

Stricken language would be deleted from and underlined language would be added to present law.  
Act 136 of the Regular Session

State of Arkansas  
95th General Assembly  
Regular Session, 2025

As Engrossed: H2/10/25

## A Bill

HOUSE BILL 1287

By: Representative L. Johnson

By: Senator Irvin

### For An Act To Be Entitled

AN ACT TO AMEND THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO DEFINE "DOWNCODE" UNDER THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO REQUIRE NOTIFICATION BY CONTRACTING ENTITIES OF DOWNCODING CERTAIN HEALTHCARE SERVICES; AND FOR OTHER PURPOSES.

### Subtitle

TO AMEND THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; TO DEFINE "DOWNCODE" UNDER THE HEALTHCARE CONTRACTING SIMPLIFICATION ACT; AND TO REQUIRE NOTIFICATION BY CONTRACTING ENTITIES OF DOWNCODING.

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

SECTION 1. Arkansas Code § 23-99-1202, concerning definitions used under the Healthcare Contracting Simplification Act, is amended to add an additional subdivision to read as follows:

(14) "Downcode" 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.

SECTION 2. Arkansas Code Title 23, Chapter 99, Subchapter 12, is amended to add an additional section to read as follows:

23-99-1211. Notice required for downcode of claim.

A contracting entity that downcodes a claim submitted by a healthcare



provider shall provide notice to the healthcare provider of the downcoding within thirty (30) days of processing the claim.

*/s/L. Johnson*

**APPROVED: 2/25/25**