

1 INTERIM STUDY PROPOSAL 2007-172

2
3 REQUESTING THAT THE HOUSE INTERIM COMMITTEE ON
4 INSURANCE AND COMMERCE STUDY THE RAMIFICATIONS OF
5 ESTABLISHING A COMPREHENSIVE STATE RISK MANAGEMENT
6 PLAN.

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8 WHEREAS, the State of Arkansas would benefit from a comprehensive review
9 of its loss history, claims experience, and insurance and claims payment practices to
10 determine the most cost-efficient method of providing a source of recovery for bona fide
11 claims that the state chooses to pay, while preserving its sovereign immunity; and
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13 WHEREAS, the review should be conducted by the House Interim Committee on
14 Insurance and Commerce with the assistance, cooperation, reporting, and
15 recommendations from the Arkansas State Claims Commission and the Administrator of
16 the Risk Management Division of the State Insurance Department,
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18 NOW THEREFORE,
19 BE IT PROPOSED BY THE HOUSE INTERIM COMMITTEE ON INSURANCE AND
20 COMMERCE:
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22 THAT the House Interim Committee on Insurance and Commerce study the
23 ramifications of establishing a comprehensive state risk management plan, including
24 without limitation:

25 (1) Whether to establish a comprehensive state risk management plan and
26 if so, the type, terms, and administration of the plan, including without limitation whether
27 to:

28 (A) Purchase insurance coverage and the types, amounts,
29 deductibles, aggregate limits, stop-loss coverage, catastrophic coverage, or other terms of
30 insurance coverage;

31 (B) Self-insure against all or a portion of claims asserted against
32 the state; and

33 (C) Rely exclusively upon the remedies provided in conjunction
34 with the administration of the Arkansas State Claims Commission under § 19-10-101 et
35 seq., § 19-10-201 et seq., § 19-10-301 et seq., and § 19-10-401 et seq.;

- 1 (2) An evaluation of the state's loss history, claims experience, and
- 2 insurance and claims payment practices;
- 3 (3) An evaluation of the risk management plan used by other states;
- 4 (4) The effect of a comprehensive risk management plan upon the state's
- 5 sovereign immunity; and
- 6 (5) Any other matters considered necessary or desirable to conduct the
- 7 interim study.

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9 BE IT FURTHER PROPOSED that the Arkansas State Claims Commission and

10 the Administrator of the Risk Management Division of the State Insurance Department

11 provide the assistance, cooperation, reporting, and recommendations requested by the

12 House Interim Committee on Insurance and Commerce in a timely fashion.

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14 Respectfully submitted,

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18 Representative Rosenbaum

19 District 32