

1 State of Arkansas  
2 95th General Assembly  
3 Regular Session, 2025  
4

As Engrossed: H2/10/25

## A Bill

HOUSE BILL 1287

5 By: Representative L. Johnson  
6 By: Senator Irvin  
7

### For An Act To Be Entitled

9 AN ACT TO AMEND THE HEALTHCARE CONTRACTING  
10 SIMPLIFICATION ACT; TO DEFINE "DOWNCODE" UNDER THE  
11 HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO REQUIRE  
12 NOTIFICATION BY CONTRACTING ENTITIES OF DOWNCODING  
13 CERTAIN HEALTHCARE SERVICES; AND FOR OTHER PURPOSES.  
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### Subtitle

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17 TO AMEND THE HEALTHCARE CONTRACTING  
18 SIMPLIFICATION ACT; TO DEFINE "DOWNCODE"  
19 UNDER THE HEALTHCARE CONTRACTING  
20 SIMPLIFICATION ACT; AND TO REQUIRE  
21 NOTIFICATION BY CONTRACTING ENTITIES OF  
22 DOWNCODING.  
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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26 SECTION 1. Arkansas Code § 23-99-1202, concerning definitions used  
27 under the Healthcare Contracting Simplification Act, is amended to add an  
28 additional subdivision to read as follows:

29 (14) "Downcode" means to change a claim to a lower-cost  
30 healthcare service than what was contained in the original claim that a  
31 healthcare provider submitted or billed to a contracting entity.  
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33 SECTION 2. Arkansas Code Title 23, Chapter 99, Subchapter 12, is  
34 amended to add an additional section to read as follows:

35 23-99-1211. Notice required for downcode of claim.

36 A contracting entity that downcodes a claim submitted by a healthcare



1 provider shall provide notice to the healthcare provider of the downcoding  
2 within thirty (30) days of processing the claim.

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*/s/L. Johnson*

**APPROVED: 2/25/25**