

**State Employee Advisory Commission and Public-School Employee Advisory Commission
Minutes
January 3rd, 2023**

The Arkansas State Employee Advisory Commission and Public-School Employee Advisory Commissions met on Tuesday, January 3, 2023, at 10:00 a.m.

ASE Commission Members present:

Marty Casteel
Jerry Jones
Cynthia Dunlap
Ronda Walthall
Bruce Maloch

PSE Commission Members present:

Julie Bates
Greg Rogers
Jim Tucker
Billy Jackson

ASE Members Absent:

PSE Members Absent:

Kurt Knickrehm

OTHERS PRESENT

Jessica Welch, Director Jake Bleed, China Daulton, EBD; Oktawia DeYoung, Jill Johnson EBRx; Lauren Ballard Transformation and Shared Services; Debbie Rogers, Department of Finance and Administration; Takisha Sanders, Health Advantage; Lori Bowen, Bureau of Legislative Research; Sylvia Landers, Colonial Life

CALL TO ORDER

Meeting was called to order by ASE Chair Cynthia Dunlap, and she announced there was quorum.

1. Approval of December 6th, 2022, Minutes: ASE Advisory Commission Chair, Cynthia Dunlap

Cynthia Dunlap made a request to approve the December 6th minutes. Bruce Maloch made the motion to approve. Ronda Walthall seconded; all were in favor.

Motion Approved.

2. Update on Pharmacy Benefits Manager RFP Process: EBD Director, Jake Bleed

The Employee Benefits Division has started the Request For Proposal (RFP) process for selecting a new Pharmacy Benefit Manager, and currently have gone out to bid. MedImpact is EBD's current PBM and has been for 7 years.

Director Bleed advised at the request of the General Assembly the new PBM will be implemented by July 1, 2023.

3. Update and Discussion of Third-Party Administrator RFP : EBD Director, Jake Bleed

Health Advantage is the third-party administrator for the Employee Benefits Division, in which they maintain the network through setting reimbursement rates for doctors, hospitals, and managing claims.

Director Bleed recommended the Employee Benefits Division extend the contact with Health Advantage as their Third-Party Administrator (TPA) for the calendar year beginning January 2024.

Cynthia Dunlap requested a motion to extend the contract with Health Advantage as EBD's TPA.

Julie Bates made the motion to approve. Jim Tucker seconded; all were in favor.

Motion Approved.

4. Update on MAPD Opt Out Process and Enrollment:

Director Bleed provided an update on the ARBenefits Group Medicare Advantage (PPO) plan. January 1st, 2023 was the implementation date of the plan. Director Bleed advised the process was complete, however through it there were some members who didn't know they needed to need a choice between the PPO Plan and Health Advantage Plan. Director Bleed advised EBD is still working with those members to get their concerns addressed and to ensure they are not without coverage,

5. Discussion of Late Enrollment Penalty and Proposed Coverage Policy, Director Jake Bleed

A late enrollment penalty (LEP) is given when someone of retirement age did not enroll in Part D coverage initially, and now are requesting to. The penalties can range between \$1.00 - \$66.00 a month.

Director Bleed advised the LEP was not for seen and proposed a policy where the state would pay the Late Enrollment Penalty fees for members in plan year 2023 and continue to pay the fees for members who retiree before December 31,2022. The cost would be about 1.6 million dollars.

After discussion the commission members decided to look at financials before deciding to make a motion on the prosed policy for Late Enrollment Penalty.

6. Monthly Actuaries Report, November 2022: Director Jake Bleed, EBD

Director Bleed reviewed the monthly financial report received from EBD's actuary, Milliman.

The monthly financial report includes revenues, expenses, IBNR (incurred but not reported), and assets for the Public School and State Employees.

Cynthia Dunlap requested a motion to adjourn. Jerry Jones made the motion to adjourn. Marty Casteel seconded.

Meeting adjourned.