

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

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: S1/30/25

A Bill

SENATE BILL 58

By: Senators J. Dismang, Irvin

By: Representatives Eubanks, Wardlaw

For An Act To Be Entitled

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

Subtitle

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

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:

(27) "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 § 17-92-403, concerning pharmacy permits and exceptions, is amended to add an additional subsection to read as follows:

(i) The board shall provide for the issuance of retail pharmacy permits to nonprofit, tax exempt, or governmentally funded hospitals that are licensed by the Department of Health as a hospital under § 20-9-213 and that shall employ a licensed pharmacist-in-charge as provided by board rule.



SECTION 3. Arkansas Code § 17-92-405, concerning retail pharmacy permits and applications for retail pharmacy permits, is amended to add an additional subsection to read as follows:

(d)(1) A nonprofit, tax exempt, or governmentally funded hospital shall be provided a retail pharmacy permit within two hundred fifty yards (250 yds.) of the hospital campus for:

(A) One (1) retail pharmacy permit per each hospital pharmaceuticals services issued by the Arkansas State Board of Pharmacy; and

(B) One (1) retail pharmacy permit per one hundred (100) beds as authorized under the hospital's license issued by the Department of Health.

(2) Subdivision (d)(1) of this section does not prohibit or limit a nonprofit, tax exempt, or governmentally funded hospital from owning or operating any number of or from receiving a retail pharmacy permit for or in conjunction with:

(A) Outpatient infusion facilities, including freestanding infusion centers, ambulatory infusion centers, ambulatory infusions suites, physician-based clinics, or home infusion therapy; or

(B) Freestanding retail pharmacies to serve as retail community pharmacies to ensure network adequacy under § 23-92-509(b)(2)(B).

SECTION 4. Arkansas Code Title 17, Chapter 92, Subchapter 4, is amended to add additional sections to read as follows:

17-92-414. Patient freedom of choice.

A nonprofit, tax exempt, or governmentally funded hospital that holds a retail pharmacy permit and participates in the 340B Drug Pricing Program shall ensure that a patient who is eligible under the 340B Drug Pricing Program who is seeking to obtain pharmaceutical supplies and services upon discharge from a hospital emergency department, inpatient hospital, or hospital outpatient clinic is informed that the patient has the freedom of choice to obtain pharmaceutical supplies and services from the pharmacy of his or her choice.

17-92-415 Pharmacy permit reporting.

The Arkansas State Board of Pharmacy shall report monthly to the

Legislative Council:

(1) The number of pharmacy permit applications under § 17-92-405 received for each of the following types of permits:

- (A) A pharmacy permit;
- (B) A specialty permit;
- (C) A hospital pharmaceutical services permit;
- (D) An ambulatory care center pharmacy permit; and
- (E) A retail pharmacy permit;

(2) The number of pharmacy permit applications under § 17-92-405 approved by the board for each of the following types of permits:

- (A) A pharmacy permit;
- (B) A specialty permit;
- (C) A hospital pharmaceutical services permit;
- (D) An ambulatory care center pharmacy permit; and
- (E) A retail pharmacy permit;

(3) The total number of retail pharmacies licensed by the board;

and

(4) The total number of retail pharmacy closings in the state.

SECTION 5. Arkansas Code § 17-92-607 is repealed.

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

~~(a) 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.~~

~~(b)(1) However, 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 prohibit any hospital so holding a permit before March 28, 1975, from receiving a renewal of the permit.~~

~~(3) This section does not prohibit dispensing drugs or medications through a hospital pharmacy continuity of care endorsement or to hospital employees and students.~~

/s/J. Dismang