Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

| 1 | State of Arkansas | As Engrossed: S3/26/03 S4/2/03 H4/10/03 | | |
|----|--|---|--|--|
| 2 | 84th General Assembly | A Bill | Act 1446 of 2003 | |
| 3 | Regular Session, 2003 SENATE BILL | | SENATE BILL 716 | |
| 4 | | | | |
| 5 | By: Senator Malone | | | |
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| 7 | | | | |
| 8 | For An Act To Be Entitled | | | |
| 9 | AN ACT TO CHANGE THE STATE AND PUBLIC SCHOOL LIFE | | | |
| 10 | AND HEALTH INSURANCE BOARD; AND FOR OTHER | | | |
| 11 | PURPOSES. | | | |
| 12 | | | | |
| 13 | Subtitle | | | |
| 14 | AN ACT TO CHANGE THE STATE AND PUBLIC | | | |
| 15 | SCHO | OOL LIFE AND HEALTH INSURANCE BOAR | RD. | |
| 16 | | | | |
| 17 | | | | |
| 18 | BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS: | | | |
| 19 | | | | |
| 20 | SECTION 1. Arkansas Code § 21-5-402 is amended to read as follows: | | | |
| 21 | 21-5-402. Members. | | | |
| 22 | (a)(l) There i | s hereby created the State and Pu | blic School Life and | |
| 23 | Health Insurance Boar | rd composed of the following ten (| 10) <u>twelve (12)</u> voting | |
| 24 | members: | | | |
| 25 | (A) | A state employee to be appointe | d by the Governor; | |
| 26 | (B) | A certified classroom teacher t | o be appointed by the | |
| 27 | Governor; | | | |
| 28 | (C) | The Insurance Commissioner or h | is designee; | |
| 29 | (D) | The Director of the Department | of Education or his | |
| 30 | designee; | | | |
| 31 | (E) | The Director of the Department | of Finance and | |
| 32 | Administration or his | designee; | | |
| 33 | (F) | Two (2) members who are engaged | in employee benefits | |
| 34 | management or risk management in private industry to be appointed by the | | | |
| 35 | Governor; | | | |
| 36 | (G) | One (1) additional member posit | ion which shall be | |



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1 filled alternately by a retired teacher and by a retired state employee 2 appointed by the Governor. This position shall first be filled by a retired teacher for a term of four (4) years, then by a retired state employee for a 3 4 term of four (4) years and four-year terms thereafter shall be alternated 5 between a retired teacher and a retired state employee; 6 (H) One (1) public school administrator to be appointed by 7 the Governor; and 8 (I) The Executive Director of the Arkansas State Board of 9 Pharmacy or his or her <u>state employee pharmacist designee;</u> 10 (J) The Director of Health and Facilities Services of the 11 Arkansas Department of Health, or his or her designee; and 12 (K) In addition, there shall be one (1) member who is a licensed health care provider appointed by the Governor. 13 14 (2) However, any appointee who has a conflict of interest shall 15 be disqualified to serve. 16 (b)(1) The members, except for retiree positions, initially appointed 17 by the Governor shall draw lots for terms so that two (2) serve for a term of four (4) years each, two (2) for a term of three (3) years, one (1) for a 18 19 term of two (2) years, and one (1) for a term of one (1) year. All successor members appointed by the Governor shall be appointed for terms of four (4) 20 21 years, but may be reappointed for additional terms. 22 (2) Vacancies in the Governor-appointed positions shall be 23 filled by appointment of the Governor for the unexpired term. Members 24 appointed by the Governor shall serve at the will of the Governor. 25 (c) A chair and a vice chair shall be selected annually from the 26 membership of the board by the Governor, to serve one year terms A chair and 27 vice chair of the board shall be selected annually by and from the membership 28 of the board, and shall serve no more than two (2) years. 29 SECTION 2. Arkansas Code § 21-5-404, concerning the powers, functions, 30 and duties of the State and Public School Life and Health Insurance Board, is 31 32 amended to add a new subdivision as follows: 33 (10)(A) To appoint three (3) subcommittees of the board to study and 34 research health and life plan option benefits, formulary management, and the 35 financial impact of implementing the recommendations made by the formulary 36 management committee to the board.

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| 1 | (B)(i) The benefits subcommittee shall review, evaluate, and | | |
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| 2 | investigate benefits, new benefit offerings, and annual insurance rates. | | |
| 3 | (ii) The benefits subcommittee membership shall consist of | | |
| 4 | three (3) board members, two (2) state employees, and two (2) school district | | |
| 5 | employees. | | |
| 6 | (C)(i) The drug utilization and evaluation subcommittee shall | | |
| 7 | review drugs for formulary management. | | |
| 8 | (ii) The membership of the drug utilization and evaluation | | |
| 9 | subcommittee shall consist of two (2) pharmacists, two (2) physicians, and | | |
| 10 | one (1) registered nurse as follows: | | |
| 11 | (a) The Executive Director of the Arkansas State | | |
| 12 | Board of Pharmacy or his state employee pharmacist designee; | | |
| 13 | (b) The Dean of the University of Arkansas for | | |
| 14 | Medical Sciences College of Pharmacy or his or her pharmacist designee; | | |
| 15 | (c) The physician health care provider serving on | | |
| 16 | the board; | | |
| 17 | (d) The Dean of the University of Arkansas for | | |
| 18 | Medical Sciences College of Medicine or his or her physician designee; and | | |
| 19 | (e) The Dean of the University of Arkansas for | | |
| 20 | Medical Sciences College of Nursing or his or her registered nurse designee. | | |
| 21 | (D)(i) The fiscal committee will review and evaluate the | | |
| 22 | financial impact of the recommendations made by the drug utilization and | | |
| 23 | evaluation subcommittee. | | |
| 24 | (ii) The membership of the fiscal committee shall include | | |
| 25 | two (2) board members, two (2) state employees, and two (2) public school | | |
| 26 | employees who shall have expertise in accounting, finance, audit or | | |
| 27 | <u>insurance.</u> | | |
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| 29 | /s/ Malone | | |
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| 32 | APPROVED: 4/16/2003 | | |
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