



April 18, 2025

Good Friday!

On Wednesday, April 16, 2025, the 2025 Regular Session of the 95th General Assembly adjourned and set a May 5, 2025, date for *sine die*.

We will do a more thorough update soon, but here are some highlights from the session:

BALLOT MEASURES

Each regular legislative session, the General Assembly may vote to refer up to three measures to Arkansas voters for the General Election.

The three ballot measures that will appear on the November 2026 ballot are:

[SJR11](#) – affirms the fundamental right to keep and bear arms, including the use of ammunition and firearms accessories for lawful purposes;

[SJR15](#) – allows the General Assembly to establish economic development districts; and

[HJR1018](#) – the Citizens Only Voting Amendment.

GRADUATE MEDICAL EDUCATION

[HB 1384](#) ([Act 196](#)) amends the law concerning the Graduate Medical Education Residency Expansion Board and ensures that start-up costs for a new program can be grant funded.

GROCERY TAX ELIMINATION

[HB 1685](#) completely phases out the 0.125% sales tax on groceries beginning on January 1, 2026.

HEALTH INSURANCE

[HB 1287](#) ([Act 136](#)) requires insurance companies to notify providers when the insurance company has down-coded a claim.

[HB 1288](#) ([Act 423](#)) requires a healthcare insurer to retroactively reimburse providers awaiting in-networking credentials for the work that the provider does back to the date that the medical board submits a completed packet to the insurance company.

[HB 1788](#) ([Act 571](#)) requires that a healthcare insurer makes a determination of in-network participation of a provider (who is not a physician) within 90 calendar days from the date of submission of a completed application.

[HB 1296](#) ([Act 556](#)) mandates coverage for healthcare services provided in mobile units (this applies as a Medicaid mandate, too).

[HB 1300](#) ([Act 510](#)) creates a trust fund for the Arkansas Insurance Department to collect penalties and fees for a healthcare insurer's noncompliance with the Prior Authorization Transparency laws.

[HB 1301](#) ([Act 511](#)) defines the "Gold Card" program that requires a healthcare insurer to authorize exemptions from a healthcare insurer's or pharmacy benefits manager's prior authorization requirements.

[HB 1314](#) ([Act 512](#)) creates the Medical Audit Bill of Rights.

MATERNAL HEALTH

[SB 213](#) ([Act 140](#)) creates the "Healthy Moms, Healthy Babies Act," which increases access to prenatal and postpartum care.

[HB 1610](#) ([Act 387](#)) clarifies a medical emergency under the Arkansas Human Life Protection Act and the Arkansas Unborn Child Protection Act.

[HB 1826](#) mandates coverage for the delivery of a newborn in a licensed birthing center.

MEDICAID EXPANSION

The current Arkansas Health and Opportunity for Me (ARHOME) waiver expires December 31, 2026. This session, [SB 527](#) reauthorized the program that added (1) a work requirement for enrollees and (2) a medical loss ratio requirement intended to ensure that a higher percentage of the premiums paid to insurers is paid to providers or to invest in quality improvement activities benefiting patients.

[SB 33](#), the Medicaid appropriation that requires a $\frac{3}{4}$ approval vote, passed with little fanfare this year.

PHARMACY

[SB 58](#) ([Act 52](#)) removes the prohibition on nonprofit, tax-exempt, or governmentally funded hospitals holding a licensed retail pharmacy permit. Hospitals are enthusiastic about the opportunity to provide better pharmacy access to patients, which this Act enables.

[HB 1150](#), which prohibits a pharmacy benefits manager from obtaining a pharmacy permit, was the top priority of the Arkansas Pharmacists Association. Governor Sarah Huckabee Sanders signed it into law on April 16, 2025.

[HB 1531](#) prohibits pharmaceutical manufacturers from restricting or limiting prescription medications to a limited distribution of out-of-state pharmacies.

REVENUE STABILIZATION and SURPLUS FUND

Arkansas's Revenue Stabilization Law sets the funding priorities for the state. [HB 2003](#) sets the Fiscal Year 2026 budget with a 2.89% increase (\$182.5 million) in state spending over the current fiscal 2025 to \$6.49 billion. For

hospitals and the healthcare system, the \$13 million in maternal health is the highlight of that law. When matched, an additional investment of an estimated \$45 million will be made for maternal health.

Other impactful increases delineated in Revenue Stabilization are a \$1 million additional investment in foster care, \$4.3 million for juvenile facilities, and \$90 million for Education Freedom Accounts.

[SB 636](#) allocates surplus funds expected once the revenues allocated under the Revenue Stabilization Law are allocated. For hospitals and the healthcare system, the \$100 million for Medicaid sustainability is a welcome allocation.

Other impactful allocations are \$136 million for state property insurance; \$90 million for the Education Funding Act; and \$45 million for discretionary needs (mostly one-time expenses).

TORT REFORM LIGHT

[HB 1204](#) ([Act 28](#)) establishes recovery of damages for necessary medical care, treatment, and services rendered at the amount of costs actually paid by or on behalf of the plaintiff.

WORKFORCE

[SB 435](#) augments the definition of “healthcare worker” regarding enhanced penalties of assault and battery on a healthcare worker.

[SB 601](#) creates a pathway for a graduate of a foreign medical school to be licensed in Arkansas under certain conditions.

VETOES

Arkansas’s Governor is granted veto authority in Article 6, Section 15 of the Arkansas Constitution. When the Governor vetoes a bill or issues a line-item veto, she must return it to the chamber where it originated with a written

explanation of her objections. If the legislature is in session, the simple majority vote (18/35 Senators and 51/100 Representatives) to override can happen quickly; however, if the veto occurs after adjournment, lawmakers must wait until the next session or convene a special session to vote to override.

After adjournment, Governor Sarah Huckabee Sanders used her power to veto two items:

[HB 1889](#), which would authorize a marijuana dispensary to deliver orders or operate a drive-thru window; and

A line-item veto in [HB 1265](#), which would appropriate funds for a position titled “Director of Institute on Race and Ethnicity” at the University of Arkansas at Little Rock.

NEXT STEPS

Once *sine die* occurs, we will know more about how many Acts were created from the 1004 House Bills, 21 House Joint Resolutions, 647 Senate Bills, and 24 Senate Joint Resolutions.

THANK YOU for your advocacy this session. We were a great team of passing important bills that improve hospitals and the healthcare system (and killing even more than that)!

Have a wonderful weekend!

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