

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
2 84th General Assembly
3 Regular Session, 2003

A Bill

HOUSE BILL 2538

4
5 By: Representatives Cleveland, Bradford, Biggs, Milligan
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For An Act To Be Entitled

9 AN ACT TO PROVIDE FOR A REVIEW OF COST
10 CONTAINMENT STRATEGIES FOR HEALTH INSURANCE FOR
11 ARKANSAS' STATE EMPLOYEES AND TEACHERS; AND FOR
12 OTHER PURPOSES.

Subtitle

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15 AN ACT TO PROVIDE FOR A REVIEW OF COST
16 CONTAINMENT STRATEGIES FOR HEALTH
17 INSURANCE FOR ARKANSAS' STATE EMPLOYEES
18 AND TEACHERS.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. Arkansas Code § 21-5-405(b), concerning additional duties
24 of the State and Public School Life and Health Insurance Board, is amended to
25 read as follows:

26 (b) In addition to the objectives stated in ~~§ 21-5-104~~ § 21-5-404, the
27 board shall:

28 (1) Develop uniform standards of vendor plan funding so as to
29 avoid windfall profits resulting from fully insured nondividend-paying
30 funding arrangements;

31 (2)(A) Promote increased access to various plan options and
32 health care models.

33 (B) Promote access to managed care by giving preferential
34 treatment, if required, to those vendors who will enhance plan options
35 availability in rural Arkansas;

36 (3)(A) Utilize the combined purchasing power of the state



1 employee and public school personnel programs to foster competition among
2 vendors and providers for the programs.

3 (B) Any state agency or school district that accepts state
4 funds intended to partially defray the cost of health insurance for the
5 employees of the state and public schools shall use those funds only for the
6 state employee and public school personnel health benefit plans sponsored by
7 the board and agrees to rules of participation, including, but not limited
8 to, timely eligibility reporting, timely payment of premiums, or
9 contributions, actuarial adjustment for new entrants, and any other
10 information deemed necessary by the board;

11 (4) Assure guaranteed issue of all plans; ~~and~~

12 (5) Ensure an annual enrollment period under all plans;

13 (6) Ensure adequate data collection methods and analytic
14 expertise to better inform and assist the board in making health policy
15 decisions;

16 (7)(A) Conduct a review of strategies to provide incentives for
17 enrollees to enhance wellness and reduce high risk behavior that leads to
18 increased healthcare utilization and plan expenses.

19 (B) The board may consider a variety of strategies,
20 including:

21 (i) Transferring unused sick leave for wellness
22 activity;

23 (ii) Converting of unused sick leave to salary
24 enhancements; and

25 (iii) Creating a stratified premium structure based
26 upon improvements in utilization or reductions in high risk behavior, or
27 both; and

28 (8) Raise awareness of enrollees and providers and collect
29 information regarding their knowledge of the cost of high risk behaviors and
30 health benefits of wellness programs.

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32 SECTION 3. Arkansas Code § 21-5-403, concerning reporting requirements
33 for the State and Public School Life and Health Insurance Board, is amended
34 to add a new subsection to read as follows:

35 (c) The board shall report quarterly to the Joint Interim Committee on
36 Public Health, Welfare, and Labor regarding the wellness and high risk

behavior findings, and strategies developed and implemented to ensure the
affordability of health insurance for state employees and teachers.

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