



Michael Preston
SECRETARY OF COMMERCE

Alan McClain
COMMISSIONER,
ARKANSAS INSURANCE
DEPARTMENT

April 27, 2022

Ms. Rebecca Miller-Rice, Administrator
Administrative Rules Review Section
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, Arkansas 72201

VIA EMAIL TO: miller-ricer@blr.arkansas.gov

**RE: Arkansas Insurance Department
Act 595 Monthly Update on Rulemaking Progress**

Dear Ms. Miller-Rice,

Pursuant to Ark. Code Ann. § 25-15-216(b)(4), the Arkansas Insurance Department submits this written update on the progress of rules determined to be required under laws enacted in the 2021 legislative session. A summary of the Department's progress is in the attached chart.

Please let me know if you have any questions or I can offer additional assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Brader", is written over a white background.

Jim Brader
General Counsel
Arkansas Insurance Department
jim.brader@arkansas.gov
501-372-2825

ARKANSAS INSURANCE DEPARTMENT
Act 595 Monthly Status Report

I. The following Acts from the 2021 legislative session require rulemaking and were included in the *Report on the Acts of the 2021 Regular Session Requiring New Rulemaking*. The Arkansas Insurance Department (“AID”) will be taking the following rulemaking actions for these Acts:

| Act | Rule Name | Rule Number | Summary of Law & Status | Action |
|----------|-------------------|-------------|---|------------|
| Act 665 | Pharmacy Audits | 118 | <p>The purpose of this Rule is to comply with Act 655 of 2021 to issue a required rule to enforce the pharmacy bill of rights as well as to make required rule changes consistent with changes to definitions made this session in Act 655 of 2021, to apply our PBM rule to self-funded plans and also to establish a network adequacy standard consistent with federal law.</p> <p>Status: AID pulled this rule down from the Rules Subcommittee agenda in April and is adding additional amendments to include penalties and fines for violations of the PBM Licensure Act. Plans include seeking an emergency promulgation concurrently with a permanent rule.</p> | Amend Rule |
| Act 1103 | 340B Drug Pricing | 123 | <p>The purpose of this Rule is to assist AID and the Attorney General’s office in defending a federal lawsuit filed by the Pharmaceutical Manufacture’s Association alleging the law is federally preempted. The proposed rule makes it clear that its enforcement will be govern and affect contracts within Arkansas only, and clarifies some terms in the legislation by providing definitions.</p> <p>Status: The underlying legislation remains the subject of litigation; rulemaking continues.</p> | Act 1103 |