

1 State of Arkansas
2 90th General Assembly
3 Fiscal Session, 2016
4

As Engrossed: H4/28/16

A Bill

HOUSE BILL 1050

5 By: Joint Budget Committee
6

For An Act To Be Entitled

8 AN ACT TO MAKE AN APPROPRIATION FOR PERSONAL SERVICES
9 AND OPERATING EXPENSES FOR THE STATE INSURANCE
10 DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 2017;
11 AND FOR OTHER PURPOSES.
12
13

Subtitle

14 AN ACT FOR THE STATE INSURANCE DEPARTMENT
15 APPROPRIATION FOR THE 2016-2017 FISCAL
16 YEAR.
17
18
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. REGULAR SALARIES - OPERATIONS. There is hereby established
23 for the State Insurance Department for the 2016-2017 fiscal year, the
24 following maximum number of regular employees.
25

Item No.	Class Code	Title	Maximum No. of Employees	Maximum Annual Salary Rate Fiscal Year 2016-2017
30	(1) U042U	INSURANCE CHIEF DEPUTY COMMISSIONER	1	\$172,535
31	(2) U047U	STATE INSURANCE COMMISSIONER	1	\$130,821
32	(3) N014N	INS DEP COMMR FINANCIAL REGULATIONS	1	GRADE N914
33	(4) N190N	INSURANCE GENERAL COUNSEL	1	GRADE N912
34	(5) G018N	DIRECTOR RISK MANAGEMENT	1	GRADE N910
35	(6) N140N	INS ASST DEP COMMISSIONER FINANCE	1	GRADE N910
36	(7) N023N	INSURANCE DEPUTY COMMISSIONER	2	GRADE N910



1	(8)	N025N	INS DEPUTY COMMR INFO SERVICES	1	GRADE N910
2	(9)	X002N	PROPERTY & CASUALTY MANAGER	1	GRADE N910
3	(10)	N073N	INSURANCE CHF FIN/MKT CONDUCT EXMR	1	GRADE N908
4	(11)	G043N	RISK MANAGEMENT ASSISTANT DIRECTOR	1	GRADE N908
5	(12)	A004N	CERTIFIED FINANCIAL EXAMINER MANAGER	3	GRADE N906
6	(13)	N115N	CRIMINAL INSURANCE FRAUD DIRECTOR	1	GRADE N904
7	(14)	D010N	INSURANCE CHIEF TECHNOLOGY OFFICER	1	GRADE N904
8	(15)	A004C	CERTIFIED FINANCIAL EXAMINER	12	GRADE C130
9	(16)	X002C	INSURANCE PUBLIC EMP CLAIMS DIV DIR	1	GRADE C130
10	(17)	G004C	MANAGING ATTORNEY	3	GRADE C129
11	(18)	G241C	HEALTH INFO TECH OPER & TECH OFFICER	1	GRADE C128
12	(19)	D007C	INFORMATION SYSTEMS MANAGER	2	GRADE C128
13	(20)	G047C	ATTORNEY SPECIALIST	8	GRADE C126
14	(21)	X009C	INSURANCE DEPT DIR OF SECURITY OPS	1	GRADE C126
15	(22)	D034C	DATABASE ADMINISTRATOR	1	GRADE C124
16	(23)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
17	(24)	X017C	INSURANCE LICENSING MANAGER	1	GRADE C124
18	(25)	G259C	INSURANCE PROGRAM MANAGER	1	GRADE C124
19	(26)	G064C	SR HLTH INSURANCE INFORMATION PRG MG	1	GRADE C124
20	(27)	D022C	SYSTEMS SPECIALIST	4	GRADE C124
21	(28)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
22	(29)	D038C	SENIOR SOFTWARE SUPPORT ANALYST	1	GRADE C123
23	(30)	X192C	ASST DIRECTOR FRAUD INVESTIGATION	1	GRADE C122
24	(31)	A044C	AUDIT COORDINATOR	1	GRADE C122
25	(32)	A042C	INSURANCE SENIOR EXAMINER	7	GRADE C122
26	(33)	X034C	PREPAID FUNERAL MANAGER	1	GRADE C122
27	(34)	D044C	SYSTEMS ANALYST	1	GRADE C122
28	(35)	R014C	PERSONNEL MANAGER	1	GRADE C121
29	(36)	D052C	SOFTWARE SUPPORT ANALYST	4	GRADE C121
30	(37)	G107C	WCC PROGRAM MANAGER	1	GRADE C121
31	(38)	G106C	WCC CLAIMS SPECIALIST	5	GRADE C121
32	(39)	G125C	INSURANCE SPECIAL PROJECTS COORD	1	GRADE C120
33	(40)	G120C	RISK CONSULTANT	7	GRADE C120
34	(41)	X072C	CRIMINAL INS FRAUD INVESTIGATOR	7	GRADE C119
35	(42)	A067C	INSURANCE EXAMINER	2	GRADE C119
36	(43)	X066C	INSURANCE PREMIUM TAX EXAMINER	4	GRADE C119

1	(44)	A060C	SENIOR AUDITOR	2	GRADE C119
2	(45)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	4	GRADE C118
3	(46)	X080C	PROP & CASUALTY COMPLIANCE OFFICER	4	GRADE C118
4	(47)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
5	(48)	A080C	FINANCE AUTHORITY SPECIALIST	1	GRADE C117
6	(49)	R025C	HUMAN RESOURCES ANALYST	1	GRADE C117
7	(50)	C016C	INSURANCE ADMINISTRATIVE COORDINATOR	2	GRADE C117
8	(51)	P020C	PRODUCTION ARTIST	1	GRADE C117
9	(52)	X123C	INSURANCE INVESTIGATOR	9	GRADE C116
10	(53)	C037C	ADMINISTRATIVE ANALYST	7	GRADE C115
11	(54)	R033C	BENEFITS ANALYST	1	GRADE C115
12	(55)	A091C	FISCAL SUPPORT ANALYST	1	GRADE C115
13	(56)	G202C	VOLUNTEER PROGRAM COORDINATOR	3	GRADE C115
14	(57)	G201C	WCC CLAIMS ANALYST	3	GRADE C115
15	(58)	M066C	PROGRAM ELIGIBILITY SPECIALIST	2	GRADE C114
16	(59)	R036C	HUMAN RESOURCES SPECIALIST	1	GRADE C113
17	(60)	C046C	LEGAL SUPPORT SPECIALIST	4	GRADE C113
18	(61)	C056C	ADMINISTRATIVE SPECIALIST III	14	GRADE C112
19	(62)	A098C	FISCAL SUPPORT SPECIALIST	4	GRADE C112
20	(63)	X180C	INSURANCE LICENSING TECHNICIAN	10	GRADE C110
21	(64)	C073C	ADMINISTRATIVE SPECIALIST II	12	GRADE C109
22	(65)	C084C	MAIL SERVICES SPECIALIST	2	GRADE C107
23	(66)	C087C	ADMINISTRATIVE SPECIALIST I	<u>1</u>	GRADE C106
24			MAX. NO. OF EMPLOYEES	189	

25

26 SECTION 2. REGULAR SALARIES - LEVEL ONE COOPERATIVE AGREEMENT -
 27 FEDERAL. There is hereby established for the State Insurance Department -
 28 Level One Cooperative Agreement - Federal for the 2016-2017 fiscal year, the
 29 following maximum number of regular employees.

30

31				Maximum Annual	
32			Maximum	Salary Rate	
33	Item	Class	No. of	Fiscal Year	
34	No.	Code	Title	Employees	
				2016-2017	
35	(1)	N023N	INSURANCE DEPUTY COMMISSIONER	1	GRADE N910
36	(2)	L018N	NURSE PRACTITIONER	1	GRADE N904

1	(3)	X005C	PROPERTY & CASUALTY MANAGER	2	GRADE C128
2	(4)	G047C	ATTORNEY SPECIALIST	1	GRADE C126
3	(5)	X018C	INSURANCE CONSUMER PROTECTION MGR	1	GRADE C124
4	(6)	G064C	SR HLTH INSURANCE INFO PRG MANAGER	1	GRADE C124
5	(7)	D022C	SYSTEMS SPECIALIST	1	GRADE C124
6	(8)	P004C	PUBLIC INFORMATION MANAGER	1	GRADE C123
7	(9)	A041C	PROGRAM FISCAL MANAGER	1	GRADE C122
8	(10)	G109C	GRANTS MANAGER	2	GRADE C121
9	(11)	G147C	GRANTS COORDINATOR	6	GRADE C119
10	(12)	X083C	INSURANCE LIFE & HEALTH COMP OFFICER	1	GRADE C118
11	(13)	X076C	TITLE INSURANCE COMPLIANCE OFFICER	1	GRADE C118
12	(14)	X123C	INSURANCE INVESTIGATOR	3	GRADE C116
13	(15)	C037C	ADMINISTRATIVE ANALYST	1	GRADE C115
14	(16)	C056C	ADMINISTRATIVE SPECIALIST III	1	GRADE C112
15	(17)	C073C	ADMINISTRATIVE SPECIALIST II	<u>3</u>	GRADE C109
16			MAX. NO. OF EMPLOYEES	28	

17

18 SECTION 3. EXTRA HELP. There is hereby authorized, for the State
 19 Insurance Department for the 2016-2017 fiscal year, the following maximum
 20 number of part-time or temporary employees, to be known as "Extra Help",
 21 payable from funds appropriated herein for such purposes: nineteen (19)
 22 temporary or part-time employees, when needed, at rates of pay not to exceed
 23 those provided in the Uniform Classification and Compensation Act, or its
 24 successor, or this act for the appropriate classification.

25

26 SECTION 4. APPROPRIATION - OPERATIONS. There is hereby appropriated,
 27 to the State Insurance Department, to be payable from the State Insurance
 28 Department Trust Fund, for personal services, operating expenses, special
 29 maintenance and professional services of the State Insurance Department -
 30 Operations for the fiscal year ending June 30, 2017, the following:

31

32	ITEM	FISCAL YEAR
33	<u>NO.</u>	<u>2016-2017</u>
34	(01) REGULAR SALARIES	\$7,013,643
35	(02) EXTRA HELP	140,000
36	(03) PERSONAL SERVICES MATCHING	2,306,888

1	(04) OVERTIME	35,000
2	(05) MAINT. & GEN. OPERATION	
3	(A) OPER. EXPENSE	2,731,956
4	(B) CONF. & TRAVEL	138,000
5	(C) PROF. FEES	142,000
6	(D) CAP. OUTLAY	355,000
7	(E) DATA PROC.	0
8	(06) SPECIAL MAINTENANCE	50,000
9	(07) PROFESSIONAL SERVICES	<u>956,000</u>
10	TOTAL AMOUNT APPROPRIATED	<u><u>\$13,868,487</u></u>

11

12 SECTION 5. APPROPRIATION - FRAUD INVESTIGATION UNIT. There is hereby
 13 appropriated, to the State Insurance Department, to be payable from the State
 14 Insurance Department Trust Fund, for personal services and operating expenses
 15 of the State Insurance Department - Fraud Investigation Unit for the fiscal
 16 year ending June 30, 2017, the following:

17

18	ITEM	FISCAL YEAR
19	<u>NO.</u>	<u>2016-2017</u>
20	(01) REGULAR SALARIES	\$785,917
21	(02) PERSONAL SERVICES MATCHING	255,104
22	(03) MAINT. & GEN. OPERATION	
23	(A) OPER. EXPENSE	122,827
24	(B) CONF. & TRAVEL	12,000
25	(C) PROF. FEES	11,000
26	(D) CAP. OUTLAY	0
27	(E) DATA PROC.	<u>0</u>
28	TOTAL AMOUNT APPROPRIATED	<u><u>\$1,186,848</u></u>

29

30 SECTION 6. APPROPRIATION - INSURANCE FRAUD INVESTIGATION DIVISION.
 31 There is hereby appropriated, to the State Insurance Department, to be
 32 payable from the Insurance Fraud Investigation Division Trust Fund, for
 33 operating expenses of the State Insurance Department - Insurance Fraud
 34 Investigation Division for the fiscal year ending June 30, 2017, the
 35 following:

36

1	ITEM	FISCAL YEAR
2	<u>NO.</u>	<u>2016-2017</u>
3	(01) MAINT. & GEN. OPERATION	
4	(A) OPER. EXPENSE	191,635
5	(B) CONF. & TRAVEL	35,000
6	(C) PROF. FEES	11,000
7	(D) CAP. OUTLAY	0
8	(E) DATA PROC.	<u>0</u>
9	TOTAL AMOUNT APPROPRIATED	<u><u>\$237,635</u></u>

10

11 SECTION 7. APPROPRIATION - PREPAID FUNERAL BENEFITS DIVISION. There is
 12 hereby appropriated, to the State Insurance Department, to be payable from
 13 the State Insurance Department Prepaid Trust Fund, for personal services and
 14 operating expenses of the State Insurance Department - Prepaid Funeral
 15 Benefits Division for the fiscal year ending June 30, 2017, the following:

16

17	ITEM	FISCAL YEAR
18	<u>NO.</u>	<u>2016-2017</u>
19	(01) REGULAR SALARIES	\$221,367
20	(02) PERSONAL SERVICES MATCHING	75,761
21	(03) MAINT. & GEN. OPERATION	
22	(A) OPER. EXPENSE	71,390
23	(B) CONF. & TRAVEL	4,000
24	(C) PROF. FEES	27,000
25	(D) CAP. OUTLAY	0
26	(E) DATA PROC.	<u>0</u>
27	TOTAL AMOUNT APPROPRIATED	<u><u>\$399,518</u></u>

28

29 SECTION 8. APPROPRIATION - PREPAID FUNERAL CONTRACTS RECOVERY PROGRAM.
 30 There is hereby appropriated, to the State Insurance Department, to be
 31 payable from the Prepaid Funeral Contracts Recovery Program Fund, for the
 32 expenses and payment of claims by the State Insurance Department - Prepaid
 33 Funeral Contracts Recovery Program for the fiscal year ending June 30, 2017,
 34 the following:

35

36	ITEM	FISCAL YEAR
----	------	-------------

1	<u>NO.</u>	<u>2016-2017</u>
2	(01) EXPENSES AND CLAIMS FOR PREPAID	
3	FUNERAL CONTRACTS RECOVERY	
4	PROGRAM	<u>\$500,000</u>

5

6 SECTION 9. APPROPRIATION - REFUNDS OF OVERPAYMENTS. There is hereby

7 appropriated, to the State Insurance Department, to be payable from the

8 Miscellaneous Revolving Fund, for payments of miscellaneous tax and fee

9 refunds by the State Insurance Department - Refunds of Overpayments for the

10 fiscal year ending June 30, 2017, the following:

11	ITEM	FISCAL YEAR
12	<u>NO.</u>	<u>2016-2017</u>
13	(01) REFUNDS/REIMBURSEMENTS	<u>\$11,000,000</u>

14

15

16 SECTION 10. APPROPRIATION - CONTINUING EDUCATION PROGRAM. There is

17 hereby appropriated, to the State Insurance Department, to be payable from

18 the Insurance Continuing Education Trust Fund, for personal services of the

19 State Insurance Department - Continuing Education Program for the fiscal year

20 ending June 30, 2017, the following:

21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2016-2017</u>
23	(01) REGULAR SALARIES	\$25,268
24	(02) PERSONAL SERVICES MATCHING	<u>10,812</u>
25	TOTAL AMOUNT APPROPRIATED	<u>\$36,080</u>

26

27

28 SECTION 11. APPROPRIATION - HEALTH INFORMATION COUNSELING. There is

29 hereby appropriated, to the State Insurance Department, to be payable from

30 the federal funds as designated by the Chief Fiscal Officer of the State, for

31 personal services and operating expenses of the State Insurance Department -

32 Health Information Counseling for the fiscal year ending June 30, 2017, the

33 following:

34	ITEM	FISCAL YEAR
35	<u>NO.</u>	<u>2016-2017</u>
36		

1	(01) REGULAR SALARIES	\$204,217
2	(02) PERSONAL SERVICES MATCHING	76,883
3	(03) MAINT. & GEN. OPERATION	
4	(A) OPER. EXPENSE	284,063
5	(B) CONF. & TRAVEL	0
6	(C) PROF. FEES	356,409
7	(D) CAP. OUTLAY	0
8	(E) DATA PROC.	<u>0</u>
9	TOTAL AMOUNT APPROPRIATED	<u><u>\$921,572</u></u>

10

11 SECTION 12. APPROPRIATION - CONSUMER INFORMATION SYSTEM - CASH. There
 12 is hereby appropriated, to the State Insurance Department, to be payable from
 13 the cash fund deposited in the State Treasury as determined by the Chief
 14 Fiscal Officer of the State, for operating expenses of the State Insurance
 15 Department - Consumer Information System - Cash for the fiscal year ending
 16 June 30, 2017, the following:

17

18	ITEM	FISCAL YEAR
19	<u>NO.</u>	<u>2016-2017</u>
20	(01) MAINT. & GEN. OPERATION	
21	(A) OPER. EXPENSE	\$79,005
22	(B) CONF. & TRAVEL	0
23	(C) PROF. FEES	0
24	(D) CAP. OUTLAY	0
25	(E) DATA PROC.	<u>0</u>
26	TOTAL AMOUNT APPROPRIATED	<u><u>\$79,005</u></u>

27

28 SECTION 13. APPROPRIATION - TRAVEL AND SUBSISTENCE - CASH. There is
 29 hereby appropriated, to the State Insurance Department, to be payable from
 30 the cash fund deposited in the State Treasury as determined by the Chief
 31 Fiscal Officer of the State, for travel and subsistence expenses of the State
 32 Insurance Department - Travel and Subsistence - Cash for the fiscal year
 33 ending June 30, 2017, the following:

34

35	ITEM	FISCAL YEAR
36	<u>NO.</u>	<u>2016-2017</u>

1 (01) TRAVEL & SUBSISTENCE EXPENSES \$100,000

2

3 SECTION 14. APPROPRIATION - PUBLIC EMPLOYEE CLAIMS SECTION. There is
 4 hereby appropriated, to the State Insurance Department, to be payable from
 5 the Miscellaneous Agencies Fund Account, for personal services and operating
 6 expenses of the State Insurance Department - Public Employee Claims Section
 7 for the fiscal year ending June 30, 2017, the following:

8

9 ITEM	FISCAL YEAR
10 <u>NO.</u>	<u>2016-2017</u>
11 (01) REGULAR SALARIES	\$997,645
12 (02) PERSONAL SERVICES MATCHING	343,782
13 (03) MAINT. & GEN. OPERATION	
14 (A) OPER. EXPENSE	635,931
15 (B) CONF. & TRAVEL	13,000
16 (C) PROF. FEES	1,000
17 (D) CAP. OUTLAY	0
18 (E) DATA PROC.	<u>0</u>
19 TOTAL AMOUNT APPROPRIATED	<u>\$1,991,358</u>

20

21 SECTION 15. APPROPRIATION - STATE EMPLOYEE CLAIMS. There is hereby
 22 appropriated, to the State Insurance Department, to be payable from the
 23 Workers' Compensation Revolving Fund, for payment of state employee claims by
 24 the State Insurance Department - State Employee Claims for the fiscal year
 25 ending June 30, 2017, the following:

26

27 ITEM	FISCAL YEAR
28 <u>NO.</u>	<u>2016-2017</u>
29 (01) STATE EMPLOYEE CLAIMS	<u>\$16,500,000</u>

30

31 SECTION 16. APPROPRIATION - PUBLIC SCHOOL EMPLOYEE CLAIMS. There is
 32 hereby appropriated, to the State Insurance Department, to be payable from
 33 the Miscellaneous Revolving Fund, for payment of public school employee
 34 claims by the State Insurance Department - Public School Employee Claims for
 35 the fiscal year ending June 30, 2017, the following:

36

1	ITEM	FISCAL YEAR
2	<u>NO.</u>	<u>2016-2017</u>
3	(01) PUBLIC SCHOOL EMPLOYEE CLAIMS	<u>\$450,000</u>

4

5 SECTION 17. APPROPRIATION - COUNTY EMPLOYEE CLAIMS. There is hereby
6 appropriated, to the State Insurance Department, to be payable from the
7 Miscellaneous Revolving Fund, for payment of county employee claims by the
8 State Insurance Department - County Employee Claims for the fiscal year
9 ending June 30, 2017, the following:

10

11	ITEM	FISCAL YEAR
12	<u>NO.</u>	<u>2016-2017</u>
13	(01) COUNTY EMPLOYEE CLAIMS	<u>\$200,000</u>

14

15 SECTION 18. APPROPRIATION - CITY EMPLOYEE CLAIMS. There is hereby
16 appropriated, to the State Insurance Department, to be payable from the
17 Miscellaneous Revolving Fund, for payment of city employee claims by the
18 State Insurance Department - City Employee Claims for the fiscal year ending
19 June 30, 2017, the following:

20

21	ITEM	FISCAL YEAR
22	<u>NO.</u>	<u>2016-2017</u>
23	(01) CITY EMPLOYEE CLAIMS	<u>\$600,000</u>

24

25 SECTION 19. APPROPRIATION - GOVERNMENTAL BONDING BOARD. There is
26 hereby appropriated, to the State Insurance Department, to be payable from
27 the Fidelity Bond Trust Fund, for operating expenses, refunds,
28 reimbursements, claims, investments, professional services, and reinsurance
29 of the State Insurance Department - Governmental Bonding Board for the fiscal
30 year ending June 30, 2017, the following:

31

32	ITEM	FISCAL YEAR
33	<u>NO.</u>	<u>2016-2017</u>
34	(01) MAINT. & GEN. OPERATION	
35	(A) OPER. EXPENSE	\$5,000
36	(B) CONF. & TRAVEL	0

1	(C) PROF. FEES	0
2	(D) CAP. OUTLAY	0
3	(E) DATA PROC.	0
4	(02) REFUNDS/REIMBURSEMENTS	150,000
5	(03) CLAIMS	3,000,000
6	(04) INVESTMENTS	760,637
7	(05) PROFESSIONAL SERVICES	50,000
8	(06) REINSURANCE	<u>139,218</u>
9	TOTAL AMOUNT APPROPRIATED	<u><u>\$4,104,855</u></u>

10

11 SECTION 20. APPROPRIATION - ARKANSAS MULTI-AGENCY INSURANCE TRUST FUND.

12 There is hereby appropriated, to the State Insurance Department, to be
 13 payable from the Arkansas Multi-Agency Insurance Trust Fund, for expenses and
 14 payment of claims by the State Insurance Department - Arkansas Multi-Agency
 15 Insurance Trust Fund for the fiscal year ending June 30, 2017, the following:

16

17	ITEM	FISCAL YEAR
18	<u>NO.</u>	<u>2016-2017</u>
19	(01) FOR EXPENSES AND CLAIMS FROM AMAIT	
20	FUND	<u><u>\$20,000,000</u></u>

21

22 SECTION 21. APPROPRIATION - PUBLIC SCHOOL INSURANCE PROGRAM. There is
 23 hereby appropriated, to the State Insurance Department, to be payable from
 24 the Public School Insurance Trust Fund, for expenses and payment of claims by
 25 the State Insurance Department - Public School Insurance Program for the
 26 fiscal year ending June 30, 2017, the following:

27

28	ITEM	FISCAL YEAR
29	<u>NO.</u>	<u>2016-2017</u>
30	(01) EXPENSES AND CLAIMS	<u><u>\$20,000,000</u></u>

31

32 SECTION 22. APPROPRIATION - CRIMINAL BACKGROUND CHECKS - CASH. There
 33 is hereby appropriated, to the State Insurance Department, to be payable from
 34 the cash fund deposited in the State Treasury as determined by the Chief
 35 Fiscal Officer of the State, for operating expenses of the State Insurance
 36 Department - Criminal Background Checks - Cash for the fiscal year ending

1 June 30, 2017, the following:

2

3 ITEM	FISCAL YEAR
4 <u>NO.</u>	<u>2016-2017</u>
5 (01) MAINT. & GEN. OPERATION	
6 (A) OPER. EXPENSE	\$125,000
7 (B) CONF. & TRAVEL	0
8 (C) PROF. FEES	0
9 (D) CAP. OUTLAY	0
10 (E) DATA PROC.	<u>0</u>
11 TOTAL AMOUNT APPROPRIATED	<u><u>\$125,000</u></u>

12

13 SECTION 23. APPROPRIATION - RATE REVIEW - FEDERAL. There is hereby
 14 appropriated, to the State Insurance Department, to be payable from the
 15 federal funds as designated by the Chief Fiscal Officer of the State, for
 16 personal services and operating expenses of the State Insurance Department -
 17 Rate Review - Federal for the fiscal year ending June 30, 2017, the
 18 following:

19

20 ITEM	FISCAL YEAR
21 <u>NO.</u>	<u>2016-2017</u>
22 (01) REGULAR SALARIES	\$199,667
23 (02) PERSONAL SERVICES MATCHING	60,725
24 (03) MAINT. & GEN. OPERATION	
25 (A) OPER. EXPENSE	1,013,525
26 (B) CONF. & TRAVEL	191,416
27 (C) PROF. FEES	4,380,080
28 (D) CAP. OUTLAY	0
29 (E) DATA PROC.	<u>0</u>
30 TOTAL AMOUNT APPROPRIATED	<u><u>\$5,845,413</u></u>

31

32 SECTION 24. APPROPRIATION - LEVEL ONE COOPERATIVE AGREEMENT - FEDERAL.
 33 There is hereby appropriated, to the State Insurance Department, to be
 34 payable from the federal funds as designated by the Chief Fiscal Officer of
 35 the State, for personal services and operating expenses associated with the
 36 Federal-State Partnership Health Insurance Exchange of the State Insurance

1 Department - Level One Cooperative Agreement - Federal for the fiscal year
2 ending June 30, 2017, the following:

3		
4	ITEM	FISCAL YEAR
5	<u>NO.</u>	<u>2016-2017</u>
6	(01) REGULAR SALARIES	\$1,273,586
7	(02) PERSONAL SERVICES MATCHING	431,873
8	(03) MAINT. & GEN. OPERATION	
9	(A) OPER. EXPENSE	1,009,574
10	(B) CONF. & TRAVEL	257,148
11	(C) PROF. FEES	36,618,646
12	(D) CAP. OUTLAY	0
13	(E) DATA PROC.	<u>0</u>
14	TOTAL AMOUNT APPROPRIATED	<u><u>\$39,590,827</u></u>

15

16 SECTION 25. APPROPRIATION - MEDICARE - MIPPA - 2. There is hereby
17 appropriated, to the State Insurance Department, to be payable from the
18 federal funds as designated by the Chief Fiscal Officer of the State, for
19 operating expenses and grants and aid by the State Insurance Department -
20 Medicare - MIPPA - 2 for the fiscal year ending June 30, 2017, the following:

21

22	ITEM	FISCAL YEAR
23	<u>NO.</u>	<u>2016-2017</u>
24	(01) MAINT. & GEN. OPERATION	
25	(A) OPER. EXPENSE	\$72,452
26	(B) CONF. & TRAVEL	0
27	(C) PROF. FEES	81,896
28	(D) CAP. OUTLAY	0
29	(E) DATA PROC.	0
30	(02) MEDICARE IMPROVEMENT FOR PATIENTS & 31 PROVIDERS GRANTS	<u>166,502</u>
32	TOTAL AMOUNT APPROPRIATED	<u><u>\$320,850</u></u>

33

34 SECTION 26. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
35 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. TRANSFER
36 PROVISION. In the event the State Insurance Department is unable to maintain

1 a full roster of examination personnel, and upon approval of the Chief Fiscal
2 Officer of the State, the resulting unused appropriations in Regular
3 Salaries, Extra Help, and Personal Services Matching may be transferred to
4 the Professional Services special line item for the purpose of contracting
5 with qualified individuals or firms for examination assistance.

6 The provisions of this section shall be in effect only from July 1, ~~2015~~
7 2016 through June 30, ~~2016~~ 2017.

8

9 SECTION 27. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
10 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. HEALTHCARE
11 INDEPENDENCE PROGRAM AND ARKANSAS HEALTH INSURANCE MARKETPLACE RESTRICTIONS.

12 (a) As used in this section, "Health Care Independence Program" means the
13 Health Care Independence Program established under the Health Care
14 Independence Act of 2014, Arkansas Code § 20-77-2401 et seq.

15 (b)(1) Determining the maximum number of employees, the maximum amount
16 of appropriation, for what purposes an appropriation is authorized, and
17 general revenue funding for a state agency each fiscal year is the
18 prerogative of the General Assembly.

19 (2) The purposes of subdivision (b)(1) of this section are
20 typically accomplished by:

21 (A) Identifying the purpose in the appropriation act;

22 (B) Delineating such maximums in the appropriation act for
23 a state agency; and

24 (C) Delineating the general revenue allocations authorized
25 for each fund and fund account by amendment to the Revenue Stabilization Law,
26 Arkansas Code § 19-5-101 et seq.

27 (3) It is both necessary and appropriate that the General
28 Assembly restrict the use of appropriations authorized in this act.

29 (c)(1) Except as provided in this subsection, the State Insurance
30 Department shall not allocate, budget, expend, or utilize any appropriation
31 authorized by the General Assembly for the purpose of advertisement,
32 promotion, or other activities designed to promote or encourage enrollment in
33 the Arkansas Health Insurance Marketplace or the Health Care Independence
34 Program, including without limitation:

35 (A) Unsolicited communications mailed to potential
36 recipients;

- 1 (B) Television, radio, or online commercials;
2 (C) Billboard or mobile billboard advertising;
3 (D) Advertisements printed in newspapers, magazines, or
4 other print media; and
5 (E) Internet websites and electronic media.
- 6 (2) This subsection does not prohibit the department from:
7 (A) Direct communications with:
8 (i) Licensed insurance agents; and
9 (ii) Persons licensed by the department;
10 (B) Solicited communications with potential recipients;
11 (C)(i) Responding to an inquiry regarding the coverage for
12 which a potential recipient might be eligible, including without limitation
13 providing educational materials or information regarding any coverage for
14 which the individual might qualify.
15 (ii) Educational materials and information
16 distributed under subdivision (c)(2)(C)(i) of this section shall contain only
17 factual information and shall not contain subjective statements regarding the
18 coverage for which the potential recipient might be eligible; and
19 (D) Using an Internet website for the exclusive purpose of
20 enrolling individuals in the Arkansas Health Insurance Marketplace or the
21 Health Care Independence Program.
- 22 (d) The State Insurance Department shall not apply for or accept any
23 funds, including without limitation federal funds, for the purpose of
24 advertisement, promotion, or other activities designed to promote or
25 encourage enrollment in the Arkansas Health Insurance Marketplace or the
26 Health Care Independence Program.
- 27 (e)(1) Except as provided in subdivision (e)(2) of this section, the
28 State Insurance Department shall not:
29 (A)(i) Except as provided in subdivision (e)(1)(A)(ii) of
30 this section, allocate, budget, expend, or utilize an appropriation
31 authorized by the General Assembly for the purpose of funding activities of
32 navigators, guides, certified application counselors, and certified licensed
33 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
34 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.
35 (ii) Subdivision (e)(1)(A)(i) of this section does
36 not apply to regulatory and training responsibilities related to navigators,

1 guides, certified application counselors, and certified licensed producers;
2 and

3 (B) Apply for or accept any funds, including without
4 limitation federal funds, for the purpose of funding activities of
5 navigators, guides, certified application counselors, and certified licensed
6 producers under the Arkansas Health Insurance Marketplace Navigator, Guide,
7 and Certified Application Counselors Act, Arkansas Code § 23-64-601 et seq.

8 (2) Subdivision (e)(1) of this section does not apply to
9 certified application counselors at health related institutions, including
10 without limitation the University of Arkansas for Medical Sciences.

11 (f) An appropriation authorized by the General Assembly shall not be
12 subject to the provisions allowed through reallocation of resources or
13 transfer of appropriation authority for the purpose of transferring an
14 appropriation to any other appropriation authorized for the State Insurance
15 Department to be allocated, budgeted, expended, or utilized in a manner
16 prohibited by this section.

17 (g) The provisions of this section are severable, and the invalidity
18 of any subsection or subdivision of this section shall not affect other
19 provisions of the section that can be given effect without the invalid
20 provision.

21 (h) This section expires on June 30, ~~2016~~ 2017.

22

23 SECTION 28. SPECIAL LANGUAGE. NOT TO BE INCORPORATED INTO THE ARKANSAS
24 CODE NOR PUBLISHED SEPARATELY AS SPECIAL, LOCAL AND TEMPORARY LAW. FUNDING
25 RESTRICTIONS. The State Insurance Department shall not allocate, budget,
26 expend or commit for expenditure any appropriation authorized by the General
27 Assembly for final implementation of a state-based health insurance exchange
28 by the Arkansas Health Insurance Marketplace Board as established in Arkansas
29 Code § 23-61-803 et seq. until after the decision of the United States
30 Supreme Court in King v. Burwell, 759 F.3d 358 (4th Cir.), cert. granted,
31 U.S. , 135 S. Ct. 475(2014).

32 The provisions of this section shall be in effect only from ~~the date of~~
33 ~~the passage and approval of this Act~~ July 1, 2016 through June 30, ~~2016~~ 2017.

34

35 SECTION 29. COMPLIANCE WITH OTHER LAWS. Disbursement of funds
36 authorized by this act shall be limited to the appropriation for such agency

1 and funds made available by law for the support of such appropriations; and
2 the restrictions of the State Procurement Law, the General Accounting and
3 Budgetary Procedures Law, the Revenue Stabilization Law, the Regular Salary
4 Procedures and Restrictions Act, or their successors, and other fiscal
5 control laws of this State, where applicable, and regulations promulgated by
6 the Department of Finance and Administration, as authorized by law, shall be
7 strictly complied with in disbursement of said funds.

8
9 SECTION 30. LEGISLATIVE INTENT. It is the intent of the General
10 Assembly that any funds disbursed under the authority of the appropriations
11 contained in this act shall be in compliance with the stated reasons for
12 which this act was adopted, as evidenced by the Agency Requests, Executive
13 Recommendations and Legislative Recommendations contained in the budget
14 manuals prepared by the Department of Finance and Administration, letters, or
15 summarized oral testimony in the official minutes of the Arkansas Legislative
16 Council or Joint Budget Committee which relate to its passage and adoption.

17
18 SECTION 31. EMERGENCY CLAUSE. It is found and determined by the
19 General Assembly, that the Constitution of the State of Arkansas prohibits
20 the appropriation of funds for more than a one (1) year period; that the
21 effectiveness of this Act on July 1, 2016 is essential to the operation of
22 the agency for which the appropriations in this Act are provided, and that in
23 the event of an extension of the legislative session, the delay in the
24 effective date of this Act beyond July 1, 2016 could work irreparable harm
25 upon the proper administration and provision of essential governmental
26 programs. Therefore, an emergency is hereby declared to exist and this Act
27 being necessary for the immediate preservation of the public peace, health
28 and safety shall be in full force and effect from and after July 1, 2016.

29
30 */s/ Joint Budget Committee*
31
32
33
34
35
36