2025 Arkansas Insurance Legislation Summary: Health

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05/27/2025

This is the third article in a series of summaries of insurance legislation from the 95th Arkansas General Assembly.

The 95th Arkansas General Assembly convened on January 13, 2025, and entered into an extended recess on April 16, 2025. The resolution authorizing the extended recess provides for the legislature to reconvene for the following purposes:

- Considering vetoes;
- Correcting errors and oversights;
- Completing its work on proposed constitutional amendments; and
- Considering the need for further extension of the Regular Session of the Ninety-Fifth General Assembly.

Acts not carrying an emergency clause or a specified effective date generally take effect on the 91st day following the date of sine die adjournment. The date of sine die adjournment is May 5, 2025. The Arkansas Attorney General has opined that acts without an emergency clause or a specified effective date will become effective on Tuesday, August 5, 2025. Absent the calling of a special session, the General Assembly is not expected to return until April 2026 for a fiscal session.

Legislation of Interest to Health Insurers

A. Passed

1. HB1079 (Act 860) – Mandates coverage for genetic testing for an inherited gene mutations as well as evidenced-based cancer imaging for certain individuals covered under health benefit plans in Arkansas. Beginning January 1, 2026, health benefit plans must provide coverage for genetic testing for individuals with a history of cancer if the testing is recommended by a healthcare provider and provides "clinical utility".

2. HB1080 (Act 2) – Repeals the requirement for a fiscal impact statement for bills related to health benefit plans offered by entities of the state and the filing deadline for legislation affecting health benefit plans of state entities and the State and Public School Life and Health Insurance Program.

3. HB1142 (Act 859) – Creates the Reproductive Empowerment and Support Through Restoration Act ("RESTORE Act"). Among other requirements, the Act mandates coverage for restorative reproductive medicine.

4. HB1150 (Act 624) – Prohibits pharmacy benefits managers (PBMs) from obtaining certain pharmacy permits for the retail sale of drugs or medicine. Under the Act, PBMs are prohibited from holding direct or indirect interests in such pharmacy permits.

5. HB1252 (Act 1164) – Establishes the Certified Community-Based Doula Certification Act in order to certify birth and postpartum doulas in Arkansas. Also provides for the compensation of doulas by the Arkansas Medicaid Program and commercial health plans.

6. HB1254 (Act 433) – Authorizes a licensed psychological practitioner to practiced independently in Arkansas and removes the independent practice privileges from psychological examiners. Also provides for the compensation of licensed psychological practitioners by Medicare, the Arkansas Medicaid Program and commercial health plans.

7. HB1257 (Act 434) – Removes certain restrictions regarding technicians employed by psychologists and allows psychologists to employ psychology technicians. Also provides for the compensation of psychology technicians by the Arkansas Medicaid Program and commercial health plans.

8. HB1258 (Act 435) – Creates the Community Health Worker Act and establishes a statewide certification for community health workers and criteria for obtaining such certification. Also provides for the compensation of community health workers by the Arkansas Medicaid Program and commercial health plans

9. HB1275 (Act 389) – Prohibits prior authorizations for healthcare services provided for treatment of a mental health crisis.

11. HB1286 (Act 199) – Amends the Arkansas Triage, Treat, and Transport to Alternative Destination Act. Under the Act, insurers are required to provide coverage for ambulance services that treat an enrollee through telemedicine or triage and transport an enrollee to an alternate destination.

12. HB1287 (Act 136) – Amends the Healthcare Contracting Simplification Act. The act clarifies the definition of "downcode," which means "to change a claim to a lower-cost healthcare service than what was contained in the original claim that a healthcare provider submitted or billed to a contracting entity." The Act also requires contracting entities that downcode a claim submitted by a healthcare provider to give the provider notice of the downcoding within thirty days of processing the claim.

13. HB1288 (Act 423) – Amends the Arkansas Health Care Consumer Act and requires a healthcare insurer to make certain retroactive payments to a provider upon credentialing of a provider.

14. HB1296 (Act 556) – Mandates coverage for healthcare services provided in mobile units.

15. HB1298 (Act 307) – Modifies payment of benefits for certain healthcare providers under a health benefit plan. The Act requires healthcare insurers to pay a claim for any indemnity provided by a health benefit plan on account of hospital, nursing, medical, or surgical services directly to the healthcare provider that provided the service for an out-of-network claim.

16. HB1300 (Act 510) – Amends the Prior Authorization Transparency Act. The Act modifies the definition of "Prior Authorization" under the Prior Authorization Transparency Act and clarifies disclosure requirements. The Act also requires additional disclosures by a utilization review entity under the Prior Authorization Transparency Act.

17. HB1301 (Act 511) – Amends the Arkansas Gold Carding law.

18. HB1309 (Act 268) – Prohibits cost-sharing requirements for diagnostic examinations for breast cancer.

19. HB1314 (Act 512) – Creates the Arkansas Medical Audit Bill of Rights Act and amends the law concerning certain audits of healthcare providers.

20. HB1316 (Act 390) – Mandates coverage for lung cancer screenings.

21. HB1320 (Act 626) - Restricts insurers from imposing limits on the usage criteria for crisis stabilization units. It also broadens the definition of "healthcare provider" to include these units and regulates how insurers manage services provided by them.

22. HB1321 (Act 513) – Adopts additional regulations regarding step therapy and fail first protocols concerning certain prescribed ventilators.

23. HB1333 (Act 627) – Mandates coverage for breastfeeding and lactation consultant services.

24. HB1353 (Act 142) – Adopts additional regulations regarding vision benefit managers and amends the Vision Care Plan Act of 2015 and the Healthcare Contracting Simplification Act. Most notably, the Act prohibits insurance contracts from reducing benefits due to other insurance and establishes minimum reimbursement levels.

25. HB1424 (Act 628) – Mandates coverage for treatments for severe obesity.

26. HB1426 (Act 569) – Amends the Healthcare Contracting Simplification Act. The Act updates the definition of “healthcare insurer” and prohibits contracting entities from enforcing “all-products clauses” in healthcare contracts.

27. HB1531 (Act 630) – Prohibits pharmaceutical manufacturers from restricting or limiting prescription medications to a limited distribution network of out-of-state pharmacies.

28. HB1583 (Act 348) – Mandates coverage for acquired brain injury.

29. HB1587 (Act 310) – Updates Arkansas’s “any willing provider” laws and amends the Patient Protection Act of 1995 by adding “pharmacies” to list of healthcare providers that already includes “pharmacists”.

30. HB1602 (Act 633) – Amends the Arkansas Pharmacy Benefits Manger Licensure Act, establishes fees under that Act, and requires a pharmacy benefits manager to report certain information related to ID numbers, covered lives and health benefit plans to the Insurance Commissioner.

31. HB1620 (Act 350) – Amends the law concerning pharmacy benefits managers and adopts regulations regarding the processing and payment of pharmacy claims. Under the Act, electronic claims must be paid within seven to fourteen days and paper claims must be paid within 30 days of receipts. The Act also establishes a penalty for late payments.

32. HB1622 (Act 635) – Amends the Medicaid Fairness Act. The Act modifies the definition of “adverse decision” under the Medicaid Fairness Act and provides for administrative reconsideration under the Medicaid Fairness Act.

33. HB1700 (Act 638) – Amends the Prior Authorization Transparency Act and clarifies the removes requirement that physician name be included in an adverse determination notice.

34. HB1703 (Act 570) – Provides a drug reimbursement process for certain healthcare providers. The Act requires contracting entities to provide a reasonable administrative appeal process for providers to challenge below acquisition cost reimbursement rates and requires a reimbursement rate of at least 110% of provider acquisition costs if an appeal is upheld.

35. HB1771 (Act 651) – Amends the law concerning disclosures to policyholders. The Act makes policyholders with 50 or more insured employees eligible to request detailed reporting. The Act also requires insurers to provide monthly reports. These reports must be delivered to policyholders within thirty days of the date of the policyholder’s request.

36. HB1788 (Act 571) – Amends the Arkansas Health Care Consumer Act and reduces the time allowed for a healthcare insurer to credential a non-physician provider from 180 days to 90 days from the date of the submission of the application.

37. HB1850 (Act 867) – Amends the law concerning ground ambulance services and clarify the minimum allowable reimbursement for ground ambulance services. Under the Act, the minimum allowable rate of

reimbursement under a health benefit plan issued by a healthcare insurer shall be the lesser of (1) 325% of the Medicare Ambulance Fee Schedule, Arkansas Rural Rate, as established by the Centers for Medicare & Medicaid Services at the time of the date of the service for the same service, or (2) the provider's billed charges.

38. HB1859 (Act 561) – Amends the law concerning mastectomies. The Act mandates comprehensive coverage for surgeries, hospital stays, and necessary medical supplies without discrimination against enrollees.

39. HB1863 (Act 836) – Amends the Transportation Benefit Manager Act. The Act repeals the requirement that a healthcare insurer or transportation benefit manager pay 250% of the Medicare Ambulance Fee Schedule and clarifies that the Arkansas Ambulance Association will collect the rates that are approved or contracted for between an ambulance provider and a local government entity as provided under A.C.A. § 14-266-105.

40. HB1942 (Act 1023) – Requires certain reimbursement rates for home and community-based services within risk-based provider organizations. Under the Act, certain rates must be mutually agreed upon between the providers and the risk-based provider organization, but the rate must comply with minimum standards. The Act mandates that a rate study must be completed by October 2025 and establishes other guidelines regarding the accessibility and quality of services for Medicaid beneficiaries.

41. HB1943 (Act 962) – Amends the Medicaid Provider-Led Organized Care Act to improve the enrollment and selection process in risk-based provider organizations.

42. SB83 (Act 424) – Mandates coverage for breast reconstruction surgeries, requires prior authorization for breast reconstruction surgeries, and establishes a minimum reimbursement rate for breast reconstruction surgeries.

43. SB103 (Act 425) – Creates the Pharmacy Nondiscrimination Act. The Act requires pharmacy benefits managers to accept any pharmacy or pharmacist willing to accept relevant and reasonable terms of participation.

44. SB104 (Act 514) – Amends the Arkansas Pharmacy Benefits Manager Licensure Act. Among other changes, the Act prohibits the creation of certain networks if those networks restrict patient access to necessary medications.

45. SB123 (Act 553) – Amends the law concerning coverage for mammograms and breast ultrasounds. The Act adds a new definition for "supplemental breast examination." The Act also modifies cost-sharing requirements for breast examinations and mandates that insurers that the cost-sharing for supplemental breast examinations is as favorable than the screening examination for breast cancer.

46. SB136 (Act 201) – Creates the Right to Try Individualized Investigational Treatment Act in an effort to ensure that patients have access to individualized investigational treatment. Authorizes but does not require insurers to provide coverage for an individualized investigational treatment.

47. SB137 (Act 141) – Permits healthcare providers to maintain medical records in an electronic format.

48. SB213 – Creates the Healthy Moms, Healthy Babies Act and amends Arkansas law to improve maternal health. The act establishes several new initiatives regarding Medicaid reimbursement for depression screenings for pregnant women, coverage for prenatal, delivery, and postpartum services, presumptive eligibility determinations, and reimbursement for self-measurement blood pressure monitoring services, remote ultrasound procedures, and certain services provided by community health workers and doulas.

49. SB264 (Act 483) – Establishes the Arkansas Primary Care Payment Improvement Working Group.

50. SB311 (Act 772) – Creates the End Organ and Genomic Harvesting Act to prohibit coverage of certain human organ transplant or post-transplant care as well as prohibit certain genetic sequencers and genetic analysis technologies.

51. SB347 (Act 1025) – Requires the Arkansas Medicaid Program to increase reimbursement rates for certain dental services and to set an annual reimbursement cap for adult dental services.

52. SB348 (Act 567) – Amends the annual cap for diagnostic laboratory services within the Arkansas Medicaid Program.

53. SB475 (Act 773) – Establishes the Pharmacy Services Administrative Organization Act in order to regulate pharmacy services administrative organizations.

54. SB483 (Act 957) – Repeals and revises certain reporting requirement for the State Insurance Department and State Securities Department.

55. SB527 (Act 774) – Amends the Arkansas Health and Opportunity for Me Act of 2021 and increases the medical-loss ration in the Arkansas Health and Opportunity for Me Program from 80% to 85% for an individual qualified health insurance plan.

56. SB544 (Act 775) – Amends the Arkansas Pharmacy Benefits Manager Licensure Act regarding certain contracts, including "opt-out contracts" and "pharmacy benefits manager national contract to pharmacies."

57. SB583 (Act 990) – Amends the law concerning maximum allowable cost lists relating to pharmacy services. The Act grants pharmacies, pharmacists, or business providing pharmacy services a private right of action for violations of A.C.A. § 17-92-507.

B. Failed/Defeated/No Action in Committee

1. HB1164 – Would have allowed physicians or healthcare providers to offer cognitive assessments for certain patients and mandated that insurance policies cover those assessments.

2. HB1269 – Would have created the Arkansas Momnibus Act aimed at improving maternal health in Arkansas.

3. HB1270 – Would have established a prescribed pediatric extended care pilot program through a section 1115 Medicaid Demonstration Waiver.

4. HB1290 – Would have mandated coverage for mental health wellness examinations and established the Arkansas Support of Mental Health Wellness Examinations Act.

5. HB1294 – Would have allowed an ambulance service to order certain types of healthcare services without a referral from a physician and mandated insurance coverage for an ambulance service to order certain types of healthcare services.

6. HB1295 – Would have created the Healthcare Cost-sharing Collections Transparency Act. As initially introduced, it would have required healthcare insurers to have sole responsibility for collecting cost sharing from a covered person. As amended, it would have imposed additional financial and market behavior reporting obligations on healthcare insurers and would included additional considerations for premium filings including risk-based capital levels.

7. HB1297 – Would have established new regulations for healthcare insurers concerning artificial intelligence, algorithms, and other automated technologies.

8. HB1299 – Would have prohibited healthcare insurers form exercising recoupment for payment of healthcare services more than one year after the payment was made.

9. HB1332 – Would have required the Arkansas Medicaid Program to evaluate claims for diagnoses frequency of obesity-related conditions and present the costs.

10. HB1354 – Would have adopted additional regulations related to pharmacy benefits manages and would have amended the law concerning the state and public school life and health insurance program and the law concerning certain health benefit plans.

11. HB1401 – Would have required assisted living facility services to be included within the Medicaid Provider-Led Organized Care Act.

12. HB1588 – Would have required approval of the General Assembly before the Department of Human Services seeks or implements an expansion of coverage for the Arkansas Medicaid Program.

13. HB1816 – Would have prohibited healthcare providers and insurers from using artificial intelligence in the delivery of healthcare services or the generation of medical records unless certain requirements are met.

14. HB1858 – Would have required a pediatrician to screen for Type 1 Diabetes at the yearly well-child visit. HB1858 would have also required the Arkansas Medicaid Program and health benefits plans to cover Type 1 Diabetes screenings.

15. SB62 – Would have terminated the Arkansas Health and Opportunity for Me Program and transferred all beneficiaries to the traditional Arkansas Medicaid Program.

16. SB140 – Would have mandated the use of biosimilar medicines under health benefit plans and to require a healthcare provider to prescribe biosimilar medicines.

17. SB141 – Would have eliminated funding to the Arkansas Center for Health Improvement.

18. SB507 – Would have required the Arkansas Medicaid Program to cover applied behavior analysis services for certain beneficiaries.

19. SB542 – Would have amended the Medicaid Provider-Led Organized Care Act to improve the enrollment and selection process in risk-based provider organizations.

20. SB593 – Would have amended the Arkansas Pharmacy Benefits Manage Licensure Act and created the Pharmacy Services Administrative Organization Act.

21. SB621 – Would have clarified certain enforcement provision against a healthcare insurer.

22. SB626 – Would have required fair and transparent reimbursement rates under the Best Interest of Patients Act.

View the first article of the series of summaries of Insurance legislation from the 95th Arkansas General Assembly: 2025 Arkansas Insurance Legislation Summary: General

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