

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H2/10/25 H4/1/25

A Bill

HOUSE BILL 1426

By: Representative L. Johnson

By: Senator Irvin

For An Act To Be Entitled

AN ACT TO AMEND THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO MODIFY THE DEFINITION OF "HEALTHCARE INSURER" UNDER THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO CLARIFY THE PROHIBITION ON LEASING A HEALTHCARE CONTRACT OR PROVIDER NETWORK; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT.

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

SECTION 1. Arkansas Code § 23-99-1202(7), concerning the definition of "health insurer" under the Healthcare Contracting Simplification Act, is amended to read as follows:

(7)(A) "Healthcare insurer" means an entity that is subject to state insurance regulation and provides or administers health insurance in this state.

(B) "Healthcare insurer" includes:

- (i) An insurance company;
- (ii) A health maintenance organization;
- (iii) A hospital and medical service corporation;
- (iv) A risk-based provider organization;
- (v) A sponsor of a nonfederal self-funded governmental plan; ~~and~~
- (vi) A dental-only plan; and



(vii) A third-party administrator or other entity acting on behalf of a self-insured health benefit plan;

SECTION 2. Arkansas Code § 23-99-1203(a), concerning the prohibited activities under the Healthcare Contracting Simplification Act, is amended to read as follows:

(a) Except as provided in subsections (b) and (d) of this section, a contracting entity shall not:

(1) Offer to a healthcare provider a healthcare contract that includes an all-products clause;

(2) Enter into a healthcare contract with a healthcare provider that includes an all-products clause; ~~or~~

(3) Amend or renew an existing healthcare contract previously entered into with a healthcare provider so that the healthcare contract as amended or renewed adds or continues to include an all-products clause; or

(4) Enforce a stipulation, requirement, or policy that has the effect of an all-products clause whether or not an all-products clause is included in the healthcare contract.

SECTION 3. Arkansas Code § 23-99-1210 is amended to read as follows:

23-99-1210. Healthcare contract or provider network – Prohibition.

(a) A ~~healthcare insurer~~ contracting entity shall not:

(1) Lease, rent, or sell a healthcare contract or provider network of a health benefit plan to another contracting entity, healthcare insurer, or third-party administrator; or

(2) In any manner allow the use of a healthcare contract or provider network of a health benefit plan by another contracting entity, healthcare insurer, or third-party administrator.

(b)(1) A violation of this section is:

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

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

seq.

(2) If a healthcare contract contains a provision that violates this section, then the provision under the healthcare contract is void.

(c) *This section does not apply if:*

(1) a healthcare insurer; A contracting entity is a dental-only

plan and

~~(1)~~ Grants grants access to the healthcare insurer's contracting entity's provider network or healthcare contract to another healthcare insurer or entity that is:

(A) An affiliate of the healthcare insurer; or

(B) Operating according to the same brand licensee program as the healthcare insurer; or

(2) A contracting entity:

~~(2)~~(A) Provides notice of the intent to lease, rent, or sell a healthcare contract or provider network of a health benefit plan to another healthcare insurer or third-party administrator;

~~(3)~~(B) Allows a healthcare provider that is a party to the healthcare contract or provider network of a health benefit plan the opportunity to opt out of participating in the:

~~(A)~~(i) Proposed lease, rental, or sale of a healthcare contract or provider network of a health benefit plan entirely upon the execution or renewal of the healthcare contract; and

~~(B)~~(ii) Lease, rental, or sale of a healthcare contract with respect to an individual contracting entity, healthcare insurer, or third-party administrator upon notice that the individual contracting entity, healthcare insurer, or third-party administrator has violated the terms of the healthcare contract; and

~~(4)~~(C) Provides contact information for the healthcare insurer or third-party administrator using the healthcare contract or provider network of a health benefit plan, including without limitation:

~~(A)~~(i) Contact name;

~~(B)~~(ii) Mailing address;

~~(C)~~(iii) Direct telephone number for customer service matters; and

~~(D)~~(iv) Direct email address for customer service matters.

(d) Subdivision (c)(2)(B) of this section does not apply if a contracting entity grants access to the contracting entity's provider network or healthcare contract to another healthcare insurer or contracting entity that is:

(1) An affiliate of the healthcare insurer; or

(2) Operating according to the same brand licensee program as the healthcare insurer.

SECTION 4. Arkansas Code Title 23, Chapter 99, Subchapter 12, is amended to add an additional section to read as follows:

23-99-1211. Waiver prohibited.

(a) This subchapter shall not be waived by contract.

(b) A contractual arrangement or action taken in conflict with this subchapter or that purports to waive a requirement of this subchapter is void.

/s/L. Johnson

APPROVED: 4/14/25