

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

A Bill

HOUSE BILL 1602

By: Representative L. Johnson

By: Senator K. Hammer

For An Act To Be Entitled

AN ACT TO AMEND THE ARKANSAS PHARMACY BENEFITS
MANAGER LICENSURE ACT; TO ESTABLISH FEES UNDER THE
ARKANSAS PHARMACY BENEFITS MANAGER LICENSURE ACT; TO
REQUIRE REPORTING OF CERTAIN INFORMATION BY A
PHARMACY BENEFITS MANAGER UNDER THE ARKANSAS PHARMACY
BENEFITS MANAGER LICENSURE ACT; AND FOR OTHER
PURPOSES.

Subtitle

TO AMEND THE ARKANSAS PHARMACY BENEFITS
MANAGER LICENSURE ACT; TO ESTABLISH FEES
UNDER THE ARKANSAS PHARMACY BENEFITS
MANAGER LICENSURE ACT; AND TO REQUIRE
REPORTING OF CERTAIN INFORMATION BY A
PHARMACY BENEFITS MANAGER.

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

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

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

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



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

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

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

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

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

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

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

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

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

SECTION 2. Arkansas Code § 23-92-504 is amended to read as follows:
23-92-504. License to do business – Application – Fees – Rules.

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

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

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

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

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

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

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

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

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

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

- (A) Licensing;
- (B) ~~Application fees;~~
- ~~(C)~~ Financial solvency requirements;
- ~~(D)~~(C) Pharmacy benefits manager network adequacy;
- ~~(E)~~(D) Prohibited market conduct practices;

~~(F)~~(E) Data reporting requirements under § 4-88-803;
~~(G)~~(F) Compliance and enforcement requirements under § 17-92-507 concerning Maximum Allowable Cost Lists;
~~(H)~~(G) Rebates;
~~(I)~~(H) Compensation; and
~~(J)~~(I) Lists of health benefit plans administered by a pharmacy benefits manager in this state.

SECTION 4. Arkansas Code Title 23, Chapter 92, Subchapter 5, is amended to add an additional section to read as follows:

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

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

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

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

(2) Each unique combination for pharmacy claims;

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

(A) Less than five hundred (500);

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

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

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

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

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

(A) An employer-sponsored plan;

(B) A fully-insured plan;

(C) A self-funded plan;

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

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

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

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

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

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

(J) A plan provided by 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

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

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

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

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

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

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

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

standards.

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

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

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

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

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

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

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

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

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

(B) On request of:

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

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

/s/L. Johnson

APPROVED: 4/16/25