

MEETING SUMMARY

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

Thursday, February 18, 2016
10:00 A.M.
Room 171, State Capitol
Little Rock, Arkansas

Representative Charlene Fite, the Vice Chair of the State and Public School Life and Health Insurance Program Legislative Task Force, called the meeting to order at 10:00 a.m.

MEMBERS OF THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH INSURANCE PROGRAM LEGISLATIVE TASK FORCE IN ATTENDANCE: Senator Eddie Cheatham, Chair; Representative Charlene Fite, Vice Chair; Senator Cecile Bledsoe; Senator Jason Rapert; Representative Bruce Cozart; Representative George McGill; and Representative Laurie Rushing.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Jim Hendren; Senator Bart Hester; Senator Missy Irvin; Senator Blake Johnson; and Representative Kenneth B. Ferguson.

Minutes:

Without objection, the minutes of October 21, 2015, were approved as written.

Exhibit:

Exhibit C – 10/21/2015 Minutes

Introduction of New Members of the Task Force

Representative Fite welcomed **The Honorable Alan Clark**, State Senator, District 13, and **The Honorable Grant Hodges**, State Representative, District 96, as new members of the Task Force.

Handout:

State and Public School Life and Health Insurance Program Legislative Task Force – Creation – Membership – Duties.

Introduction of Ms. Janis Harrison, Interim Director, Employee Benefits Division, Arkansas Department of Finance and Administration

Representative Fite requested that Ms. Janis Harrison introduce herself, and make her presentation.

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

Presenter:

Ms. Janis Harrison, Interim Director, Employee Benefits Division, Arkansas Department of Finance and Administration, was recognized. Ms. Harrison referred members to Exhibit F, *EBD Financials*. She stated the financials are for both the Arkansas State Employees (ASE) and the Public School Employees (PSE) plans. She

explained the financials compare numbers from January 1, 2015 through December 31, 2015, with those from the same period in 2014; and January 1, 2016 through January 31, 2016, with those from the same period in 2015. She said the plans have maintained a decent fund balance which, going forward, will lend credence to the actuaries and to the Board decisions for the 2017 plan year.

Issues Included in the Discussion:

- building up fund balances to a certain point so that rates can be reduced,
- concern over an increase in premium rates for the PSE plan, and
- responsibility of the state regarding PSE rates.

Exhibit:

Exhibit F – EBD Financials

Handouts:

Power Pool Flow Chart

Power Pool Proposal Information Packet

Discussion of Future Activities of the Task Force

Representative Fite stated the Task Force will sunset on June 30, 2016, unless the statute that created it is amended during the upcoming Fiscal Session. With several issues outstanding, a brief discussion ensued on options available to the Task Force.

Representative Fite announced that a presentation of an Interim Study Proposal (ISP) by Representative Kim Hammer would be held for the next meeting.

Next Scheduled Meeting:

The next meeting date is TBD.

Adjournment:

The meeting adjourned at 10:14 a.m.

Approved: 06/09/16