under Section 1115 of the Social Security
5 Act as in effect January 1, 2003, the Department of Human Services may
6 administer the Health Insurance Flexibility and Accountability Demonstration
7 Initiative created in § 23-79-1004.

8 (b) Coverage may include certain spouses of covered employed
9 individuals.

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11 23-79-1003. Arkansas Safety-Net Benefit Program.

12 (a)(1) There is created the Arkansas Safety-Net Benefit Program.

13 (2) Employer participation in the program shall be voluntary.

14 (b) Employers electing to participate shall comply with all program
15 requirements, including, but not limited to:

16 (1) Establishing that all employees have health insurance
17 coverage; and

18 (2) Making payments to the program at times and in amounts as
19 determined by the Department of Human Services to be necessary for the
20 operation of the program for:

21 (A) All covered employees and covered spouses; and

22 (B) All other employees, regardless of income, except
23 employees exempted by rule of the department.

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25 23-79-1004. Arkansas Safety-Net Benefit Fund.

26 (a)(1) There is created the Arkansas Safety-Net Benefit Fund.

27 (2) The fund shall be administered by the Department of Finance
28 and Administration and shall consist entirely of revenues derived from
29 employer payments to the Arkansas Safety-Net Benefit Program.

30 (b)(1) The fund shall not be deposited in a general revenue holding
31 account or be regulated by the State Insurance Department and shall be used
32 only for the Arkansas Safety-Net Benefit Program.

33 (2) However, if the federal government eliminates or
34 substantially modifies the Health Insurance Flexibility and Accountability
35 Initiative or withdraws approval of the Arkansas Safety-Net Benefit Program,
36 moneys remaining in the Arkansas Safety-Net Benefit Fund shall not be placed

1 in the State Treasury, but shall be expended to provide services to
2 beneficiaries of the Arkansas Safety-Net Benefit Program.

3 (3) Moneys in the Arkansas Safety-Net Benefit fund may carry
4 over from the first fiscal year of any biennium to the second fiscal year of
5 the biennium, and from one biennium to the next.

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7 23-79-1005. Department of Human Services - Powers and duties.

8 (a) The Department of Human Services shall promulgate rules to
9 implement this subchapter.

10 (b) The department shall administer the Arkansas Safety-Net Benefit
11 Program and the Arkansas Safety-Net Benefit Fund.

12 (c) The department shall:

13 (1) Prepare and submit to the United States Department of Health
14 and Human Services a request for a demonstration waiver under Section 1115 of
15 the Social Security Act, describing one (1) or more statewide health
16 insurance limited safety net benefit packages that can be funded within
17 existing allotments received by the state under Title XXI of the Social
18 Security Act;

19 (2) Administer the Arkansas Safety-Net Benefit Program and the
20 Arkansas Safety-Net Benefit Fund in accordance with a federally approved
21 Health Insurance Flexibility and Accountability Demonstration Initiative
22 waiver;

23 (3) Deposit Arkansas Employer Sponsored Insurance Fund revenues
24 in insured interest bearing accounts at banking institutions in Arkansas; and

25 (4) Expend Arkansas Safety-Net Benefit Fund moneys as state
26 matching funds in accordance with the requirements of federal health care
27 programs and the Arkansas Safety-Net Benefit Program.

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29 */s/ Napper, et al*

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32 **APPROVED: 4/2/2003**