LEGISLATION ENACTED BY THE 90TH GENERAL ASSEMBLY IMPACTING THE STATE AND PUBLIC SCHOOL LIFE AND HEALTH INSURANCE PROGRAM

Act 910 (SB821) - An Act to Clarify the Health Insurance Benefits for State and Public School Employees; To Modify the Eligibility Requirements for Participation in the State and Public School Life and Health Insurance Program; and For Other Purposes.

The act includes the recommendations that were considered noncontroversial by the State and Public School Life and Health Insurance Program Legislative Task Force, including:

(a) Clarifying that a participant in a consumer-driven health insurance plan option under the State and Public School Life and Health Insurance Program is required to establish a health savings account if the participant is able to do so under federal law and is an active employee who has not yet reached retirement age (exclude retirees);

(b) Defining an active employee;

(c) Revising the plan year from 2014 to 2015; and

(d) Correcting language concerning the use of funds by the Executive Director of the Employee Benefits Division to pay benefits and expenses and substituting "funds" for "premiums".

ANS035

Act 911 (SB822) - An Act to Modify the Definition of "Dependent" Under the State and Public School Life and Health Insurance Program; and For Other Purposes. The act revises the definition of "dependent" to clarify that a dependent includes a natural child, stepchild, or adopted child. ANS033

Act 912 (SB824) - An Act to Clarify the Procedure for State Contributions to the State and Public School Life and Health Insurance Program on Behalf of State Employees; To Extend the State and Public School Life and Health Insurance Program Legislative Task Force; and For Other Purposes.

The act clarifies that a participating entity (and not the State of Arkansas) submits a monthly contribution to the State and Public School Life and Health Insurance Program for state employees.

The act also modifies the expiration date of the State and Public School Life and Health Insurance Program Legislative Task Force to June 30, 2016, or if the task force meets the goals under the identical uncodified Acts 2013 (1st Ex. Sess.), Nos. 3 and 6, § 3, the task force may decide to discontinue.

ANS049

Act 913 (SB826) - An Act Concerning the Requirements Under the State and Public School Life and Health Insurance Program for a State Employee Retiree and Public School Employee Retiree; To Clarify the Eligibility of Certain Retirees to Continue Coverage in the State and Public School Life and Health Insurance Program; and For Other Purposes. The act corrects conflicting language caused by Act 331 of 2011 and modifies provisions that simplify administrative concerns, including:

(a) Combining provisions concerning the enrollment by a retiree in the State and Public School Life and Health Insurance Program;

(b) Eliminating the requirement that a retiree provide a Letter of Creditable Coverage to the Employee Benefits Division because beginning January 1, 2015, the Employee Benefits Division no longer provides this type of information to a member who loses coverage;; and

(c) No longer requiring a retiree to specify in writing why he or she is declining coverage..

ANS178

Act 995 (SB535) An Act to Require a School District to Increase the School District Contribution to Employee Health Insurance By the Same Amount the School District Increases an Employee's Salary; and For Other Purposes.

The act requires a school district to increase the school district contribution to employee health insurance by the same amount an employee's salary is increased. SAG080

Act 1053 (SB823) - An Act to Clarify the Payroll Deductions of a State Employee; and For Other Purposes.

The act clarifies a state employee's payroll deductions may be for group or individual hospital, medical, and life insurance deductions. ANS047

Act 1135 (SB949) - An Act to Modify the Health Insurance Benefits for State Employees and Public School Employees; To Regulate the State and Public School Life and Health Insurance Program; and For Other Purposes.

The act modifies the powers, functions, and duties of the State and Public School Life and Health Insurance Board to require the board to recommend but no longer require an active employee in a consumer-driven health insurance plan option under the State and Public School Life and Health Insurance Program to establish a health savings account if the active employee is eligible under federal law.

The act provides that beginning in the 2015 plan year, a participating entity shall identify funds that are not paid for federal taxes under the Federal Insurance Contributions Act and generated only from health insurance pretaxed premiums, to use for premium assistance.

The act clarifies that funds that are collected for the program are no longer required to be collected one (1) month in advance and the funds are to pay medical claims, drug claims, premiums, benefits, and direct administrative expenses of the program. ANS251