

**ARKANSAS SENATE**  
84th General Assembly - Regular Session, 2003  
**Amendment Form**

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**Subtitle of Senate Bill No. 716**  
"AN ACT TO CHANGE THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH  
INSURANCE BOARD."  
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**Amendment No. 1 to Senate Bill No. 716.**

Amend Senate Bill No. 716 as originally introduced:

Delete everything after the enactment clause and substitute the following:  
"SECTION 1. Arkansas Code § 21-5-402 is amended to read as follows:  
21-5-402. Members.

(a)(1) There is hereby created the State and Public School Life and Health Insurance Board composed of the following eleven (11) voting members:

- (A) A state employee to be appointed by the Governor;
- ~~(B) A certified classroom teacher to be appointed by the~~

~~Governor;~~

- ~~(C)~~(B) The Insurance Commissioner or his designee;
- ~~(D)~~(C) The Director of the Department of Education or his

designee;

~~(E)~~(D) The Director of the Department of Finance and Administration or his designee;

~~(F)~~(E) Two (2) members who are engaged in employee benefits management or risk management in private industry to be appointed by the Governor;

~~(G)~~(F) One (1) additional member position which shall be filled alternately by a retired teacher and by a retired state employee 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 term of four (4) years and four-year terms thereafter shall be alternated between a retired teacher and a retired state employee;

~~(H)~~(G) One (1) public school administrator to be appointed by the Governor; ~~and~~

(H) The Executive Director of the Arkansas State Board of Pharmacy or his or her state employee pharmacist designee;

(I) One (1) hospital administrator appointed by the Governor; and

~~(I)~~(J) In addition, there shall be one (1) member who is a licensed health care provider appointed by the Governor.

(2) However, any appointee who has a conflict of interest shall be disqualified to serve.



(b)(1) The members, except for retiree positions, initially appointed 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 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) years, but may be reappointed for additional terms.

(2) Vacancies in the Governor-appointed positions shall be filled by appointment of the Governor for the unexpired term. Members appointed by the Governor shall serve at the will of the Governor.

~~(c) A chair and a vice chair shall be selected annually from the membership of the board by the Governor, to serve one year terms~~ A chair and vice chair of the board shall be selected annually by and from the membership of the board, and shall serve no more than two (2) years.

SECTION 2. Arkansas Code § 21-5-404, concerning the powers, functions, and duties of the State and Public School Life and Health Insurance Board, is amended to add a new subdivision as follows:

(10)(A) To appoint three (3) subcommittees of the board to study and research health and life plan option benefits, formulary management, and the financial impact of implementing the recommendations made by the formulary management committee to the board.

(B)(i) The benefits subcommittee shall review, evaluate, and investigate benefits, new benefit offerings, and annual insurance rates.

(ii) The benefits subcommittee membership shall consist of three (3) board members, two (2) state employees, and two (2) school district employees.

(C)(i) The drug utilization and evaluation subcommittee shall review drugs for formulary management.

(ii) The membership of the drug utilization and evaluation subcommittee shall consist of two (2) pharmacists, two (2) physicians, and one (1) registered nurse as follows:

(a) The Executive Director of the Arkansas State Board of Pharmacy or his state employee pharmacist designee;

(b) The Dean of the University of Arkansas for Medical Sciences College of Pharmacy or his or her pharmacist designee;

(c) The physician health care provider serving on the board;

(d) The Dean of the University of Arkansas for Medical Sciences College of Medicine or his or her physician designee; and

(e) The Dean of the University of Arkansas for Medical Sciences College of Nursing or his or her registered nurse designee.

(D)(i) The fiscal committee will review and evaluate the financial impact of the recommendations made by the drug utilization and evaluation subcommittee.

(ii) The membership of the fiscal committee shall include two (2) board members, two (2) state employees, and two (2) public school employees who shall have expertise in accounting, finance, audit or insurance."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Malone  
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Secretary