

1 State of Arkansas *As Engrossed: H3/13/25 S4/7/25*

2 95th General Assembly

A Bill

3 Regular Session, 2025

HOUSE BILL 1602

4

5 By: Representative L. Johnson

6 By: Senator K. Hammer

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For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS PHARMACY BENEFITS
10 MANAGER LICENSURE ACT; TO ESTABLISH FEES UNDER THE
11 ARKANSAS PHARMACY BENEFITS MANAGER LICENSURE ACT; TO
12 REQUIRE REPORTING OF CERTAIN INFORMATION BY A
13 PHARMACY BENEFITS MANAGER UNDER THE ARKANSAS PHARMACY
14 BENEFITS MANAGER LICENSURE ACT; AND FOR OTHER
15 PURPOSES.

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Subtitle

19 TO AMEND THE ARKANSAS PHARMACY BENEFITS
20 MANAGER LICENSURE ACT; TO ESTABLISH FEES
21 UNDER THE ARKANSAS PHARMACY BENEFITS
22 MANAGER LICENSURE ACT; AND TO REQUIRE
23 REPORTING OF CERTAIN INFORMATION BY A
24 PHARMACY BENEFITS MANAGER.

25

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

27

28 SECTION 1. Arkansas Code § 23-92-503, concerning definitions used
29 under the Arkansas Pharmacy Benefits Manager Licensure Act, is amended to add
30 additional subdivisions to read as follows:

31 (16)(A) "Clean pharmacy claim" means a pharmacy claim that does
32 not have a defect, including without limitation a lack of any required
33 substantiating documentation or particular circumstance requiring special
34 treatment that may prevent timely payment of the pharmacy claim.

35 (B) "Clean pharmacy claim" includes an electronic pharmacy
36 claim that successfully processes in real time with an approval of drug,



1 dosing, prescriber, or patient eligibility upon an electronic adjudication of
2 a pharmacy claim with the displayed paid amount from the pharmacy benefits
3 manager and the patient copay.

4 (C) "Clean pharmacy claim" does not include a successfully
5 adjudicated pharmacy claim that the pharmacy or pharmacist obtained by fraud
6 or a clerical error or misrepresentation of the pharmacy claim elements;

7 (17)(A) "Pharmacy claims bank identification number" means a
8 six-digit number or an eight-digit number from the National Council for
9 Prescription Drug Programs Processor ID Number bank identification number
10 that is utilized and shared by a pharmacy benefits manager to electronically
11 process a pharmacy claim.

12 (B) "Pharmacy claims bank identification number" may be
13 known as RXBIN or NCPDP Processor BIN;

14 (18)(A) "Pharmacy claims group number" means a unique set of
15 numbers and letters that are used by a pharmacy benefits manager to identify
16 a specific employer, plan sponsor, insurance provider, or plan type that a
17 patient is enrolled in to cover and reimburse a pharmacy or a pharmacist for
18 pharmacist services.

19 (B) "Pharmacy claims group number" may be known as an
20 RxGroup number or a prescription group number;

21 (19)(A) "Pharmacy claims processor control number" means a
22 secondary identifier that is alphanumerical and clarifies the pharmacy claim
23 to a specific network or plan type that a pharmacy benefits manager may use
24 in processing a pharmacy claim for pharmacist services.

25 (B) "Pharmacy claims processor control number" may be
26 known as PCN or RxPCN; and

27 (20) "Unique combination for pharmacy claims" means a pharmacy
28 claims bank identification number, pharmacy claims group number, pharmacy
29 claims processor control number, or any combination of a pharmacy claims bank
30 identification number, pharmacy claims group number, and pharmacy claims
31 processor control number that is used by a pharmacy benefits manager to
32 process a pharmacy claim.

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34 SECTION 2. Arkansas Code § 23-92-504 is amended to read as follows:

35 23-92-504. License to do business – Application – Fees – Rules.

36 (a)(1) A person or organization shall not establish or operate as a

1 pharmacy benefits manager in Arkansas for health benefit plans without
2 obtaining a license from the Insurance Commissioner under this subchapter.

3 (2) The commissioner shall prescribe the application for a
4 license to operate in Arkansas as a pharmacy benefits manager ~~and may charge~~
5 ~~application fees and renewal fees as established by rule.~~

6 (b) The commissioner shall issue rules establishing the licensing,
7 ~~fees,~~ application, financial standards, penalties, compliance and enforcement
8 requirements, and reporting requirements of pharmacy benefits managers under
9 this subchapter.

10 (c)(1) An initial application fee for a license as a pharmacy benefits
11 manager is twenty thousand dollars (\$20,000) per pharmacy benefits manager
12 licensed under this subchapter.

13 (2)(A) A renewal application fee for a license as a pharmacy
14 benefits manager is twenty thousand dollars (\$20,000) per pharmacy benefits
15 manager licensed under this subchapter.

16 (B) A renewal application and a renewal application fee
17 are required annually.

18 (C) The commissioner may reduce the initial application
19 fee under subdivision (c)(1) of this section or renewal application fee under
20 subdivision (c)(2) of this section for a pharmacy benefits manager if the
21 initial application fee or renewal application fee would constitute a
22 financial hardship that would prevent a pharmacy benefits manager from doing
23 business in this state or competing in the marketplace considering the
24 limited number of Arkansas patients impacted or the limited type of pharmacy
25 benefits manager services offered.

26
27 SECTION 3. Arkansas Code § 23-92-509(a)(2), concerning the rules under
28 the Arkansas Pharmacy Benefits Manager Licensure Act, is amended to read as
29 follows:

30 (2) Rules that the commissioner may adopt under this subchapter
31 include without limitation rules relating to:

32 (A) Licensing;

33 (B) ~~Application fees;~~

34 ~~(C)~~ Financial solvency requirements;

35 ~~(D)~~(C) Pharmacy benefits manager network adequacy;

36 ~~(E)~~(D) Prohibited market conduct practices;

1 ~~(F)~~(E) Data reporting requirements under § 4-88-803;
2 ~~(G)~~(F) Compliance and enforcement requirements under § 17-
3 92-507 concerning Maximum Allowable Cost Lists;
4 ~~(H)~~(G) Rebates;
5 ~~(I)~~(H) Compensation; and
6 ~~(J)~~(I) Lists of health benefit plans administered by a
7 pharmacy benefits manager in this state.
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9 SECTION 4. Arkansas Code Title 23, Chapter 92, Subchapter 5, is
10 amended to add an additional section to read as follows:

11 23-92-512. Pharmacy claims – Pharmacy claims bank identification
12 number, pharmacy claims group number, and pharmacy claims processor control
13 number – Reporting.

14 (a) A pharmacy benefits manager may differentiate different health
15 benefit plans, networks, or benefit packages with the use of a unique number
16 or other form of identification.

17 (b) At the time of renewal of a pharmacy benefits manager license, a
18 pharmacy benefits manager shall report to the Insurance Commissioner:

19 (1) Each pharmacy claims bank identification number, pharmacy
20 claims group number, and pharmacy claims processor control number that is
21 used by the pharmacy benefits manager;

22 (2) Each unique combination for pharmacy claims;

23 (3) Each unique combination for pharmacy claims by the estimated
24 number of covered lives in each combination by:

25 (A) Less than five hundred (500);

26 (B) Five hundred (500) to five thousand (5,000);

27 (C) Five thousand (5,000) to twenty-five thousand
28 (25,000);

29 (D) Twenty-five thousand (25,000) to one hundred thousand
30 (100,000); and

31 (E) Greater than one hundred thousand (100,000); and

32 (4) Each unique combination for pharmacy claims by plan type and
33 network that apply to:

34 (A) An employer-sponsored plan;

35 (B) A fully-insured plan;

36 (C) A self-funded plan;

1 (D) A plan or program that is funded by a state
2 appropriation to furnish, cover the cost of, or otherwise provide for
3 pharmacist services;

4 (E) A plan or program that is funded by the United States
5 Government or covers a federal employee, including without limitation Tricare
6 and Medicare Part D;

7 (F) A plan that is provided to municipal or county
8 employees;

9 (G) A plan that is provided to the Division of Arkansas
10 State Police;

11 (H) A plan that is provided to an employee of a public
12 two-year or four-year institution of higher education, including a community
13 college or technical collect;

14 (I) A plan provided under the Medicaid provider-led
15 organized care system;

16 (J) A plan provided by the Arkansas Health and Opportunity
17 for Me Program established by the Arkansas Health and Opportunity for Me Act
18 of 2021, § 23-61-1001 et seq.; or

19 (K) Any other plan types identified by the commissioner by
20 rule.

21 (c)(1) A pharmacy claims bank identification number may:

22 (A) Identify a specific pharmacy benefits manager, a
23 specific employer, or a sponsor of a plan;

24 (B) Be connected to a nationwide pharmacy benefits manager
25 database used to transmit and electronically process a pharmacy claim for a
26 pharmacist or a pharmacy for pharmacist services; and

27 (C)(i) Be used if the pharmacy benefits manager does not
28 use or issue a pharmacy benefit card with a magnetic stripe.

29 (ii) A pharmacy benefits manager that uses or issues
30 a pharmacy benefit card with a magnetic stripe may use the current
31 recommended International Organization for Standardization and the
32 International Electrotechnical Commission issuer identifier number for
33 electronically processing a pharmacy claim.

34 (2) The pharmacy claims bank identification number may be a
35 mandatory routing number to be used in electronic pharmacy claims submitted
36 through the National Council for Prescription Drug Programs billing

1 standards.

2 (d)(1) A pharmacy claims group number may be used to process a
3 pharmacy claim in addition to a pharmacy claims bank identification number.

4 (2) A pharmacy claims group number is not required for
5 submission of a clean pharmacy claim unless the pharmacy benefits manager
6 requires the pharmacy claims group number in order to identify a network or
7 group of covered patients that require this information for submission of a
8 clean pharmacy claim.

9 (e)(1) A pharmacy claims processor control number may be used by a
10 pharmacy benefits manager with an identifier that is unique to the pharmacy
11 benefits manager's business needs.

12 (2) A pharmacy claims processor control number is not required
13 for submission of a clean pharmacy claim unless the pharmacy benefits manager
14 requires the pharmacy claims processor control number in order to identify a
15 network or group of covered patients that require this information for
16 submission of a clean pharmacy claim.

17 (f)(1) Except as provided in subdivision (f)(2) of this section, the
18 information or data acquired during an examination under this section is:

19 (A) Considered nonproprietary and confidential under § 23-
20 61-107(a)(4) and § 23-61-207; and

21 (B) Not subject to the Freedom of Information Act of 1967,
22 § 25-19-101 et seq.

23 (2) Information and data reported under this section shall not
24 be subject to subdivision (f)(1) of this section if the information and data
25 is available or shared by the commissioner:

26 (A) In a password-protected online database; or

27 (B) On request of:

28 (i) An Arkansas-licensed pharmacist or Arkansas-
29 licensed pharmacy; or

30 (ii) The contracted pharmacy services administrative
31 organization of the Arkansas-licensed pharmacist or Arkansas-licensed
32 pharmacy.

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/s/L. Johnson

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