

Arkansas Insurance Department

Mike Beebe
Governor



Jay Bradford
Commissioner

BULLETIN NO. 7A - 2009

TO: ALL LICENSED INSURERS, HEALTH MAINTENANCE ORGANIZATIONS (HMOs), 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: ACT 1179 OF 2009- MANDATORY OFFERING FOR COVERAGE OF HEARING AIDS

EFFECTIVE DATE: JANUARY 1, 2010

DATE: November 18, 2009

Bulletin 7A-2009 replaces Bulletin 7-2009 in its entirety.

The Department is issuing this Bulletin to advise all insurance companies and other interested parties of the requirements set forth in Act 1179 of 2009. This Act requires all individual and group policies and certificates offered, issued or renewed in Arkansas on or after January 1, 2010, to offer coverage for hearing aids.

The minimum amount of coverage that must be offered cannot be less than one thousand, four hundred dollars (\$1,400) per ear for each three-year period. The benefit for hearing aids cannot be subject to any deductibles or copayment requirements. However, the benefit may be subject to co-insurance provisions. The hearing aid must be dispensed by an individual properly licensed by the State of Arkansas.

This Act will apply to all insurance companies offering, issuing or renewing individual or group policies or certificates in Arkansas. This Act does not apply to hospital medical service corporations or health maintenance organizations. In addition, this Act is not applicable to Medicare supplement policies and certificates, individual limited benefit policies, qualified high deductible health plans, and long-term care policies and certificates. In regards to individual major medical policies, the mandatory offering will only apply to policies offered and sold after January 1, 2010.

Though the Act specifically requires offering coverage for hearing aids only, the Commissioner understands the need for additional services and accessories related to the purchase and use of a hearing aid. Insurers at their option may include as a covered benefit these additional services and accessories. Any benefits paid for these services and accessories may be included in the maximum amount payable under the hearing aid benefit.

Insurers are directed to furnish a copy of this Bulletin to their appointed producers in Arkansas.

Questions concerning this Bulletin should be directed to the Arkansas Insurance Department Legal Division at 501-371-2820 or by e-mail to insurance.legal@arkansas.gov.



JAY BRADFORD, COMMISSIONER
ARKANSAS INSURANCE DEPARTMENT

11-18-09
DATE

* ALL UNDERLINED LANGUAGE REPRESENTS THE CHANGES MADE TO THE ORIGINAL BULLETIN.

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1179 of the Regular Session

As Engrossed: H3/25/09 H3/30/09

State of Arkansas

87th General Assembly

Regular Session, 2009

A Bill

HOUSE BILL 1930

By: Representative Adcock

For An Act To Be Entitled

AN ACT TO REQUIRE A HEALTH BENEFIT PLAN TO OFFER COVERAGE FOR HEARING AIDS IN AN AMOUNT OF NOT LESS THAN ONE THOUSAND FOUR HUNDRED DOLLARS (\$1,400) PER EAR EVERY THREE (3) YEARS; AND FOR OTHER PURPOSES.

Subtitle

TO REQUIRE A HEALTH BENEFIT PLAN TO OFFER COVERAGE FOR HEARING AIDS IN AN AMOUNT OF NOT LESS THAN ONE THOUSAND FOUR HUNDRED DOLLARS (\$1,400) PER EAR EVERY THREE (3) YEARS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 23, Chapter 79 is amended to add an additional subchapter to read as follows:

23-79-1301. Definitions.

As used in this subchapter:

(1)(A) "Health benefit plan" means an individual, blanket, or group plan, policy, or contract for health care services issued or delivered by a health care insurer in this state.

(B) "Health benefit plan" includes:

(i) Indemnity and managed care plans; and

(ii) Governmental plans as defined in 29

U.S.C. § 1002(32), as it existed on January 1, 2009.

(C) "Health benefit plan" does not include:

(i) Accidental injury insurance plans;

(ii) Dental insurance plans;

(iii) Vision insurance plans;

(iv) Specified disease insurance plans;

(v) Disability income plans;

(vi) Credit insurance plans;

(vii) Insurance coverage issued as a supplement to liability insurance;

(viii) Medical payments under automobile or homeowners' insurance plans;

(ix) Health benefit plans provided under Arkansas Constitution, Article 5, Section 32, the Workers' Compensation Law, § 11-9-101 et seq., and the Public Employee Workers' Compensation Act, § 21-5-601 et seq.;

(x) Insurance under which benefits are payable with or without regard to fault and the benefits that are statutorily required to be contained in any liability policy or equivalent self-insurance; and

(xi) Plans that provide only indemnity for hospital confinement; and

(2) "Hearing aid" means an instrument or device, including repair and replacement parts, that:

(A) Is designed and offered for the purpose of aiding persons with or compensating for impaired hearing;

(B) Is worn in or on the body; and

(C) Is generally not useful to a person in the absence of a hearing impairment.

23-79-1302. Coverage for hearing aids required.

(a) A health benefit plan that is offered, issued, or renewed in this state shall offer coverage for a hearing aid or hearing instrument sold on or after January 1, 2010, by a professional licensed by the state to dispense a hearing aid or hearing instrument.

(b) The coverage offered for hearing aids under this section:

(1) Shall not be for less than one thousand four hundred dollars (\$1,400) per ear for each three-year period;

1 (2) Shall provide coverage of not less than one thousand four
2 hundred dollars (\$1,400) per ear beginning on the first day of coverage; and

3 (3) Is not subject to policy deductibles or copayment
4 requirements.

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6 23-79-1303. Rules.

7 The State Insurance Department shall develop and promulgate rules for
8 the implementation and administration of this subchapter.

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/s/ Adcock

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APPROVED: 4/7/2009

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