

Arkansas Insurance Department

Asa Hutchinson
Governor



Alan McClain
Commissioner

May 11, 2020

BULLETIN NO. 23-2020

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: COVID-19 EMERGENCY BULLETIN AFFECTING HOSPITALS AND HEALTHCARE PROVIDERS

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

The Arkansas Insurance Department is committed to assisting 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 May 5, 2020, Governor Asa Hutchinson issued Executive Order 20-25 declaring a statewide state of emergency for the purpose of extending the public health and disaster emergency and declaration of the State of Arkansas as a disaster area resulting from the state-wide impact of COVID-19 an additional forty-five (45) days from the issuance of EO 20-25.

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 45-day period beginning with the date Executive Order 20-25 was issued.

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

This directive does not apply to cases where fraud is suspected.

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 45-day period beginning with the date Executive Order 20-25 was issued.

COVERAGE FOR SERVICES PROVIDED THROUGH TELEMEDICINE

It is the policy of Governor Hutchinson's administration to "fully leverage" telemedicine in Arkansas in order to mitigate the spread of COVID-19 in our state.

Recognizing the importance of telemedicine to mitigate the spread of COVID-19, the Commissioner reminds all health insurance carriers offering health insurance plans, including short-term limited-duration insurance plans, regulated by the Department that they **must comply with the reimbursement requirements for healthcare services provided through telemedicine found in Ark. Code Ann. § 23-79-1602(c) and (d).**

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



ALAN MCCLAIN
INSURANCE COMMISSIONER
STATE OF ARKANSAS

May 11, 2020
DATE