## Hall of the House of Representatives

95th General Assembly - Regular Session, 2025 Amendment Form

**Subtitle of House Bill 1301** TO AMEND THE PRIOR AUTHORIZATION TRANSPARENCY ACT.

## Amendment No. 3 to House Bill 1301

Amend House Bill 1301 as engrossed H2/20/25 (version: 2/20/25 11:51:11 AM):

Page 3, line 16, delete "insurer; or" and substitute "insurer;"

AND

Page 3, delete line 19, and substitute the following:

"insurer's commencement of operations subject to this subchapter; or

(D)(i) For a healthcare provider denied an exemption under this section, any consecutive six-month period during the twelve (12) months before the healthcare provider's request for a new evaluation.

(ii) A healthcare provider may request that the healthcare insurer perform a new evaluation twelve (12) months after the most recent denial."

AND

Page 4, delete line 12, and substitute the following: "to or termination of the election.

(3) If, in the most recent six-month evaluation period, the healthcare insurer approved or would have approved less than eighty percent (80%) of the prior authorization requests submitted by a healthcare provider for a particular healthcare service, the healthcare provider shall not be eligible for inclusion under an exemption extended to healthcare providers under the same tax identification number under this subsection."

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Page 10, delete line 22, and substitute the following:

"(f)(1) Upon request, a healthcare insurer or a pharmacy benefits manager shall send"

AND

AND

Page 11, delete lines 7 through 18

AND

Page 12, delete line 18, and substitute the following: "subdivision (b)(1) of this section should be granted.

(4) The criteria established under subdivision (b)(3) of this section shall include criteria related to the cost and the safety of the prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service."

AND

Page 12, line 19, delete "(4)" and substitute "(5)"

AND

Page 12, line 25, delete "(5)" and substitute "(6)"

AND

Page 12, line 28, delete "(6)" and substitute "(7)"

AND

Page 12, line 32, delete "(7)" and substitute "(8)"

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AND

Page 12, line 36, delete "(8)" and substitute "(9)"

AND

Page 13, line 2, delete "<u>subdivision (b)(5)</u>" and substitute "<u>subdivision</u> (b)(6)"

AND

Page 13, delete lines 16 through 35, and substitute the following: "SECTION 10. Arkansas Code § 23-99-1129 is amended to read as follows: 23-99-1129. Appeals process for disallowance of prior authorization.

(a) If the Arkansas State Board of Pharmacy and the Arkansas State Medical Board, jointly, disallow a prior authorization of a prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service requested under § 23-99-1128, a healthcare insurer, pharmacy benefits manager, or other interested party may file an appeal to the State Insurance Department within ninety (90) days of the disallowance of the prior authorization.

(b) <u>The healthcare insurer, pharmacy benefits manager, or other</u> <u>interested party shall provide a notice of seven (7) days to the Arkansas</u> <u>State Board of Pharmacy and the Arkansas State Medical Board of the</u> <u>healthcare insurer's, pharmacy benefits manager's, or other interested</u> <u>party's intent to file an appeal.</u>

(c) No later than the thirtieth day after the date a healthcare insurer, pharmacy benefits manager, or other interested party files an appeal under subsection (a) of this section, the Insurance Commissioner shall appoint an independent review organization to review the appeal.

(c)(d) A healthcare insurer, pharmacy benefits manager, or other interested party that files an appeal under subsection (a) of this section shall pay for the independent review organization appointed under subsection (b)(c) of this section to review the appeal.

(e)(1) If a healthcare insurer, pharmacy benefits manager, or other interested party succeeds in its appeal and overturns the decision of the

Arkansas State Board of Pharmacy and the Arkansas State Medical Board, the healthcare insurer, pharmacy benefits manager, or other interested party shall be reimbursed for fifty percent (50%) of the cost remitted to the independent review organization under subsection (d) of this section.

(2) The Arkansas State Board of Pharmacy and the Arkansas State Medical Board shall each provide twenty-five percent (25%) of the total reimbursement to the healthcare insurer, pharmacy benefits manager, or other interested party under subdivision (e)(1) of this section.

(d)(f) A healthcare insurer, pharmacy benefits manager, or other interested party is bound by the independent review organization's determination of the appeal under this section."

The Amendment was read \_\_\_\_\_ By: Representative L. Johnson ANS/ANS - 03-11-2025 04:00:53 ANS360

**Chief Clerk**