

Stricken language would be deleted from and underlined language would be added to present law.
Act 638 of the Regular Session

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: S4/2/25

A Bill

HOUSE BILL 1700

By: Representative Achor

By: Senator J. Boyd

For An Act To Be Entitled

*AN ACT TO AMEND THE PRIOR AUTHORIZATION TRANSPARENCY
ACT; TO CLARIFY THE PROCESS OF AN ADVERSE
DETERMINATION NOTICE UNDER THE PRIOR AUTHORIZATION
TRANSPARENCY ACT; AND FOR OTHER PURPOSES.*

Subtitle

*TO AMEND THE PRIOR AUTHORIZATION
TRANSPARENCY ACT; AND TO CLARIFY THE
PROCESS OF AN ADVERSE DETERMINATION
NOTICE UNDER THE PRIOR AUTHORIZATION
TRANSPARENCY ACT.*

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

SECTION 1. Arkansas Code § 23-99-1111(c)(3)(A), concerning the information required from a utilization review entity in an adverse determination notice under the Prior Authorization Transparency Act, is amended to read as follows:

(3)(A)(i) Subject to this subdivision (c)(3), when an adverse determination is issued by a utilization review entity that questions the medical necessity, the appropriateness, or the experimental or investigational nature of a healthcare service, the utilization review entity shall provide in the notice of adverse determination the ~~name and~~ telephone number of a physician who possesses a current and unrestricted license in this state with whom the requesting healthcare provider may have a reasonable opportunity to discuss the patient's treatment plan and the clinical basis for the intervention.



(ii) A physician contacted by a requesting healthcare provider under subdivision (c)(3)(A)(i) of this section shall disclose his or her name and license information to the requesting healthcare provider.

(iii) If a healthcare provider submits an audio recording demonstrating a violation of subdivision (c)(3)(A) of this section to the State Insurance Department:

(a) The requested prior authorization is deemed approved; and

(b) The department shall direct the utilization review entity to immediately issue the requested prior authorization to the healthcare provider.

SECTION 2. Arkansas Code § 23-99-1115(b), concerning the information required in the written and verbal notice of an adverse determination under the Prior Authorization Transparency Act, is amended to read as follows:

(b) The written or verbal notice ~~required~~ required to a healthcare provider under this section shall include:

(1) The following information:

(A) The ~~name, title, and~~ telephone number of the physician responsible for making the adverse determination and, in the event that the physician responsible for making the adverse determination is not available, a telephone number where a peer-to-peer contact with another physician regarding the adverse determination can be made;

(B) The reviewing physician's specialty or practice area, including board certification status or board eligibility; ~~and~~

(C) A list of states in which the reviewing physician is licensed ~~and the license number issued to the reviewing physician by each state;~~

(D) For a verbal notice, the name and license number of the reviewing physician; and

(E) For a written notice, a telephone number that the requesting healthcare provider may call to obtain the name and license number of the reviewing physician;

(2) The written clinical criteria, if any, and any internal

rule, guideline, or protocol on which the utilization review entity relied when making the adverse determination and how those provisions apply to the subscriber's specific medical circumstance;

(3) ~~Information for the subscriber and the subscriber's healthcare provider~~ that describes the procedure through which the ~~subscriber or~~ healthcare provider may request a copy of any report developed by personnel performing the review that led to the adverse determination; and

(4)(A) Information that explains ~~to the subscriber and the subscriber's healthcare provider~~ the right to appeal the adverse determination.

(B) The information required under subdivision (b)(4)(A) of this section shall include:

(i) Instructions concerning how to perfect an appeal and how the ~~subscriber and the subscriber's~~ healthcare provider may ensure that written materials supporting the appeal will be considered in the appeal process; and

(ii)(a) Addresses and telephone numbers to be used by healthcare providers ~~and subscribers~~ to make complaints to ~~the Arkansas State Medical Board, the State Board of Health, and~~ the State Insurance Department.

(b) Subdivision (b)(4)(B)(ii)(a) of this section does not apply to self-insured plans for employees of governmental entities.

SECTION 3. Arkansas Code § 23-99-1115, concerning the notice requirements and process for appealing adverse determinations under the Prior Authorization Transparency Act, is amended to add additional subsections to read as follows:

(e)(1) Upon an adverse determination by a utilization review entity, the utilization review entity shall provide a written notice to the subscriber, which shall include without limitation:

(A)(i) An explanation in clear and ordinary terms of the basis for the adverse determination.

(ii) An explanation under subdivision (e)(1)(A)(i) of this section shall include without limitation:

(a) A listing of clinical criteria, if

applicable, and any internal rule, guideline, or protocol upon which a utilization review entity relied when making an adverse determination; and

(b) The reason why the provisions listed in subdivision (e)(1)(A)(ii)(a) of this section apply to the subscriber's specific medical circumstance;

(B) A description of the procedure through which the subscriber may request a copy of a report developed by personnel performing the utilization review that led to the adverse determination;

(C) Information that explains to the subscriber the right to appeal the adverse determination, including instructions concerning how to perfect an appeal and how the subscriber may ensure that written materials supporting the appeal will be considered in the appeals process; and

(D) An address and telephone number to be used by a subscriber to make a complaint to the Arkansas State Medical Board, the State Board of Health, and the State Insurance Department.

(2) A utilization review entity shall treat a subscriber's request for any information related to a prior authorization, including a general inquiry, as a request under subdivision (e)(1) of this section.

/s/Achor

APPROVED: 4/16/25