1 State of Arkansas

2 95th General Assembly

A Bill

3 Regular Session, 2025   HOUSE BILL 1287

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5 By: Representative L. Johnson

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8 ## 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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16   ## Subtitle

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.

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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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