

State Employee Advisory Commission and Public-School Advisory Commission Minutes

April 11th, 2023

The Arkansas State Employee Advisory Commission and Public-School Employee Advisory Commissions met on Tuesday, April 11th, at 10:00 a.m.

ASE Commission Members Present

Marty Casteel
Ronda Walthall
Jerry Jones
Cynthia Dunlap
Bruce Maloch

PSE Commission Members Present

Greg Rogers
Billy Jackson
Julie Bates
Kurt Knickrahm

ASE Members Absent:

PSE Members Absent: Jim Tucker

Others Present: Grant Wallace, Director of EBD; Jay Bir, EBD; Sylvia Landers, Colonial Life; Oktawia DeYoung, EBD; Lauren Thompson, EBD; Dakini Fields, EBD; Dr. Jill Johnson, UAMS; Secretary Joseph Wood, TSS; Sherry Bryant; Frances Bauman; Maggie Irwin; Marissa Keith; Secretary Larry Walther, DFA; Nicholas Poole; Clay Patrick; Denise Flake, EBD; Judy Paslaski; Brent Parker; Suzanne Woodall; Donna Morey; Leo Hauser; Debbie Rogers; Paul Sakhrani, Milliman; Greg C; Takisha Sanders; Skochu Fields, EBD; Jessica Akins; Sidney Keiser; John Bridges; Stephen Carroll; Debra Wolfe; China Daulton, TSS; Julia Weber; Derrick Smith; Nima Nabavi; Martha Hill; Jennifer Bobbitt, Boehringer-Dinglheim; Lori Bowen, BLR; Lou Ann Perkins, ASU System

Call to Order

Meeting was called to order by Chairman Cynthia Dunlap and announced there was a quorum for the PSE and ASE Commissions.

1. Approval of March 21st, 2023 ASE & PSE Minutes: Cynthia Dunlap

Marty Casteel motioned to approve, seconded by Billy Jackson. **Motion Approved**

2. Introduction of Deputy Director Amanda Land: Cynthia Dunlap

Director Grant Wallace Deputy Director Amanda Land to the Board. Deputy Director Land briefly mentioned her background.

3. Director's Update: Grant Wallace

Director Wallace mentioned the Public Health Emergency winddown and said there are some complications EBD is working through. He said EBD has internally updated procedures and FAQs to navigate the process.

Director Wallace said both ASE and PSE employees have been approved to roll back on to the plan if they have been effected by the Public Health Emergency, even though, traditionally, this was not seen as a qualifying event, EBD is going above and beyond because it is an extraordinary circumstance.

Director Wallace said EBD will update the Board as we move through the process.

In response to the March 31st tornadoes, EBD entered into emergency procedures with PBMs to make sure member prescriptions can be refilled or recaptured that may have been lost. Director Wallace mentioned additional support through EAP is available if needed and said those services will be available for the next 60 days and prescriptions will be available for the next 30 days.

Director Wallace updated the status of the new PBM contract. At the last advisory meeting, he mentioned the contract was being protested. On March 24th, OSP issued its determination that the protest should be sustained in part and denied in part. Under OSP's recommendation, EBD agreed to request a "Best and Final Offer" from all vendors who participated. This will cure any inequity about pricing and was issued on March 31st. Those submissions are being reviewed and they are considered sealed bids and EBD could not give any details on those bids.

Director Wallace provided the Board with the list of bills that passed in the Session and said they are still monitoring any impacts. He said EBD will need to work with the Board to promulgate rules surrounding the legislation involving voluntary products. He said those rules will need to be about ARSEBA's management of those products.

The HSA/FSA vendor contracts needed to be renewed. He said there were no increases in fees or pricing. Julie Bates moved for approval, Marty Casteel seconded. **Motion Passed.**

Director Wallace presented the new ambulance coverage to bring it more in line with the industry. There is a reduction in coverage from \$2,000 to \$1,500 per ambulance trip.

Marty Casteel motioned for approval, seconded by Greg Rogers. **Motion Passed.**

Kurt Knickrahm asked about the legislation on the voluntary products and what the role the Board will have. Director Wallace mentioned it centers around the competitive bidding process. EBD must make the rules around the bidding process and management of those products. Said it is currently administered through ARSEBA and mentioned nothing has been bid since 2012 or 2013 and that was why the legislation was passed.

Bruce Maloch mentioned SB94 lowering the fine from \$10,000 to \$5,000 for violations.

Julie Bates asked about HB1257 and covering municipal fireman and Director Wallace said it was amended to reflect they will stay on the municipal plans to fill gaps between retirement and Medicare Eligibility.

4. Formulary Review: Dr. Jill Johnson

Director Wallace asked about any additions to the formulary and Dr. Johnson mentioned there were none this quarter.

Dr. Johnson explained the codes on formulary and mentioned codes 1 and 13 are the more commonly used codes for rejection. Dr. Johnson emphasized a very important part of their philosophy of approving drugs for the formulary is if it improves quality and/or length of life.

Julie Bates asked about the meaning of FDA approval is regarding the formulary. Dr. Johnson says the FDA makes sure drugs are safe and effective. Some cancer drugs improve lab values, but not always quality of life. She said if drugs were approved that did not improve health, then it would be very expensive and there is not always a need to accept FDA approved drugs for any plan.

Billy Jackson moved to approve the formulary, Marty Casteel seconded. **Motion Approved.**

5. Other Business

Director Wallace introduced Secretary Joseph Wood. Sec. Wood thanked the Board and the others in attendance that assist with the Board.

Director Wallace emphasized EBD will try to keep meetings on the second Tuesday of the month.

Marty Casteel motioned to adjourn, Julie Bates seconded. **Motion Passed.**