

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
94th General Assembly  
Regular Session, 2023

As Engrossed: H2/1/23 H3/15/23

# A Bill

HOUSE BILL 1311

By: Representative L. Johnson

## For An Act To Be Entitled

AN ACT TO AMEND THE PROHIBITION OF NONPROFIT, TAX EXEMPT, OR GOVERNMENTALLY-FUNDED HOSPITALS FROM HOLDING A LICENSED PHARMACY PERMIT FOR THE SALE OF DRUGS AT RETAIL; AND FOR OTHER PURPOSES.

### Subtitle

TO AMEND THE PROHIBITION OF NONPROFIT, TAX EXEMPT, OR GOVERNMENTALLY-FUNDED HOSPITALS FROM HOLDING A LICENSED PHARMACY PERMIT FOR THE SALE OF DRUGS AT RETAIL.

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

*SECTION 1. Arkansas Code § 17-92-101, concerning definitions regarding pharmacists and pharmacies, is amended to add an additional subdivision to read as follows:*

*(26) "Hospital campus" means the main buildings of the hospital, including areas and structures that are not strictly contiguous to the main building, but excluding parking lots and other parcels dedicated to the public's use.*

*SECTION 2. Arkansas Code § 17-92-605, concerning hospital pharmacy licenses and services permitted with a hospital pharmacy license, is amended to add an additional subsection to read as follows:*

*(e) Any hospital serving as a covered entity under Section 340B(a)(4) of the Public Health Service Act may offer a written contract to at least one*



(1) pharmacy licensed in the State of Arkansas to dispense 340B drugs to patients through contract pharmacy services if:

(1) The covered entity conducts a business review and patient assessment that determines the need for contract pharmacy services;

(2) The contract pharmacy that is offered a contract under this subsection has the appropriate distribution mechanism to dispense drugs through the 340B program on behalf of the covered entity; and

(3) Auditable records are maintained to demonstrate compliance with 340B program requirements for as long as required by federal and state law by the covered entity and any contract pharmacy that accepts the contract terms.

SECTION 3. Arkansas Code § 17-92-607 is amended to read as follows:

~~17-92-607. Unlawful for hospital to hold licensed pharmacy permit—~~  
~~Exceptions~~ Nonprofit hospital holding retail pharmacy license.

~~(a)(1) It shall be unlawful for any nonprofit, tax exempt, or governmentally funded hospital to acquire direct or indirect interest in or otherwise hold directly or indirectly a licensed pharmacy permit pursuant to the provisions of § 17-92-405, for the sale at retail of drugs and medicines~~  
A nonprofit, tax exempt, or governmentally funded hospital may hold a pharmacy permit under § 17-92-405 for the sale at retail of drugs and medicines if the hospital-operated retail pharmacy is licensed at:

(A) One (1) location on a hospital campus of a nonprofit, tax exempt, or governmentally funded hospital with fewer than one thousand (1,000) employees; or

(B) Up to three (3) locations on a hospital campus of a nonprofit, tax exempt, or governmentally funded hospital with one thousand (1,000) or more employees.

(2) A nonprofit, tax exempt, or governmentally funded hospital with multiple hospital campuses may apply for pharmacy permits under § 17-92-405 for each hospital campus.

~~(b)(1) However, nothing contained in this section shall be construed to~~ This section does not prohibit any hospital having a direct or indirect interest in or otherwise holding either directly or indirectly a permit before March 28, 1975, from continuing to have an interest in or holding the permit.

(2) This section does not ~~Nothing contained in this section shall be construed to prohibit any hospital so holding a permit before March 28, 1975, from receiving a renewal of the permit.~~

/s/Ray