

1 State of Arkansas  
2 90th General Assembly  
3 Regular Session, 2015  
4

As Engrossed: S3/18/15

# A Bill

SENATE BILL 824

5 By: Senator J. Hendren  
6

## For An Act To Be Entitled

8 *AN ACT TO CLARIFY THE PROCEDURE FOR STATE*  
9 *CONTRIBUTIONS TO THE STATE AND PUBLIC SCHOOL LIFE AND*  
10 *HEALTH INSURANCE PROGRAM ON BEHALF OF STATE*  
11 *EMPLOYEES; TO EXTEND THE STATE AND PUBLIC SCHOOL LIFE*  
12 *AND HEALTH INSURANCE PROGRAM LEGISLATIVE TASK FORCE;*  
13 *AND FOR OTHER PURPOSES.*  
14

### Subtitle

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17 *TO CLARIFY THE PROCEDURE FOR STATE*  
18 *CONTRIBUTIONS TO THE STATE AND PUBLIC*  
19 *SCHOOL LIFE AND HEALTH INSURANCE PROGRAM;*  
20 *AND TO EXTEND THE STATE AND PUBLIC SCHOOL*  
21 *LIFE AND HEALTH INSURANCE PROGRAM*  
22 *LEGISLATIVE TASK FORCE.*  
23  
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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27 SECTION 1. Arkansas Code § 21-5-414(b), concerning the state  
28 contributions to the State and Public School Life and Health Insurance  
29 Program, is amended to read as follows:

30 ~~(b)(1) The State of Arkansas, on behalf of state agencies~~  
31 ~~participating in the program, is authorized to~~ Participating entities shall  
32 make a monthly contribution equal to the number of budgeted state employee  
33 positions multiplied by the monthly contribution authorized by the Chief  
34 Fiscal Officer of the State, not to exceed four hundred twenty-five dollars  
35 (\$425) monthly for each state employee budgeted position into a fund  
36 designated for state employee health benefits to partially defray the cost of



1 *life and health ~~insurance~~ benefits for state employees and retirees*  
2 *participating in the program.*

3 ~~(2) The department may make a monthly contribution to partially~~  
4 ~~defray the cost of health insurance for state employee retirees, utilizing~~  
5 ~~funds made available for that purpose, not to exceed the amount authorized by~~  
6 ~~the Chief Fiscal Officer of the State.~~

7  
8 *SECTION 2. Identical uncodified Acts 2013 (1st Ex. Sess.), Nos. 3 and*  
9 *6, § 3, is amended to read as follows:*

10 *SECTION 3. TEMPORARY LANGUAGE. DO NOT CODIFY. State and Public*  
11 *School Life and Health Insurance Program Legislative Task Force – Creation –*  
12 *Membership – Duties.*

13 *(a) There is created the State and Public School Life and Health*  
14 *Insurance Program Legislative Task Force.*

15 *(b)(1) The task force shall consist of the following twelve (12)*  
16 *members:*

17 *(A) The Chair of the House Committee on Education or the*  
18 *chair's designee;*

19 *(B) The Chair of the Senate Committee on Education or the*  
20 *chair's designee;*

21 *(C) The Chair of the House Committee on Insurance and*  
22 *Commerce or the chair's designee;*

23 *(D) The Chair of the Senate Committee on Insurance and*  
24 *Commerce or the chair's designee;*

25 *(E) Four (4) ~~Senators~~ senators appointed by the President*  
26 *Pro Tempore of the Senate; and*

27 *(F) Four (4) ~~Representatives~~ members of the House of*  
28 *Representatives appointed by the Speaker of the House of Representatives.*

29 *(2) If a vacancy occurs on the task force, the vacancy shall be*  
30 *filled by the same process as the original appointment.*

31 *(3) Legislative members of the task force shall be paid per diem*  
32 *and mileage as authorized by law for attendance at meetings of interim*  
33 *committees of the General Assembly.*

34 *(c)(1) The Chair of the Senate Committee on Education or the chair's*  
35 *designee shall call the first meeting of the task force within thirty (30)*  
36 *days of the effective date of this act and shall serve as chair of the task*

1 *force at the first meeting.*

2 *(2) At the first meeting of the task force, the members of the*  
3 *task force shall elect from its membership a chair and other officers as*  
4 *needed for the transaction of its business.*

5 *(3)(A) The task force shall conduct its meetings in Pulaski*  
6 *County at the State Capitol Building or another site with teleconferencing*  
7 *capabilities.*

8 *(B) Meetings of the task force shall be held at least one*  
9 *(1) time every two (2) months but may occur more often at the call of the*  
10 *chair.*

11 *(4) The task force shall establish rules and procedures for*  
12 *conducting its business.*

13 *(5)(A) A majority of the members of the task force shall*  
14 *constitute a quorum for transacting business of the task force.*

15 *(B) No action may be taken by the task force except by a*  
16 *majority vote at a meeting at which a quorum is present.*

17 *(6) The Bureau of Legislative Research shall provide staff for*  
18 *the task force.*

19 *(d) The purpose of the task force is to:*

20 *(1) Develop an implementation plan for the State and Public*  
21 *School Life and Health Insurance Program that will allow the program to*  
22 *operate on an actuarially sound basis while ensuring a high-quality, low-cost*  
23 *program of insurance for state employees, state employee retirees, public*  
24 *school employees, and public school employee retirees;*

25 *(2) Increase public awareness and transparency of the:*

26 *(A) Program, including plan options available under the*  
27 *program; and*

28 *(B) Governance and operation of the program; and*

29 *(3) Develop a legislative framework that will promote the*  
30 *actuarial soundness and stability of the program.*

31 *(e) To meet the goals of the task force, the task force shall:*

32 *(1) Study all aspects of the state and public school life and*  
33 *health insurance program for the purpose of recommending changes that will*  
34 *ensure the financial stability of the program while offering participants*  
35 *affordable healthcare coverage, including without limitation:*

36 *(A) Researching current insurance concepts, market*

1 conditions, regulatory issues, the effects of the Patient Protection and  
2 Affordable Care Act, Pub. L. No. 111-148, and best practices from other  
3 states;

4 (B) Exploring:

5 (i) Cost-containment measures and funding options  
6 for plan options offered under the program;

7 (ii) Ways to promote competition among vendors and  
8 the offering of competitive health insurance plan options that include  
9 quality-of-care delivery, portability, and accessible and affordable  
10 ~~healthcare~~ health care; and

11 (iii) The role that the current structure of the  
12 program, and plan options under the program, have historically contributed to  
13 the volatility of the system;

14 ~~(B)(C)~~ Reviewing state statutes that may be barriers to  
15 the overall actuarial soundness and stability of the program;

16 ~~(G)(D)~~ Preparing a comprehensive analysis of recommended  
17 health insurance plan options to be offered under the program; and

18 ~~(D)(E)~~ Evaluating the governance and structure of the  
19 State and Public School Life and Health Insurance Board;

20 (2) If the task force determines necessary, contract with  
21 consultants to assist the task force with the study;

22 (3) On or before June 30, 2014, file with the Speaker of the  
23 House of Representatives and the President Pro Tempore of the Senate a  
24 written, preliminary report of the task force's activities, findings, and  
25 recommendations; and

26 (4) On or before June 29, 2015, file with the Speaker of the  
27 House of Representatives and the President Pro Tempore of the Senate a  
28 written, final report of the task force's activities, findings, and  
29 recommendations.

30 (f) The task force expires ~~June 30, 2015~~ June 30, 2016, or before if  
31 the task force decides it has met the goals of the task force under  
32 subsection (e) of this section.

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34 /s/J. Hendren

35 APPROVED: 04/01/2015

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