

JIMMY HICKEY, JR.

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**THE SENATE
STATE OF ARKANSAS**

CHAIR:
REVENUE & TAXATION

MEMBER:
INSURANCE & COMMERCE
JOINT RETIREMENT & SOCIAL SECURITY
EFFICIENCY
JOINT BUDGET

To: Members of the ALC-Executive Subcommittee

From: Senator Jimmy Hickey, Jr.

cc: Members of the Senate and House Insurance and Commerce Committees
Members of the ALC- Employee Benefits Division Oversight Subcommittee

Re: *Arkansas Insurance Department Emergency Rule 128: Fair and Reasonable Pharmacy Reimbursements*

I am submitting this as a formal request to the ALC-Executive Subcommittee that the following actions be taken by the Subcommittee with regard to the Arkansas Insurance Department's Emergency Rule 128, which has been submitted to you for consideration at your meeting on September 19, 2024:

1. **Referral of the Emergency Rule:** I am requesting that the ALC-Executive Subcommittee refer the emergency rule to the ALC-Employee Benefits Division Oversight Subcommittee and the House and Senate Insurance and Commerce Committees for consideration by these committees, meeting jointly, and request that the committees provide the Executive Subcommittee with a recommendation concerning review and approval of the emergency rule; and
2. **Request for a Fiscal Impact Statement:** I am requesting that a fiscal impact statement be produced for the emergency rule, in the same manner that a fiscal impact statement is required by law and under the Joint Rules for any bill that may result in an increased cost to health benefit programs of the state; and that the fiscal impact statement be provided to the ALC-EBD Oversight Subcommittee and the House and Senate Insurance and Commerce Committees for their information and consideration at the joint meeting concerning the emergency rule.

My reasoning for this request includes the following:

- Is this a true emergency? This issue has been discussed for months by various committees of the General Assembly, and should continue to include input from those committees.
- Current law and the Joint Rules require a fiscal impact statement for any bill that may result in an increased cost to a health benefit plan of the State. It appears that this emergency rule may result in increased costs to the programs managed by EBD, but the financial impact included with the emergency rule states that it is "unknown at this time".
- The language of the emergency rule as presented is vague without enough specifics to understand the potential impact to public and private health benefits in the state.

Thank you for your consideration of this request.

Sincerely,

Senator Jimmy Hickey, Jr.