

MINUTES

**STATE AND PUBLIC SCHOOL  
LIFE AND HEALTH INSURANCE PROGRAM  
LEGISLATIVE TASK FORCE**

**Wednesday, October 21, 2015**

**1:30 P.M.**

**Room 171, State Capitol  
Little Rock, Arkansas**

Representative Bill Gossage, the Vice Chair of the State and Public School Life and Health Insurance Program Legislative Task Force, called the meeting to order at 1:30 p.m.

**MEMBERS OF THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH INSURANCE PROGRAM LEGISLATIVE TASK FORCE IN ATTENDANCE:** Representative Bill Gossage, Vice Chair; Senator Cecile Bledsoe; Senator Eddie Cheatham; Senator Linda Chesterfield; Senator David Sanders; and Representative Bruce Cozart.

**OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE:** Senator Alan Clark; Senator Jonathan Dismang; Senator Joyce Elliott; Senator Jon Woods; Representative Charles L. Armstrong; Representative Scott Baltz; Representative Justin Boyd; Representative David Branscum; Representative Dan Douglas; Representative R. Trevor Drown; Representative Kenneth B. Ferguson; Representative Sheilla Lampkin; Representative Fredrick J. Love; Representative Mark McElroy; Representative Betty Overbey; and Representative James Sorvillo.

Minutes:

Without objection, the minutes of July 17, 2015 were approved as written.

Exhibit:

Exhibit C – 07/17/15 Minutes

Remarks by the Chair and Vice Chair

Representative Gossage, Vice Chair, State and Public School Life and Health Insurance Program Legislative Task Force, stated it had been an honor and a privilege to serve on the Task Force over the past several years. He said he was proud of work done by members toward substantially improving the life and health insurance program for both state and public school employees. He said that, while there were some difficult choices to make, results have shown an overall improvement in the financial situation of the program. He announced it was time for new ideas and a new direction; and for that reason, both he and Senator Hendren would be stepping down, and a new chair and vice chair would be chosen by members.

Selection of New Chair and Vice Chair

Relevant Action:

**The Honorable Cecile Bledsoe**, State Senator, District 3, was recognized, and made a motion to nominate Senator Eddie Cheatham as the new chair, and Representative Charlene Fite as the new vice chair of the State and Public School Life and Health Insurance Program Legislative Task Force. Representative Cozart seconded the motion.

Pursuant to the motion by Senator Bledsoe, and without objection, the motion was carried.

Exhibits:

Exhibit D1 – Resignation Letter, Hendren

Exhibit D2 – Resignation Letter, Gossage

**The Honorable Eddie Cheatham**, State Senator, District 26, was recognized, and took over his new role as chair. He said he hoped to continue the good work done by the Task Force.

Update on the Fiscal Status of the Employee Benefits Division (EBD)

Presenter:

**Mr. Bob Alexander**, Director, Employee Benefits Division, Arkansas Department of Finance and Administration, was recognized. Mr. Alexander presented financials for both the Arkansas State Employee (ASE) plan and the Public School Employee (PSE) plan for the months of June, July, August, and September, 2015. He indicated for the month of September, the ASE plan showed a \$3 million positive which gave the plan a \$34 million positive for the year. He said the plan's net assets available were just under \$35 million of unallocated reserves. Mr. Alexander indicated that on the PSE side, there was a \$2.5 million positive for the month of September. He said that raised the positive for the year to \$46 million, with unallocated reserves at \$37.7 million. He said net assets available are \$77 million, noting the EBD Board has directed some reserves for use as future premiums.

Issue Included in the Discussion:

- using page numbers on financials.

Exhibit:

Exhibit E - EBD Financials

Update on the Employee Benefits Division's Member Satisfaction Survey

Presenter:

**Mr. Bob Alexander**, Director, Employee Benefits Division, Arkansas Department of Finance and Administration, was recognized. Utilizing a PowerPoint presentation, Mr. Alexander reviewed strategy, methods, findings, and limitations of the Member Satisfaction Survey.

Contributor to the Discussion:

**Ms. Robyn Keene**, Financial Consultant, Arkansas Association of Educational Administrators (AAEA)

Issues Included in the Discussion:

- ability to access and complete the Health Assessment,
- using bar codes on the Health Assessment to identify an employee,
- rationale behind going to a doctor for a Wellness check-up *and* completing a Health Assessment in order to receive a \$75.00 discount,
- number of employees who are not eligible for the discount because of not fulfilling both requirements,
- window for completing the requirements,
- finding a simpler way to qualify for a discount,
- adopting recommendations made by the consultant hired by the Task Force, and
- medium to high risk cases given access to early intervention as a result of the Health Assessment.

Relevant Action:

**The Honorable Linda Chesterfield**, State Senator, District 30, was recognized, and made a motion to extend the deadline for completion of the Health Assessment an additional thirty (30) days. The motion failed for lack of a second.

Issues Included in the Discussion (continued):

- extension of the deadline for the Health Assessment irreconcilable with other deadlines and payroll cycles at EBD,
- follow-up mailings to employees,
- responsibility of thinking about different ways in which people respond,
- breakdown between ASE and PSE of the 14,000 employees who have not completed the Health Assessment,
- sending email alerts to state agencies and school districts,
- changing the color of the mailings,
- questions asked in the survey,
- surprising answers to question regarding ASE and PSE employees' knowledge of their health insurance representative; knowledge of human resources representative vs. health insurance representative,
- making it mandatory for human resources representatives to attend monthly EBD meetings,
- limitations faced in developing the survey,
- removing a human resources representative who has not been responsive, and
- having EBD start the process for the AAEA and other agencies to send out email alerts.

PowerPoint Presentation:

EBD 2015 ARBenefits Membership Survey, Preliminary Results

Handouts:

EBD 2015 ARBenefits Membership Survey, Preliminary Results  
EBD 2015 ARBenefits Membership Survey, Questions

Other Handouts:

Board set to require spouse wellness tests, by Brian Fanney, *Arkansas Democrat-Gazette*, October 21, 2015

Next Scheduled Meeting:

The next meeting date is TBD.

Adjournment:

The meeting adjourned at 3:50 p.m.

Approved: 02/18/2016