

# Arkansas Insurance Department

Asa Hutchinson  
Governor



Alan McClain  
Commissioner

April 9, 2020

**BULLETIN NO. 15-2020**

**TO: ALL LICENSED INSURERS, HEALTH MAINTENANCE ORGANIZATIONS (HMOs), PHARMACY BENEFIT MANAGERS, FRATERNAL BENEFIT SOCIETIES, FARMERS' MUTUAL AID ASSOCIATIONS OR COMPANIES, HOSPITAL MEDICAL SERVICE CORPORATIONS, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, PRODUCER AND COMPANY TRADE ASSOCIATIONS, AND OTHER INTERESTED PARTIES**

**FROM: ARKANSAS INSURANCE DEPARTMENT**

**SUBJECT: PAYMENT AUDITS/OVERPAYMENT RECOVERIES OF HOSPITALS AND HEALTHCARE PROVIDERS DURING COVID-19 EMERGENCY**

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The Arkansas Insurance Commissioner is issuing this Bulletin to assist consumers with health insurance plans regulated by the Arkansas Insurance Department, providers of health services attempting to treat and contain the outbreak of COVID-19 in the state, and entities regulated by the Department as they deal with urgent needs caused by the occurrence of the virus in Arkansas.

The Arkansas Insurance Department is committed to assisting elected government officials, its fellow state agencies, local health departments, emergency managers, and health care providers in providing for the health and welfare of the people of Arkansas.

On March 11, 2020, Governor Asa Hutchinson issued Executive Order 20-03 declaring a statewide state of emergency in response to the outbreak of the COVID-19 virus among Arkansans. The Order may impact various insurance regulatory statutes so that the Department may effectively render maximum assistance to overcome any potential impediment to the rapid and orderly rendering of assistance to our citizens affected by the virus.

## **PAYMENT AUDITS OF HOSPITALS & PROVIDERS SUSPENDED**

Recognizing that hospitals and other healthcare providers are an important part of the allied health response to mitigate the spread of COVID-19 and assist with the treatment and therapy of those testing positive for the virus, the Commissioner believes audits of payments by health insurers is an impediment to the rendering of assistance to our citizens affected by the virus.

Therefore, the Commissioner directs all health insurance carriers offering health insurance plans, including short-term limited-duration insurance plans, regulated by the Department **to suspend payment audits of hospitals and healthcare providers** during the 60-day period beginning with the date Executive Order 20-03 was issued.

This directive does not prevent health insurers from retroactively auditing payments once the emergency declaration expires.

## **OVERPAYMENT RECOVERY TIME LIMIT TOLLED**

Recognizing that hospitals and other healthcare providers are an important part of the allied health response to mitigate the spread of COVID-19 and assist with the treatment and therapy of those testing positive for the virus, the Commissioner believes the time limit on overpayment recovery between a hospital or healthcare provider with a health insurer is an impediment to the rendering of assistance to our citizens affected by the virus.

Therefore, the Commissioner directs all health insurance carriers offering health insurance plans, including short-term limited-duration insurance plans, regulated by the Department **to toll the time limit on overpayment recovery or any other agreed upon time limit between health insurers, and hospitals and healthcare providers** during the 60-day period beginning with the date Executive Order 20-03 was issued.

Any questions regarding this Bulletin should be directed to [insurance.legal@arkansas.gov](mailto:insurance.legal@arkansas.gov) at the Arkansas Insurance Department or by phone at 501-371-2600.



ALAN MCCLAIN  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS

April 9, 2020  
DATE