# **EXHIBIT E.2**



#### OFFICE OF PERSONNEL MANAGEMENT Administrator's Office

1509 West Seventh Street, Suite 201 Post Office Box 3278 Little Rock, Arkansas 72203-3278 Phone: (501) 682-1823 www.dfa.arkansas.gov

September 21, 2016

Senator Uvalde Lindsey, Co-Chairperson Representative Lanny Fite, Co-Chairperson Uniform Personnel Classification and Compensation Plan Subcommittee Arkansas Legislative Council State Capitol Building, Room 315 Little Rock, Arkansas 72201

Dear Co-Chairs:

The Office of Personnel Management (OPM) submits a request from the Arkansas Insurance Department (AID) for your review.

The AID is requesting the establishment of a new title, Regulatory Health Link Technology Officer, grade N912. The AID is also requesting one (1) position from the OPM growth pool established by Ark. Code Ann. §21-5-225(a)(1). The classification requested from the OPM growth pool is listed below:

CLASSIFICATION REQUESTED	<b>GRADE</b>	<b>NUMBER OF POSITIONS</b>		
Regulatory Health Link Technology Officer	N912	1		

The Uniform Classification and Compensation Act does not require surrender of positions for growth pool requests. However, due to the classification and grade of the positions requested, AID will surrender the following two (2) positions. The surrendered positions are:

POSITIONS SURRENDERED	TITLE	CLASS CODE	GRADE
22088150	Insurance Licensing Technician	X180C	C110
22077944	Title Insurance Compliance Officer	X076C	C118

## **JUSTIFICATION**

The Regulatory Health Link Technology Officer position will be responsible for recognizing the needs of the AID and identifying the information technology strategies necessary to solve these needs, launching large data governance programs, organizing data warehouses, and corresponding with federal and state agencies, entities in the health insurance industry, information technology contractors and vendors, and universities.

Senator Uvalde Lindsey, Co-Chairperson Representative Lanny Fite, Co-Chairperson September 21, 2016 Page 2

The Office of Personnel Management has reviewed this request and **recommends** the approval of one (1) position from the OPM growth pool and surrender of two (2) positions to be permanently frozen and removed from the agency's appropriation act during the next budget cycle. Additionally, the Office of Personnel Management also **recommends** establishment of the new classification of Regulatory Health Link Technology Officer, grade N912.

Your approval of this request is greatly appreciated.

Sincerely,

Kay Barnhill

State Personnel Administrator

Chief Fiscal Officer of the State

SEP 0 6 2016 Date

KB/ca:1-2

# **Arkansas Insurance Department**

Asa Hutchinson Governor



Allen Kerr Commissioner

September 1, 2016

Kay Barnhill Administrator DFA, Office of Personnel Management P.O. Box 3278 Little Rock, AR 72203-3278

Dear Ms. Barnhill:

Please accept this letter as my request to create a **Regulatory Health Link Technology Officer** position (description attached – N912) as a growth pool position and the surrender of the following positions:

22088150 C110 Insurance Licensing Technician/X180C 22077944 C118 Title Ins Compliance Officer/X076C

### **RHLD Technology Officer**

The Regulatory Health Link Technology Officer Position is needed to align the information and technology strategy with the business needs of the agency, specifically reviewing and developing ways to automate health compliance form and rate filings. This position will anticipate requirements and develop business process and data standards to compare rate, claim, enrollment, quality, and network adequacy information to be used by the agency in protecting Arkansans. Moreover, this position will implement a sound data governance program toward the design and development of complex data warehouses.

In its investigation, AID and RHLD have determined that the minimum cost for Fiscal Year 2017 utilizing existing structures and contracts is \$943,000. However, by creating the Technology Officer position within RHLD and utilizing the position with existing contractor agreements to meet these requirements, the job may be performed at a cost of \$675,000. This is an overall savings to the state of \$268,000. Funds will come from the Arkansas Insurance Department (AID) Budget. This is a critical position for achieving the Network Adequacy requirements as set forth within the Affordable Care Act of 2010 and Arkansas Rule 106.

I appreciate your assistance in this request. If you require additional information or have any questions, feel free to contact me at (501)371-2823.

Sincerely,

Russ Galbraith Chief Deputy Commissioner

Business A	rea Agency/Institution			Date			
0425	Arkansas Insurance Department			9/1/16			
Position(s) t	o be Surrendered						
Position/Item N	lumber Classification Title	Pay	Grade	Class Code			
22088150	Insurance Licensing Technician	C110		X180C			
22077944	Title Insurance Compliance Officer	C118		X076C			
Classificatio	n(s) Requested						
N/A	Classification Title	Pay	Grade	Class Code			
	Regulatory Health Link Technology Officer	N912					
	nderstand That:  ne position requested is critical to the operation of this Agency/Institution and a tached. (Justification should be detailed and not less than one typed page in le		ification fo	r this request is			
B. S	Sufficient funds are available to fund this position at the requested grade.						
D. The position to be surrendered is the highest grade position available and the loss of this position will not adversely affect the operation of this Agency/Institution.							
E. N	o current employee will be displaced by this action.						
Agency Personnel Rep		Date					
	Agency Director		Date	)			
Allen Kerr		/6/16					