

Arkansas Act 575 of 2023

AN ACT TO AMEND THE PRIOR AUTHORIZATION TRANSPARENCY ACT; TO EXEMPT CERTAIN HEALTHCARE PROVIDERS THAT PROVIDE CERTAIN HEALTHCARE SERVICES FROM PRIOR AUTHORIZATION REQUIREMENTS; AND FOR OTHER PURPOSES.

<https://www.arkleg.state.ar.us/Home/FTPDocument?path=%2FACTS%2F2023R%2FPublic%2FACT575.pdf>

Act 575 of 2023 states: “The Arkansas State Board of Pharmacy and the Arkansas State Medical Board, jointly, may establish criteria and procedures to review whether a request made under subdivision (a)(1) of this section should be granted for the requesting party and specified health benefit plan.”

The Arkansas State Board of Pharmacy and the Arkansas State Medical Board jointly established the following baseline criteria for requests for submissions to continue requiring a Prior Authorization for certain medications:

Requests for submission MUST meet the following criteria:

1. Medications must cost equal to or greater than \$5,000 per episode of care OR on a monthly basis.
2. Medications that cost less than \$5,000 per episode of care OR on a monthly basis will not be considered for Prior Authorization eligibility unless the following criteria are clearly shown.
 - a. Medications with specific, identified issues related to inappropriate use and/or off-label use or indications that are different than what the plan desires to pay for may be considered for review. (e.g. Therapy is FDA indicated for diabetes mellitus but therapy is prescribed for weight loss for which it is not FDA approved)
 - b. Medications with specific safety concerns and/or severe potential side effects may be considered for review. (e.g, Contraindicated in pregnancy due to risk of fetal harm).

Requests for submission may be made via the linked form at:

<https://forms.office.com/g/2PyLEDwYQK>

It is worth noting that many medications are excluded from coverage by plans due to issues such as cost, preferred coverage of a similar product, the election to cover single entity products vs a more expensive combination product... along these lines, this process is only to determine the eligibility to require Prior Authorization for medications that are covered on formulary.

The Arkansas State Board of Pharmacy and the Arkansas State Medical Board will have joint committee meetings to consider applications in preparation for the meetings of the respective Boards to consider adoptions of the committee reports.

Once the Boards approve a medication for potential Prior Authorization, that medication could require a PA from any plan under the approved criteria. It would be our plan to have the list of medications that have been approved for Prior Authorization on our websites.

You may also note, when the Boards deny a request there is an appeals process where the plan can request a review via the State Insurance Department as outlined in the statute.