

State of Arkansas As Engrossed: H2/11/25 H3/18/25 H4/1/25

95th General Assembly

A Bill

Regular Session, 2025

HOUSE BILL 1150

By: Representatives J. Moore, Ennett, Wooten, Achor, Lundstrum, Gramlich, R. Scott Richardson, Joey Carr, Vaught, Rose, Hawk, Ladyman, Bentley, J. Mayberry, Duffield

By: Senators K. Hammer, J. Petty, Caldwell, G. Leding, C. Tucker, M. Johnson, J. Scott, D. Sullivan

For An Act To Be Entitled

AN ACT TO PROHIBIT A PHARMACY BENEFITS MANAGER FROM
OBTAINING CERTAIN PHARMACY PERMITS; AND FOR OTHER
PURPOSES.

Subtitle

TO PROHIBIT A PHARMACY BENEFITS MANAGER
FROM OBTAINING CERTAIN PHARMACY PERMITS.

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

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds that:

(1) It is beneficial to the State of Arkansas to support patient access to prescription drugs and pharmacy services at fair prices in a market that supports optimal patient care;

(2) The Federal Trade Commission and the United States House Committee on Oversight and Government Reform have found evidence of anticompetitive business tactics that have driven locally-operated pharmacies out of business, limiting patient choices and inflating drug prices at pharmacies owned by pharmacy benefits managers; and

(3) The State of Arkansas wishes to minimize conflicts of interest by stopping the pharmacy benefits managers acting as a "fox guarding the henhouse" by being both a price setter and price taker.

(b) It is the intent of the General Assembly that the State of Arkansas shall improve healthcare delivery in the pharmacy market for patients by eliminating certain anticompetitive business tactics as a basic



1 tenet of this act.

2
3 SECTION 2. Arkansas Code Title 17, Chapter 92, Subchapter 4, is
4 amended to add additional sections to read as follows:

5 17-92-416. Prohibition on certain pharmacy permits for retail sale of
6 drugs or medicines – Definitions.

7 (a) As used in this section:

8 (1)(A) "Permit" means a permit issued under § 17-92-405.

9 (B) "Permit" includes a pharmacy permit for a mail-order pharmacy; and

10 (2)(A) "Pharmacy benefits manager" means the same as defined in
11 § 23-92-503.

12 (B) "Pharmacy benefits manager" includes an entity that:

13 (i) Is managed by a pharmacy benefits manager or is
14 a subsidiary of a pharmacy benefits manager; or

15 (ii) Has a direct or indirect ownership interest in
16 a pharmacy benefits manager.

17 (b) A pharmacy benefits manager shall not acquire direct or indirect
18 interest in, or otherwise hold, directly or indirectly, a permit under § 17-
19 92-405 for the retail sale of drugs or medicines in this state.

20 (c) On and after the effective date of this act, the Arkansas State
21 Board of Pharmacy shall either revoke or not renew a permit of an entity that
22 violates this section.

23 (d)(1) The board may issue a limited use permit for certain rare,
24 orphan, or limited distribution drugs that are otherwise unavailable in the
25 market to a patient or a pharmacy that would otherwise be prohibited under
26 this section.

27 (2)(A)(i) The board may assess the need for rare, orphan, or
28 limited distribution drugs for a limited use permit for certain rare, orphan,
29 or limited distribution drugs under subdivision (d)(1) of this section before
30 revocation or renewal of an existing retail permit for a pharmacy.

31 (ii) If the assessment made by the board in
32 subdivision (d)(2)(A)(i) of this section determines that a rare, orphan, or
33 limited distribution drug is otherwise unavailable in the market to a patient
34 or pharmacy that would otherwise be prohibited in this section, the board
35 shall convert the retail permit for the prohibited pharmacy to a limited use
36 permit for that pharmacy for a period of no less than ninety (90) days.

1 (B) This subsection shall expire on September 1, 2027.

2 (3)(A) Before the effective date of this section, the board
3 shall adopt a written policy to implement subdivision (d)(1) of this section.

4 (B) The written policy under subdivision (d)(3)(A) of this
5 section shall establish:

6 (i) The process in which a patient, pharmacy, or
7 healthcare provider may notify the board of a rare, orphan, or limited
8 distribution drug unavailable in the market;

9 (ii) The process in which a pharmacy may request a
10 limited use permit under subdivision (d)(1) of this section;

11 (iii) The timeline in which the board must make a
12 decision; and

13 (iv) The process for emergency determinations due to
14 patient need.

15 (e) The board may extend the use of a retail permit or issue a renewal of a
16 retail permit for a pharmacy that offers same-day patient access for
17 pharmacist services, a prescription for a controlled substance, mental health
18 services, or other critical patient healthcare services for a period of time
19 as determined by the board if there is a pending sale of the pharmacy to an
20 eligible buyer.

21 (f) This section does not apply to a pharmacy employer and a pharmacy
22 that:

23 (1) Has direct or indirect interest in a pharmacy benefits
24 manager;

25 (2) The pharmacy employer is the sole Arkansas client of the
26 pharmacy benefits manager that the pharmacy employer has a direct or indirect
27 interest in; and

28 (3) Exclusively services the employees and dependents of the
29 pharmacy employer while utilizing the affiliated pharmacy benefits manager in
30 this state.

31
32 17-92-417. Notice required.

33 (a)(1) The Arkansas State Board of Pharmacy shall conduct an initial
34 assessment of each active retail pharmacy permit that was issued under § 17-
35 92-405 as of July 1, 2025, and shall send written notice to each pharmacy
36 permit holder that the board reasonably believes will violate § 17-92-416 at

1 least ninety (90) days before January 1, 2026.

2 (2) As used in subdivision (a)(1) of this section, "written
3 notice" means actual notice to the pharmacy permit holder via mail or email.

4 (b) The written notice required under subdivision (a)(1) of this
5 section shall include:

6 (1) A list of each pharmacy benefits manager that holds a direct
7 or indirect interest in, or otherwise holds, directly or indirectly, a permit
8 under § 17-92-405 for the retail sale of drugs or medicines in this state
9 held by the pharmacy permit holder;

10 (2) A phone number and email address that is monitored by the
11 board during regular business hours; and

12 (3)(A) A list of Arkansas pharmacies that hold an active retail
13 pharmacy permit that are not reasonably expected to violate § 17-92-416 as of
14 January 1, 2026.

15 (B) The list in subdivision (b)(3)(A) of this section
16 shall include:

17 (i) The name of the pharmacy;

18 (ii) The phone number of the pharmacy;

19 (iii) The physical address of the pharmacy;

20 (iv) The website of the pharmacy, if known; and

21 (v) An email address for the pharmacy, if known.

22 (C) If the board has a searchable website that includes
23 the information required in subdivision (b)(3)(B) of this section, the board
24 may provide the website information in lieu of the list.

25 (c)(1)(A) A pharmacy permit holder with written notice from the board
26 in subdivision (a)(1) of this section shall provide written notice at least
27 sixty (60) days before January 1, 2026, to each patient and each patient's
28 prescribing healthcare provider that has used the pharmacy within the
29 previous twelve (12) months that the pharmacy can no longer dispense retail
30 drugs to the patient on or after January 1, 2026.

31 (B) As used in subdivision (c)(1)(A) of this section,
32 "written notice" means actual notice to the patient via mail, email, or
33 through the pharmacy's patient portal.

34 (2) Written notice required in subdivision (c)(1)(A) of this
35 section shall include the information under subdivisions (b)(2) and (b)(3) of
36 this section provided by the board to the pharmacy permit holder.

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2 *SECTION 3. DO NOT CODIFY. Effective date.*

3 *This act is effective on and after January 1, 2026.*

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5 */s/J. Moore*

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8 **APPROVED: 4/16/25**