

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  
4

*As Engrossed: S3/26/03*

# A Bill

SENATE BILL 716

5 By: Senator Malone  
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## 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

## Subtitle

14 AN ACT TO CHANGE THE STATE AND PUBLIC  
15 SCHOOL LIFE AND HEALTH INSURANCE BOARD.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 *SECTION 1. Arkansas Code § 21-5-402 is amended to read as follows:*

21 *21-5-402. Members.*

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

24 *(A) A state employee to be appointed by the Governor;*

25 ~~*(B) A certified classroom teacher to be appointed by the*~~  
26 ~~*Governor;*~~

27 ~~*(C)(B) The Insurance Commissioner or his designee;*~~

28 ~~*(D)(C) The Director of the Department of Education or his*~~  
29 ~~*designee;*~~

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

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

35 ~~*(G)(F) One (1) additional member position which shall be*~~  
36 ~~*filled alternately by a retired teacher and by a retired state employee*~~



1 appointed by the Governor. This position shall first be filled by a retired  
 2 teacher for a term of four (4) years, then by a retired state employee for a  
 3 term of four (4) years and four-year terms thereafter shall be alternated  
 4 between a retired teacher and a retired state employee;

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

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

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

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

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

15 (b)(1) The members, except for retiree positions, initially appointed  
 16 by the Governor shall draw lots for terms so that two (2) serve for a term of  
 17 four (4) years each, two (2) for a term of three (3) years, one (1) for a  
 18 term of two (2) years, and one (1) for a term of one (1) year. All successor  
 19 members appointed by the Governor shall be appointed for terms of four (4)  
 20 years, but may be reappointed for additional terms.

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

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

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 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 amended to add a new subdivision as follows:

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

36 (B)(i) The benefits subcommittee shall review, evaluate, and

1 investigate benefits, new benefit offerings, and annual insurance rates.

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

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

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

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

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

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

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

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

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

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

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28 /s/ Malone  
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