

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025

A Bill

SENATE BILL 418

4
5 By: Senator J. Payton
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For An Act To Be Entitled

8
9 AN ACT TO AMEND THE WORKERS' COMPENSATION LAW THAT
10 RESULTED FROM INITIATED ACT 4 OF 1948; TO ESTABLISH A
11 REQUIREMENT FOR WORKERS' COMPENSATION CARRIERS TO
12 SPEND AT LEAST EIGHTY-FIVE PERCENT OF PREMIUMS ON
13 HEALTHCARE CLAIMS AND WAGE CLAIMS; AND FOR OTHER
14 PURPOSES.
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Subtitle

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18 TO AMEND THE WORKERS' COMPENSATION LAW
19 THAT RESULTED FROM INITIATED ACT 4 OF
20 1948; AND TO ESTABLISH A REQUIREMENT FOR
21 WORKERS' COMPENSATION INSURERS TO SPEND
22 AT LEAST EIGHTY-FIVE PERCENT OF PREMIUMS
23 ON HEALTHCARE CLAIMS AND WAGE CLAIMS.
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 11-9-408, concerning insurance policies
28 under the Workers' Compensation Law, is amended to add an additional
29 subsection to read as follows:

30 (e)(1) An insurer providing workers' compensation benefits in this
31 state is required to have a medical loss ratio of at least eighty-five
32 percent (85%) for workers compensation claims.

33 (2) As used in this section, "medical loss ratio" means the
34 measure used in workers' compensation insurance to assess the percentage of
35 premium dollars spent on healthcare claims and wage claims versus
36 administrative costs.

