

1 State of Arkansas *As Engrossed: H2/10/25 H4/1/25*

2 95th General Assembly

A Bill

3 Regular Session, 2025

HOUSE BILL 1426

4

5 By: Representative L. Johnson

6 *By: Senator Irvin*

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For An Act To Be Entitled

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

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16

17

Subtitle

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TO AMEND THE HEALTHCARE CONTRACTING
SIMPLIFICATION ACT.

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

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

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(B) "Healthcare insurer" includes:

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(i) An insurance company;

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(ii) A health maintenance organization;

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(iii) A hospital and medical service corporation;

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(iv) A risk-based provider organization;

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(v) A sponsor of a nonfederal self-funded

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governmental plan; ~~and~~

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(vi) A dental-only plan; and



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

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

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

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

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

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

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

19
 20 SECTION 3. Arkansas Code § 23-99-1210 is amended to read as follows:

21 23-99-1210. Healthcare contract or provider network – Prohibition.

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

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

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

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

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

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

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

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

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

1 plan and

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

5 (A) An affiliate of the healthcare insurer; or

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

8 (2) A contracting entity:

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

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

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

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

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

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

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

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

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

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

36 (1) An affiliate of the healthcare insurer; or

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

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

6 23-99-1211. Waiver prohibited.

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

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

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12 /s/L. Johnson
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15 **APPROVED: 4/14/25**
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