

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas  
2 81st General Assembly  
3 Regular Session, 1997

As Engrossed: H3/18/97

# A Bill

HOUSE BILL 2111

4  
5 By: Representative French

## For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 21-5-404 PERTAINING TO THE  
10 POWERS AND DUTIES OF THE STATE EMPLOYEE AND PUBLIC SCHOOL  
11 PERSONNEL BOARD; AND FOR OTHER PURPOSES."

## Subtitle

13 "AMEND ARKANSAS CODE 21-5-404 PERTAINING  
14 TO THE POWERS AND DUTIES OF THE STATE  
15 EMPLOYEE AND PUBLIC SCHOOL PERSONNEL  
16 BOARD."

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code 21-5-404 is amended to read as follows:

22 "21-5-404. Powers - Functions - Duties.

23 The board shall have the following powers, functions, and duties:

24 (1) To explore various cost containment measures and funding  
25 options;

26 (2) To explore methods of reducing the disparity of employer  
27 contributions between state employee and public school personnel  
28 programs in future years;

29 (3) To promote competition among vendors and create a systematic  
30 formula for measuring competitiveness of programs, not solely based  
31 upon lowest administrative fees, but upon aggregate cost-saving  
32 mechanisms, quality of care delivery, and accessibility to health  
33 care;

34 (4) To prepare a comprehensive analysis of the various health  
35 plan options offered by the board available to state and public school  
36 employees, including cost, quality, and access differentials among the

1 various plans, as well as any other comparisons of the plans as will  
2 enable the state and school employees to make a well-informed choice  
3 of plans; ~~and~~

4 (5) Undertake studies and take any appropriate action which it  
5 determines will promote the financial soundness and overall well-being  
6 of the state employee and public school personnel health insurance  
7 programs- ; and

8 (6) Set a minimum reimbursement level for pharmaceutical services to be  
9 provided by the health plan. Such reimbursement level shall not be less than  
10 the following formula: Average wholesale price (AWP) minus 10.5% plus \$4.51  
11 plus .103 of average wholesale price minus 10.5% (AWP-10.5+4.51+.103AWP-  
12 10.5). The provisions of this subsection shall not effect existing contracts  
13 but shall effect renewals of existing contracts and shall effect contracts  
14 executed subsequent to the effective date of this."

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16 SECTION 2. All provisions of this act of a general and permanent nature  
17 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code  
18 Revision Commission shall incorporate the same in the Code.

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20 SECTION 3. If any provision of this act or the application thereof to  
21 any person or circumstance is held invalid, such invalidity shall not affect  
22 other provisions or applications of the act which can be given effect without  
23 the invalid provision or application, and to this end the provisions of this  
24 act are declared to be severable.

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26 SECTION 4. All laws and parts of laws in conflict with this act are  
27 hereby repealed.

28 /s/Rep. French

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