

BEFORE THE ARKANSAS INSURANCE DEPARTMENT

IN RE CENTRAL ARKANSAS  
RADIATION THERAPY  
INSTITUTE, INC. ("CARTI")

AID ORDER No. 2021- 1 9

RESPONSE TO PETITION FOR DECLARATORY ORDER

Comes now the Arkansas Insurance Department ("Department"), by and through its attorney, Crystal Phelps, and, for its Order, states the following findings:

**FINDINGS OF FACT**

1. On May 12, 2021, Petitioner Simon Dobretsov, on behalf of Central Arkansas Radiation Therapy Institute, Inc. ("Petitioner"), filed a Petition for Declaratory Order pursuant to Department Rule 121, requesting the Department to issue a declaratory order on the applicability of certain statutes and rules to the Municipal Health Benefit Program ("MHBP"), a trust fund established in accordance with the provisions of Ark. Code Ann. § 14-54-101 et seq. and § 25-20-101 et seq., and plans administered thereby.

2. Department Rule 121 provides a means of resolving a controversy or answering questions or doubts concerning the applicability of statutory provisions, rules, or orders over which the Department has authority. A petition for declaratory order may be used only to resolve questions or doubts as to how the statutes, rules, or orders may apply to the petitioner's particular circumstances. A declaratory order has the same status as agency orders in cases of adjudication.

3. The Municipal Health Benefit Program ("MHBP") is a multi-employer, self-funded trust fund, established in accordance with the provisions of Ark. Code Ann. § 14-54-101 et seq. and § 25-20-101 et seq. to provide health and welfare benefits to employees of participating municipalities who are members of the Arkansas Municipal League.

4. Ark. Code Ann. § 23-61-503(a) describes the Department’s jurisdiction over the providers of

health care benefits:

Notwithstanding any other provision of law and except as provided in this subchapter, any person, entity, or plan that provides coverage in Arkansas for medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, or optometric expenses, whether the coverage is by direct payment, reimbursement, or otherwise, shall be presumed to be subject to the jurisdiction of the State Insurance Department and to all other applicable provisions of the Arkansas Insurance Code unless the person, entity, or plan described in this section shows that it is not subject to the jurisdiction of the department.

5. However, Ark. Code Ann. § 23-61-503(b) provides:

This subchapter shall not apply to . . . [a] trust established under §§ 14-54-101 and 25-20-104 to provide benefits such as accident and health benefits, death benefits, dental benefits, and disability income benefits.

#### **CONCLUSIONS OF LAW AND DECLARATORY ORDER**

Wherefore, the Department issues this Declaratory Order, providing its response to the Petitioner’s request by pairing the statutes and rules identified by Petitioner with a “Yes” or “No” answer indicating whether the Department concludes it has jurisdiction over the MHBP and the plans administered by MHBP pursuant to the cited statute or rule.

1. Audits of Medical Providers, Ark Code Ann. § 23-63-1801 et seq. No.
2. The Trade Practices Act, Ark Code Ann. § 23-66-201 et seq. No.
3. The Arkansas Healthcare Consumer Act, A.C.A. § 23-99-401 et seq. No.
4. The Prior Authorization Transparency Act, A.C.A. § 23-99-1101 et seq. No.
5. The Healthcare Contracting Simplification Act, A.C.A. § 23-99-1201 et seq. No.
6. The Interlocal Cooperation Act, A.C.A. § 25-20-101 et seq. No.

7. Minimum Standards for Accident and Health Insurance, AID Rule 18. No.
8. Accident and Health Insurance Policies, AID Rule 21. No.
9. Unfair Claims Settlement Practices, AID Rule 43. No.
10. Complaint Registers, AID Rule 44. No.
11. Arkansas External Review Regulation, AID Rule 76. No.
12. Recoupment, AID Rule 85. No.
13. Arkansas Healthcare Transparency Initiative Standards, AID Rule 100. No.
14. Prior Authorization Transparency Act, AID Rule 115. No.

**IT IS SO DECLARED AND ORDERED.**



Alan McClain  
Insurance Commissioner  
State of Arkansas



Date