

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009
4

A Bill

HOUSE BILL 1891

5 By: Representative Nickels
6
7

For An Act To Be Entitled

9 AN ACT TO ESTABLISH A UNIFIED HEALTH CARE BENEFIT
10 PROGRAM FOR ALL PUBLICLY FUNDED EMPLOYEES AND
11 RETIRED EMPLOYEES; AND FOR OTHER PURPOSES.
12

Subtitle

13 TO ESTABLISH A UNIFIED HEALTH CARE
14 BENEFIT PROGRAM FOR ALL PUBLICLY FUNDED
15 EMPLOYEES AND RETIRED EMPLOYEES.
16
17
18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
20

21 SECTION 1. Arkansas Code § 21-5-401 is amended to read as follows:
22 21-5-401. Legislative intent.

23 It is the purpose of this subchapter to:

24 (1) Create a single board to select health insurance and life
25 insurance plan coverages for ~~state and public school~~ publicly funded
26 employees and retirees;

27 (2) Develop self-funded health programs to enhance the ability
28 to control premiums and utilize managed care capabilities if feasible and in
29 the best interest of plan members; and

30 (3) Enable a single board to:

31 (A) Set and manage policies for the health insurance and
32 life insurance programs of ~~state and public school~~ publicly funded employees;

33 (B) Work in a concerted effort toward a common goal of
34 parity between ~~public school and state~~ publicly funded employee and retiree
35 insurance programs;

36 (C) Improve the quality of health care services under the



1 programs;

2 (D) Increase participants' understanding of program
3 features; and

4 (E) Slow the rate of growth in health care expenses under
5 the programs.

6

7 SECTION 2. Arkansas Code § 21-5-403 is amended to read as follows:
8 21-5-403. Policy-making body only – Reports.

9 (a) The State and Public School Life and Health Insurance Board shall
10 be a policy-making body only.

11 (b) The executive director shall report upon request to the House
12 ~~Interim~~ Committee on Insurance and Commerce and the Senate ~~Interim~~ Committee
13 on Insurance and Commerce regarding the ~~state and public school~~ publicly
14 funded employees and retirees insurance program.

15

16 SECTION 3. Arkansas Code § 21-5-404(3), concerning the powers, duties,
17 and functions of the State and Public School Life and Health Insurance Board,
18 is amended to read as follows:

19 (3) To prepare a comprehensive analysis of the various health
20 benefit plan options approved by the board to provide coverage to ~~state and~~
21 ~~public school~~ publicly funded employees and retirees, including cost,
22 quality, and access differentials among the various plans as well as any
23 other comparisons of the plans;

24

25 SECTION 4. Arkansas Code § 21-5-405(a), concerning the duties of the
26 State and Public School Life and Health Insurance Board, is amended to read
27 as follows:

28 (a) The State and Public School Life and Health Insurance Board and
29 the executive director shall take a risk management approach in designing the
30 ~~state and public school~~ publicly funded employees and retirees benefit
31 programs. The board shall ensure that the ~~state and public school~~ publicly
32 funded employees and retirees benefit programs are maintained on an
33 actuarially sound basis as determined by actuarial standards established by
34 the board.

35

36 SECTION 5. Arkansas Code § 21-5-405(b)(4), concerning the duties of

1 the State and Public School Life and Health Insurance Board, is amended to
2 read as follows:

3 (4)(A) Utilize the combined purchasing power of the ~~state~~
4 ~~employee and public school~~ employee, retiree, participating entity, and
5 participating institution personnel programs to foster competition among
6 vendors and providers for the programs.

7 (B) Any ~~state agency or school district~~ employee, retiree,
8 participating entity, and participating institution that accepts state funds
9 intended to partially defray the cost of health and life insurance for ~~the~~
10 ~~employees of the state and public schools~~ an employee, retiree, participating
11 entity, or participating institution shall:

12 (i) Use those funds only for the ~~state and public~~
13 ~~school employees~~ health benefit plans sponsored by the board; and

14 (ii) Agree to rules of participation as stated in
15 the policies adopted by the board and as defined in the regulations and
16 procedures issued by the Executive Director of the Employee Benefits
17 Division, including, but not limited to, timely eligibility reporting,
18 prepayment of insurance premiums, actuarial adjustment for new enrollees, and
19 any other requirements deemed necessary by the board;

20
21 SECTION 6. Arkansas Code § 21-5-406(e)(3)(A), concerning the
22 implementation of benefit programs, is amended to read as follows:

23 (3)(A) The executive director shall have the authority to
24 supervise the implementation and day-to-day management of the health
25 insurance programs and other employee benefit programs, plans, and individual
26 and group policies made available to ~~state and public school~~ employees, if
27 applicable.

28
29 SECTION 7. Arkansas Code § 21-5-406(e)(3)(E), concerning the exemption
30 of the Arkansas State Police Employee Health Plan from mandatory
31 participation, is repealed.

32 ~~(E) The Arkansas State Police Employee Health Plan shall~~
33 ~~be exempt from any mandatory participation required by this section.~~

34
35 SECTION 8. Arkansas Code § 21-5-407 is amended to read as follows:
36 21-5-407. Definitions.

1 As used in this subchapter:

2 (1) "Aggregate performance information" means a report or other
 3 means of communication about the measurement of accomplishment of the
 4 execution of certain tasks, achievement of certain results, or occurrence of
 5 certain events related to all patients or to a class or group of patients
 6 identifiable by certain criteria;

7 (2) "Alternate retirement plan retiree" means a retiree of
 8 certain institutions whose employer does not contribute to the State or
 9 Public School Health Insurance Plan during his or her active employment as
 10 defined in § 24-7-801. Further, an "alternate retirement plan", for the
 11 purposes of this section, is a defined contribution plan allowed under the
 12 Internal Revenue Service regulations and allowed but not created by Arkansas
 13 state law;

14 (3) "Dependent" means any member of an employee's or retiree's
 15 family who meets the eligibility for coverage under the health benefit plans
 16 approved by the State and Public School Life and Health Insurance Board;

17 (4) "Dual eligibility" means simultaneous participation as an
 18 employee, dependent, or retiree in the multiple programs offered by the
 19 Employee Benefits Division;

20 (5) "Eligible inactive retiree" means a former member of the
 21 General Assembly or a state-elected constitutional officer who has served a
 22 sufficient number of years of credited service to be eligible for retirement
 23 benefits but who has not yet reached retirement age. Eligible inactive
 24 retirees who enroll in the plan must pay the entire premium cost as set by
 25 the board;

26 (6) "Employee" means ~~a state employee or a public school~~
 27 ~~district employee;~~ an employee who is paid all or part of his or her salary
 28 by public funds, including without limitation an employee of:

- 29 (A) The State of Arkansas;
- 30 (B) A public school district;
- 31 (C) A county;
- 32 (D) A municipality;
- 33 (E) An incorporated or unincorporated town;
- 34 (F) A constitutional branch of government, office,
 35 officer, agency, department, commission, or institution;
- 36 (G) An institution of higher education; and

1 (H) An agency, instrumentally, board, commission, or
2 political subdivision of:

3 (i) The State of Arkansas;

4 (ii) A public school district;

5 (iii) A county;

6 (iv) A municipality;

7 (v) An incorporated or unincorporated town;

8 (vi) A constitutional branch of government, office,
9 officer, agency, department, commission, or institution; or

10 (vii) An institution of higher education;

11 (7) "Health insurance representative" means an individual
12 appointed by a participating entity to act as an agent for the Employee
13 Benefits Division;

14 (8) "Ineligible inactive retiree" means a terminated employee
15 who has worked a sufficient number of years to be considered vested but who
16 has not yet reached the age to qualify to receive a retirement benefit;

17 (9) "Internal Revenue Service" means the United States
18 government agency responsible for tax collection and tax law enforcement;

19 (10) "Member" means any enrolled ~~state or public school~~
20 employee, retiree, or covered dependent;

21 (11) "Participating entity" means an organization authorized to
22 participate in a plan offered under this subchapter;

23 (12) "Participating institution" means any two-year, ~~or~~ four-
24 year, or graduate college that is participating in a plan offered under this
25 subchapter;

26 (13) "Prepayment" means collection of medical or life insurance
27 premiums or both medical and life insurance premiums from the employee and
28 employer one (1) month in advance;

29 (14) "Publicly funded" means at least partially paid for by
30 federal, state, county, municipal, or other funds received from any taxing
31 unit;

32 ~~(14)~~(15) "Qualifying event" means a change in an employee's
33 personal life that may impact his or her eligibility or a dependent's
34 eligibility for benefits, as defined by Internal Revenue Service guidelines;

35 ~~(15)~~(16) "Quality-of-care information" means the contents of
36 medical records, member claims, patient surveys, pharmacy data, lab data, and

1 other records of or reports about systems, networks, hospitals, and clinical
2 providers to be gathered for assessment of the quality and costs of health
3 care provided by systems, networks, hospitals, and clinical providers;

4 ~~(16)~~(17) "Quality performance indicator" means a specific
5 inquiry or standard that, when applied to quality-of-care information,
6 reveals a quantifiable measure of success or failure in system, network,
7 hospital, or clinical provider care;

8 ~~(17)~~(18) "Retiree" means a retired employee who is eligible
9 under ~~the provisions of § 21-5-411 or any other publicly funded retirement~~
10 system;

11 ~~(18)~~(19) "State" means the State of Arkansas; and

12 ~~(19)~~(20) "Vendor" means:

13 (A) A corporation, partnership, or other organization
14 licensed to do business and in good standing with the State of Arkansas; and

15 (B) A corporation, partnership, or other organization
16 licensed to do business and in good standing with the State of Arkansas that
17 is lawfully engaged in administering employer-funded or employee-funded
18 benefit plans for employer groups in consideration of an administration fee
19 payable to the vendor.

20
21 SECTION 9. Arkansas Code § 21-5-410 is amended to read as follows:

22 21-5-410. Employees – Eligibility.

23 (a) Eligible employees shall include:

24 (1) All actively employed, ~~eligible employees of participating~~
25 ~~agencies, boards, commissions, institutions, and constitutional offices whose~~
26 actual performance of duty requires one thousand (\$1,000) or more working
27 hours per year;

28 ~~(2) Members of the General Assembly;~~

29 ~~(3) Elected constitutional officers;~~

30 ~~(4) Appointed or elected board and commission members who are on~~
31 ~~a full-time salaried basis; and~~

32 ~~(5)~~(A)(2)(A) Those state contract employees hired by the
33 Arkansas National Guard on a full-time basis in accordance with the
34 provisions of 10 U.S.C. § 2304.

35 (B) Membership of the contract employees of the Arkansas
36 National Guard is conditioned upon the United States Government contributing

1 the employer's share to the Employee Benefits Division of the Department of
 2 Finance and Administration.

3 (b) Membership of a state employee is conditioned upon the employee
 4 being in a budgeted state employee position or a position authorized by the
 5 General Assembly.

6 ~~(c) Employees whose actual performance of duty requires one thousand~~
 7 ~~(1,000) or more working hours per year.~~

8 ~~(d) If a participating institution discontinues its participation in~~
 9 ~~the group health and life insurance program instituted pursuant to the~~
 10 ~~provisions of this subchapter, then the institution may not re-participate in~~
 11 ~~the program for two (2) years after the institution's final date of~~
 12 ~~participation in the program unless the executive director of the Employee~~
 13 ~~Benefits Division of the Department of Finance and Administration gives his~~
 14 ~~or her consent to an earlier date.~~

15 ~~(e)(c) Members are not allowed dual eligibility in either the state~~
 16 ~~insurance plan or the public school an insurance plan offered under this~~
 17 ~~subchapter.~~

18 ~~(f) The Arkansas State Police Employee Health Plan shall be exempt~~
 19 ~~from any mandatory participation required by this section.~~

20
 21 SECTION 10. Arkansas Code § 21-5-411 is amended to read as follows:

22 21-5-411. Eligibility of ~~certain~~ retired employees.

23 (a)(1) ~~State and public school employees~~ A retiree shall be allowed to
 24 continue coverage and, if qualified, to participate in the group health
 25 insurance program instituted pursuant to the provisions of this subchapter
 26 and other laws enacted to implement the program who are+

27 (A) ~~Participating members of:~~

28 ~~(i) The Arkansas Public Employees' Retirement~~
 29 ~~System, including the members of the legislative division and the contract~~
 30 ~~personnel of the Arkansas National Guard;~~

31 ~~(ii) The Arkansas Teacher Retirement System;~~

32 ~~(iii) The Arkansas State Highway Employees'~~
 33 ~~Retirement System;~~

34 ~~(iv) The Arkansas Judicial Retirement System; or~~

35 ~~(v) An alternate retirement plan of a qualifying~~
 36 ~~institution under § 24-7-801; and~~

1 ~~(B) Retired~~ retired and drawing benefits under ~~the systems~~
 2 publicly funded retirement systems.

3 (2)(A)(i) If members of these retirement systems receive
 4 retirement benefits, thereby becoming active retirees, the active retirees
 5 shall elect to enroll in the health benefit program sponsored by the State
 6 and Public School Life and Health Insurance Board.

7 (ii) The election to enroll in the retiree insurance
 8 program shall be made within thirty-one (31) days of the member's becoming an
 9 active retiree and shall be made in writing to the Employee Benefits Division
 10 on forms required by the Employee Benefits Division.

11 (B)(i) To be eligible to continue coverage or to qualify
 12 for coverage after electing to decline participation, the member must have
 13 been covered on the last day of the member's employment.

14 (ii) If a retiree declines coverage at the time of
 15 retirement due to other employer-sponsored group health insurance coverage,
 16 the retiree may make a one-time election to return to the retiree insurance
 17 program with proof of continued insurance coverage if the retiree experiences
 18 a qualifying event.

19 (C)(i) Except as provided in subdivision (a)(2)(C)(ii) of
 20 this section, an active retiree's failure to make an election during the
 21 thirty-one-day election period or an active retiree's election to decline
 22 participation in the health program is final.

23 (ii) If an active retiree declining coverage
 24 specifies in writing and provides a letter of creditable employer group
 25 coverage to show that the reason for the declination is because the active
 26 retiree has coverage through another employer group health plan and the
 27 active retiree's coverage is subsequently terminated because of a loss of
 28 eligibility, as defined by Internal Revenue Service regulations, and provides
 29 information from the former insurance company of the loss of eligibility,
 30 then the active retiree and any dependents shall qualify for coverage in the
 31 health benefit program under this subsection upon payment of the appropriate
 32 premium as established by the board, provided the active retiree applies for
 33 coverage within thirty (30) days of the loss of eligibility. Loss of coverage
 34 is defined by Internal Revenue Service and Health Insurance Portability and
 35 Accountability Act (HIPPA) guidelines for special enrollment periods.

36 (3)(A) Notwithstanding any other provision to the contrary in

1 this section, an employee with ten (10) or more years of creditable service
 2 under the terms of a retirement plan ~~listed in this section~~ shall qualify for
 3 continuation of health insurance coverage offered by the board if that
 4 employee is separated from employment because of the expiration of a fixed
 5 period of employment.

6 (B)(i) An employee qualifying for continuation of coverage
 7 under this subsection ~~shall be considered~~ is an “inactive retiree” and shall
 8 have thirty-one (31) days from the effective date of termination to elect to
 9 continue health insurance coverage under this section by notifying the
 10 Employee Benefits Division.

11 (ii) The election shall be made in writing on forms
 12 required by the Employee Benefits Division.

13 (C)(i) Except as provided in subdivision (a)(3)(C)(ii) of
 14 this section, an inactive retiree’s failure to make an election during the
 15 thirty-one-day election period or an inactive retiree’s election to decline
 16 participation in the health program is final.

17 (ii) If an inactive retiree as defined in § 21-5-407
 18 declining coverage specifies in writing that the reason for the declination
 19 is because the inactive retiree has coverage through another group health
 20 plan and the inactive retiree’s coverage is subsequently terminated because
 21 of a loss of eligibility, then the inactive retiree and any dependents shall
 22 qualify for coverage in a board-sponsored health benefit program upon payment
 23 of the appropriate premium as established by the board, provided the inactive
 24 retiree applies for coverage within thirty-one (31) days of the loss of
 25 eligibility.

26 (D) An eligible inactive retiree shall be reclassified as
 27 an “active retiree” upon electing to receive a retirement benefit by a
 28 retirement system listed within this section and shall be charged the premium
 29 rate appropriate for his or her rating category as an active retiree.

30 (4)(A) As used in this subsection, “loss of eligibility” means a
 31 loss of coverage as a result of a legal separation, divorce, death of the
 32 insured, termination of employment, or a reduction in the number of hours of
 33 employment.

34 (B) “Loss of eligibility” shall not include a loss of
 35 coverage from a failure to pay premiums on a timely basis, voluntary
 36 termination of coverage, or a termination of coverage for cause, such as

1 making a fraudulent claim.

2 (b)(1) Persons who draw retirement benefits under ~~the Arkansas Public~~
 3 ~~Employees' Retirement System, the Arkansas Teacher Retirement System, or the~~
 4 ~~Arkansas State Highway Employees' Retirement System, a publicly funded~~
 5 retirement system and retired contract employees of the Arkansas National
 6 Guard who wish to participate in the group insurance program provided for in
 7 this subchapter shall pay the retiree amount of the premium or the cost of
 8 the policy issued to the retired participant.

9 (2) The retiree portion of the premium or cost shall be deducted
 10 from the retirement benefit checks of the retired participants. If the
 11 retirement benefit is not large enough for the premium deduction, the premium
 12 shall be paid by monthly bank draft on a designated date prescribed by the
 13 Employee Benefits Division.

14 (c) Members of the Arkansas Public Employees' Retirement System and
 15 the Arkansas State Highway Employees' Retirement System who retire before
 16 January 2, 1988, under ~~the provisions of~~ the Incentives for Early Retirement
 17 Act, §§ 24-4-732, 24-5-122, and 24-6-102, shall not have to pay the full
 18 amount of the premium and shall pay a portion of the cost of the policy as
 19 set forth by the Incentives for Early Retirement Act, §§ 24-4-732, 24-5-122,
 20 and 24-6-102.

21 (d) Any future change in coverage other than cancellation shall be
 22 extended only to newly acquired dependents, except that if an active or
 23 inactive retiree declined dependent coverage at the time of election to be an
 24 active or inactive retiree and specified in writing that the reason for the
 25 declination was that the dependent had other coverage, and if subsequently
 26 the dependent involuntarily loses such coverage, except for fraud or
 27 voluntary cessation of premium payment while the active or inactive retiree
 28 is covered by the plan, then the dependent may be added within thirty-one
 29 (31) days of the involuntary termination to the active or inactive retiree's
 30 health insurance coverage for payment of the appropriate premium as
 31 established by the board.

32 (e) If a retiree dies and has covered dependents at the time of death,
 33 the dependents have the right to continue coverage under the plan. Dependent
 34 children may be covered until marriage or until the maximum age limit for a
 35 dependent child has been reached. A surviving spouse may continue coverage
 36 under the plan. If a surviving spouse or dependent declines coverage or

1 cancels existing coverage, then the surviving spouse or dependent has no
 2 further privileges under the plan.

3
 4 SECTION 11. Arkansas Code § 21-5-414 is amended to read as follows:

5 21-5-414. State contributions generally – Partial state contribution
 6 of employees’ premiums.

7 (a) The Department of Finance and Administration shall seek the advice
 8 of the Legislative Council and the House ~~Interim~~ Committee on Insurance and
 9 Commerce and the Senate ~~Interim~~ Committee on Insurance and Commerce before
 10 additional contributions ~~can~~ may be made.

11 (b)(1) The State of Arkansas, on behalf of ~~agencies~~ an employee,
 12 retiree, participating entity, or participating institution participating in
 13 ~~the plans adopted by the state~~ a plan adopted under this subchapter, ~~is~~
 14 ~~authorized to~~ may make a monthly contribution equal to the number of budgeted
 15 ~~state~~ employee positions multiplied by the monthly contribution authorized by
 16 the Chief Fiscal Officer of the State, not to exceed four hundred twenty-five
 17 dollars (\$425) monthly for each ~~state~~ employee budgeted position into a fund
 18 designated for ~~state~~ employee health benefits, to partially defray the cost
 19 of life and health insurance for employees ~~of the state~~ participating in the
 20 plan sponsored by the State and Public School Life and Health Insurance
 21 Board.

22 (2) The department may make a monthly contribution to partially
 23 defray the cost of health insurance for ~~state employee~~ retirees, utilizing
 24 funds made available for that purpose, not to exceed the amount authorized by
 25 the Chief Fiscal Officer of the State.

26
 27 SECTION 12. Arkansas Code § 21-5-415 is amended to read as follows:

28 21-5-415. Nonpayment of premiums and failure to file reports ~~by agency~~
 29 ~~or school district~~.

30 (a)(1) If any ~~participating agency or school district~~ employee,
 31 retiree, participating entity, or participating institution does not remit
 32 insurance premiums and required monthly reports to the Employee Benefits
 33 Division of the Department of Finance and Administration by the last calendar
 34 day of each billing month, the division shall impose a penalty of two dollars
 35 (\$2.00) per insured member or one hundred dollars (\$100), whichever is
 36 greater.

1 (2) Penalties will be assessed and invoiced based on the actual
 2 number of members included on the monthly billing report that is past due.
 3 Invoices will be processed at the beginning of the month following the
 4 infraction.

5 (3) Penalties ~~shall be~~ are payable to the Employee Benefits
 6 Division and ~~must~~ shall be received by the division no later than the last
 7 calendar day of the month following invoicing.

8 (4) If payment is not received by the division by the due date,
 9 the following collection methods may be used:

10 (A)(i) The Chief Fiscal Officer of the State may cause the
 11 amount sought to be transferred to the division from:

12 (a) Funds the ~~agency or school district~~
 13 employee, retiree, participating entity, or participating institution has on
 14 deposit with the Treasurer of State; or

15 (b) Any funds the ~~agency or school district~~
 16 employee, retiree, participating entity, or participating institution is due
 17 from the state.

18 (ii) If a transfer must be made, a transfer penalty
 19 of twenty dollars (\$20.00) per transfer shall be assessed each ~~agency or~~
 20 ~~school district~~ employee, retiree, participating entity, or participating
 21 institution fund and included in the transfer;

22 (B) The ~~agency director or school district superintendent~~
 23 employee, retiree, or head of the participating entity or participating
 24 institution may be required to appear before the State and Public School Life
 25 and Health Insurance Board to report the reasons for nonpayment or incorrect
 26 reporting; and

27 (C) The Chief Fiscal Officer of the State may use his or
 28 her powers ~~outlined in~~ under § 19-4-301 et seq. to aid in collection.

29 (5) Nonpayment of premiums could also result in a lapse of
 30 health and life insurance coverage for an employee or retiree or the
 31 employees of the school district, agency, or the agency an employee, retiree,
 32 participating entity, or participating institution assuming responsibility
 33 for paying health and life claims for ~~its~~ employees.

34 (b)(1) If any ~~participating agency or school district~~ employee,
 35 retiree, participating entity, or participating institution fails to follow
 36 established policy and procedures set by the executive director, including

1 but not limited to notifying the division of an insured's leave without pay,
 2 family medical leave, or military leave status or if any participating ~~agency~~
 3 ~~or school district~~ employee, retiree, participating entity, or participating
 4 institution provides incorrect benefit information or processes unauthorized
 5 benefit changes, including system entries that result in unreimbursed
 6 expenses to the State Employees Benefits Trust Fund or Public School
 7 Employees Insurance Trust Fund, the division shall have the right to:

8 (A) Require the ~~agency employee, retiree, participating~~
 9 entity, or participating institution to pay the total amount of the insured's
 10 premium; and

11 (B) Impose a penalty of fifty dollars (\$50.00) per
 12 insured.

13 (2) Penalties ~~will~~ shall be assessed and invoiced based on the
 14 actual number of violations. Invoices ~~will~~ shall be processed at the
 15 beginning of the month following discovery of the infraction.

16 (3) Penalties ~~shall be~~ are payable to the Employee Benefits
 17 Division and ~~must~~ shall be received by the last calendar day of the month
 18 following invoicing.

19 (4) The Chief Fiscal Officer of the State may cause the amount
 20 sought to be transferred from:

21 (A) Funds the ~~agency or school district~~ employee, retiree,
 22 participating entity, or participating institution has on deposit with the
 23 Treasurer of State; or

24 (B) Any funds the ~~agency or school district~~ employee,
 25 retiree, participating entity, or participating institution is due from the
 26 state.

27 (5) If a transfer is made, a transfer penalty of twenty dollars
 28 (\$20.00) per transfer shall be assessed each ~~agency or school district~~
 29 employee, retiree, participating entity, or participating institution fund
 30 and included in the transfer.

31 (c) The division may correct any error regarding an insured's benefits
 32 according to existing documentation without authorization or prior
 33 notification to the ~~agency or school district~~ employee, retiree,
 34 participating entity, or participating institution.

35
 36 SECTION 13. Arkansas Code § 21-5-417 is amended to read as follows:

1 21-5-417. State contribution for employee receiving workers'
2 compensation.

3 Notwithstanding any other provisions of the law, ~~a state agency~~ an
4 employee, retiree, participating entity, or participating institution shall
5 remit the employer's contribution to the Employee Benefits Division for ~~state~~
6 employees when the employee is in a leave-without-pay status because of a
7 work-related injury and is receiving benefits from workers' compensation.

8
9 SECTION 14. Arkansas Code Title 21, chapter 5, subchapter 4 is amended
10 to add an additional section to read as follows:

11 21-5-418. Unified health care program.

12 (a) The State and Public School Life and Health Insurance Board shall
13 establish and the Employee Benefits Division shall administer an expanded
14 health care program under this subchapter to make benefits available to all
15 eligible publicly funded employees and retirees.

16 (b) If an entity or institution has an employee or retiree that is
17 eligible for benefits under this subchapter, the entity or institution shall
18 offer health insurance benefits to its employees and retirees exclusively
19 under this subchapter.

20
21 SECTION 15. Effective date.

22 This act becomes effective January 1, 2010.

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