

Hall of the House of Representatives
94th General Assembly - Regular Session, 2023
Amendment Form

Subtitle of House Bill No. 1271

TO AMEND THE PRIOR AUTHORIZATION TRANSPARENCY ACT; AND TO EXEMPT CERTAIN
HEALTHCARE PROVIDERS THAT PROVIDE CERTAIN HEALTHCARE SERVICES FROM PRIOR
AUTHORIZATION REQUIREMENTS.

Amendment No. 1 to House Bill 1271

Amend House Bill No. 1271 as originally introduced:

Add Representatives Achor, F. Allen, Bentley, Breaux, K. Brown, M. Brown, Joey Carr, Cavanaugh, Duffield, Ennett, Eubanks, D. Ferguson, V. Flowers, D. Garner, Gramlich, Hawk, G. Hodges, Hollowell, Ladyman, Long, J. Mayberry, McAlindon, McGrew, B. McKenzie, S. Meeks, J. Moore, Painter, Pilkington, J. Richardson, R. Scott Richardson, Richmond, Rye, Underwood, Vaught, Wardlaw, D. Whitaker, Womack, Wooten as cosponsors of the bill

AND

Add Senator J. Boyd as a cosponsor of the bill

AND

Page 4, delete line 9, and substitute the following:

"beginning on and after January 1, 2024, a healthcare provider that received approval for ninety percent (90%) or more of the healthcare provider's prior authorization requests based on a review of the healthcare provider's utilization of the particular healthcare services from January 1, 2022, through June 30, 2022, shall not be"

AND

Page 5, delete line 33, and substitute the following:

"under subsection (d) of this section to qualify for the exemption.

(h) A healthcare insurer may extend an exemption under subsection (d) of this section to a group of healthcare providers under the same tax identification number if:

(1) A healthcare provider with an ownership stake in the tax identification number does not object; or



(2) The tax identification number is associated with a hospital licensed in this state and the chief executive officer of the hospital agrees to the exemption."

AND

Page 6, delete line 33, and substitute the following:
"period;"

AND

Page 8, delete line 12, and substitute the following:
"becomes effective; and

(3) The healthcare provider performs five (5) or fewer of a particular healthcare service in the most recent six-month evaluation period under § 23-99-1120(e)."

AND

Page 10, delete line 11, and substitute the following:
"subdivision (d)(1) of this section.

(e) The Insurance Commissioner may refuse, suspend, revoke, or not renew a license or certificate of authority of a healthcare insurer that has fifty percent (50%) of healthcare provider appeals overturned by an independent review organization under this section."

AND

Page 12, delete line 29, and substitute the following:
"value-based reimbursement arrangement.

23-99-1127. Applicability.

(a) An organization or entity directly or indirectly providing a plan or services to patients under the Medicaid Provider-Led Organized Care Act, § 20-77-2701 et seq., or any other Medicaid-managed care program operating in this state is exempt from §§ 23-99-1120 – 23-99-1126 if the program, without limiting the program's application to any other plan or program, develops a program to reduce and eliminate prior authorizations for a healthcare provider on or before January 1, 2025.

(b) The Arkansas Health and Opportunity for Me Program established by the Arkansas Health and Opportunity for Me Act of 2021, § 23-61-1001 et seq., or its successor program is exempt from §§ 23-99-1120 – 23-99-1126, provided that the program, without limiting the program's application to any other plan or program, develops a program to reduce and eliminate prior authorizations for a healthcare provider on or before January 1, 2025.

(c) Any state or local governmental employee plan is exempt from §§ 23-99-1120 – 23-99-1126.

(d) A health benefit plan provided by a trust established under §§ 14-54-101 and 25-20-104 to provide benefits, including accident and health benefits, death benefits, dental benefits, and disability income benefits, is exempt from §§ 23-99-1120 – 23-99-1126.

(e)(1) Prescription drugs, medicines, biological products, pharmaceuticals, or pharmaceutical services are exempt as a healthcare service for purposes of §§ 23-99-1120 – 23-99-1126 until December 31, 2024.

(2) As of January 1, 2025, prescription drugs, medicines, biological products, pharmaceuticals, or pharmaceutical services are exempt as a healthcare service for purposes of §§ 23-99-1120 – 23-99-1126 only if listed under § 23-99-1128.

23-99-1128. Prescription drugs, medicines, biological products, pharmaceuticals, or pharmaceutical services.

(a) The Arkansas State Board of Pharmacy may establish standards and procedures to approve lists of prescription drugs, medicines, biological products, pharmaceuticals, or pharmaceutical services that require a prior authorization, whether or not a healthcare insurer has approved or would have approved no less than ninety percent (90%) of the prior authorization requests submitted by a healthcare provider for each listed prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service.

(b) A healthcare insurer, pharmacy benefits manager, or other interested party shall submit a written request for consideration of a prior authorization for each prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service.

(c) A prior authorization for a prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service shall only be required by the board if the prescription drug, medicine, biological product, pharmaceutical, or pharmaceutical service:

- (1) Is intended only for a certain age group;
- (2) Can be easily abused or misused;
- (3) Has low-cost alternatives that are equally effective;
- (4) Is experimental in nature;
- (5) Is used for cosmetic purposes; or
- (6) Is necessary to protect the public's health.

(d) The board shall publish on the board's website a list of prescription drugs, medicines, biological products, pharmaceuticals, or pharmaceutical services that require a prior authorization under this section.

(e) The board may utilize an evidenced-based prescription drug program as a clinical consultant."

The Amendment was read _____

By: Representative L. Johnson
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Chief Clerk