

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*

7

8

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.

15

16

17

Subtitle

18

TO AMEND THE HEALTHCARE CONTRACTING
19 SIMPLIFICATION ACT.

20

21

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

22

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:

26

(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.

29

(B) "Healthcare insurer" includes:

30

(i) An insurance company;

31

(ii) A health maintenance organization;

32

(iii) A hospital and medical service corporation;

33

(iv) A risk-based provider organization;

34

(v) A sponsor of a nonfederal self-funded

35

governmental plan; ~~and~~

36

(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;

3
 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

