PROPOSED RULE 109
ORTHOTIC AND PROSTHETIC REIMBURSEMENT

Table of Contents

Section 1. **Authority**
Section 2. **Purpose**
Section 3. **Applicability and Scope**
Section 4. **Reimbursement Requirements**
Section 5. **Penalties**
Section 6. **Effective Date**

Section 1. Authority

This Rule is issued pursuant to the authority granted the Arkansas Insurance Commissioner ("Commissioner") under Ark. Code Ann. § 23-99-417(a)(1) and by Ark. Code Ann. § 23-99-417(e) to promulgate a rule governing payment standards by health benefit plans for orthotic devices, orthotic services, prosthetic devices, and prosthetic services.

Section 2. Purpose

The purpose of this Rule is to require health benefit plans that are subject to Ark. Code Ann. § 23-99-417 to update coverage for eligible charges for prosthetic and orthotic devices and services to no less than eighty percent (80%) of the Medicare allowable rates for such devices and services as of January 1 of each year in which the health benefit plan is issued or renewed. The current statutory requirement in Ark. Code Ann. § 23-99-417(a)(1) ties the coverage requirements for such devices and services to January 1, 2009 CMS Medicare coverage amounts under its Healthcare Common Procedure Coding System ("CPT"). The Commissioner intends in this Rule to establish the requirement that such coverage at least equal eighty-percent (80%) of CMS CPT allowable amounts as established by CMS as of January 1 of each year in which the health benefit plan is issued or renewed, rather than promulgating an amendment to this Rule each year to require the adjustment.

Section 3. Applicability and Scope

This Rule applies to all health benefit plans as defined in Ark. Code Ann. § 23-99-403(4).

Section 4. Reimbursement Requirements

Health benefit plans shall provide coverage for eligible charges for prosthetic and orthotic devices and services of no less than eighty-percent (80%) of CMS CPT allowable amounts for such devices and

services, as established by CMS, as of January 1 of each year in which the health benefit plan is issued or renewed.

Section 5. Penalties

The Commissioner is permitted to impose penalties for violations of Ark. Code Ann. § 23-99-417, et seq, under Ark. Code Ann. § 23-99-415 for provisions governed under Subchapter Four (4) of the Arkansas Health Care Consumer Act of 1997, as amended.

Section 6. Effective Date

The effective date of this Rule is March 1, 2015.

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JAY BRADFORD
INSURANCE COMMISSIONER

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DATE