

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4  
5 By: Senator D. Sanders  
6

*As Engrossed: S3/21/17*

# A Bill

SENATE BILL 566

## For An Act To Be Entitled

8 AN ACT TO AMEND THE ARKANSAS HEALTHCARE TRANSPARENCY  
9 INITIATIVE ACT OF 2015; TO AMEND THE ARKANSAS  
10 HEALTHCARE TRANSPARENCY INITIATIVE FUND; AND FOR  
11 OTHER PURPOSES.  
12  
13

### Subtitle

14 TO AMEND THE ARKANSAS HEALTHCARE  
15 TRANSPARENCY INITIATIVE ACT OF 2015; AND  
16 TO AMEND THE ARKANSAS HEALTHCARE  
17 TRANSPARENCY INITIATIVE FUND.  
18  
19  
20

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. Arkansas Code § 19-5-1145(c), concerning the Arkansas  
24 Healthcare Transparency Initiative Fund, is amended to read as follows:

25 (c) The following moneys shall be paid into the fund:

26 (1) Penalties imposed on submitting entities pursuant to the  
27 Arkansas Healthcare Transparency Initiative Act of 2015, § 23-61-901 et seq.,  
28 and rules promulgated under the Arkansas Healthcare Transparency Initiative  
29 Act of 2015, § 23-61-901 et seq.;

30 (2) ~~Funds received from the federal government;~~

31 ~~(3) Appropriations from the General Assembly; and~~

32 ~~(4)(3) All other payments, gifts, grants, bequests, or income~~  
33 ~~from any source~~ subscription fees or payments made by third parties to the  
34 State Insurance Department for data access.  
35

36 SECTION 2. Arkansas Code § 23-61-902(a), concerning the legislative



1 intent of the Arkansas Healthcare Transparency Initiative Act of 2015, is  
2 amended to read as follows:

3 (a) It is the intent of the General Assembly to create and maintain an  
4 informative source of healthcare information to support consumers,  
5 researchers, and policymakers in healthcare decisions within the state,  
6 including decisions by the State Insurance Department to regulate the  
7 business of insurance in this state.

8

9 SECTION 3. Arkansas Code § 23-61-903(9), concerning the definition of  
10 "submitting entity" within the Arkansas Healthcare Transparency Initiative  
11 Act of 2015, is amended to read as follows:

12 (9)(A) "Submitting entity" means:

13 (i) An entity that provides health or dental  
14 insurance or a health or dental benefit plan in the state, including without  
15 limitation an insurance company, medical services plan, managed care  
16 organization, hospital plan, hospital medical service corporation, health  
17 maintenance organization, or fraternal benefit society, provided that the  
18 entity has covered individuals and the entity had at least two thousand  
19 (2,000) covered individuals in the previous calendar year;

20 (ii) A health benefit plan offered or administered  
21 by or on behalf of the state or an agency or instrumentality of the state,  
22 including without limitation benefits administered by a managed care  
23 organization whether or not the managed care organization had two thousand  
24 (2,000) covered individuals in the previous year;

25 (iii) A health benefit plan offered or administered  
26 by or on behalf of the federal government with the agreement of the federal  
27 government;

28 (iv) The Workers' Compensation Commission;

29 (v) Any other entity providing a plan of health  
30 insurance or health benefits subject to state insurance regulation, a third-  
31 party administrator, or a pharmacy benefits manager, provided that the entity  
32 has covered individuals and the entity had at least two thousand (2,000)  
33 covered individuals in the previous calendar year;

34 (vi) A health benefit plan subject to the Employee  
35 Retirement Income Security Act of 1974, Pub. L. No. 93-406, ~~as permitted by~~  
36 ~~federal law, provided that the health benefit plan does not include an~~

1 ~~employee welfare benefit plan, as defined by federal law, as amended from~~  
 2 ~~time to time, that is also a trust established pursuant to collective~~  
 3 ~~bargaining subject to the Labor Management Relations Act of 1947, 29 U.S.C.~~  
 4 ~~§§ 401—531 and that is fully insured;~~

5 (vii) A risk-based provider organization licensed by  
 6 the State Insurance Department; and

7 ~~(vii)-(viii)~~ An entity that contracts with  
 8 institutions of the Department of Correction or Department of Community  
 9 Correction to provide medical, dental, or pharmaceutical care to inmates.

10 (B) “Submitting entity” does not include:

11 (i) An ~~an~~ entity that provides health insurance or a  
 12 health benefit plan that is accident-only, specified disease, hospital  
 13 indemnity, long-term care, disability income, or other supplemental benefit  
 14 coverage;

15 (ii) An employee of a welfare benefit plan as  
 16 defined by federal law that is also a trust established pursuant to  
 17 collective bargaining subject to the Labor Management Relations Act of 1947,  
 18 Pub. L. No. 80-101; or

19 (iii) A health benefit plan subject to the Employee  
 20 Retirement Income Security Act of 1974, Pub. L. No. 93-406, that is self-  
 21 funded; and

22  
 23 SECTION 4. Arkansas Code § 23-61-905(a)(1), concerning the membership  
 24 of the Arkansas Healthcare Transparency Initiative Board, is amended to add  
 25 an additional subdivision to read as follows:

26 (F) A representative from the Arkansas Biosciences  
 27 Institute who shall serve as an ex-officio, nonvoting member.

28  
 29 SECTION 5. Arkansas Code Title 23, Chapter 61, Subchapter 9, is  
 30 *amended to add additional sections to read as follows:*

31 23-61-909. Data collected under State Health Data Clearinghouse Act.

32 (a) The Department of Health shall submit data collected under the  
 33 State Health Data Clearinghouse Act, § 20-7-301 et seq., to the Arkansas  
 34 Healthcare Transparency Initiative for integration into the Arkansas  
 35 Healthcare Transparency Initiative database created under § 23-61-904.

36 (b) The data submitted under subsection (a) of this section:

