

State Employee Advisory Commission and Public-School Advisory Commission Minutes

June 10, 2025

The Arkansas State Employee Advisory Commission and Public-School Employee Advisory Commission met on Tuesday, June 10, 2025, at 10:00 a.m. The meeting was recorded and is available upon request through the Department of Transformation and Shared Services.

The following members were present:

ASE Commission Members Present:

**Ronda Walthall
Jerry Jones
Cynthia Dunlap
Bruce Maloch
Marty Casteel**

PSE Commission Members Present:

**Billy Jackson
Jim Tucker
Greg Rogers
Julie Bates
Kurt Knickrehm**

Others present were Grant Wallace, Director of Employee Benefits Division, and Amanda Land, Deputy Director of Employee Benefits Division. Also present were staff from the Employee Benefits Division, EBRx, Milliman, and Navitus Health Solutions.

Chairwoman Dunlap, seeing a quorum, called the meeting to order. Chairwoman Dunlap asked for a motion to accept the minutes of the previous meeting on May 6, 2025. A motion to approve the minutes was made by Marty Casteel and was seconded by Jim Tucker. All members were in favor.

Chairwoman Dunlap then recognized Kristen Belew with EBRx to present the June Formulary Advisory Committee recommendations. A motion was made by Julie Bates to approve the pharmacy benefit formulary recommendation, which was seconded by Jerry Jones. All members were in favor.

Chairwoman Dunlap called on Director Wallace to present the contract review for two special procurements. These procurements address irregular contract end dates and will extend the contracts through the end of the current plan year to ensure continuity of services. Director Wallace noted that RFP's for both services are either currently open or in the evaluation phase, and a new vendor is expected to be in place by January 1, 2026. This approach ensures there will be no gap in coverage. Director Wallace first presented a 5-month contract extension with Connect Your Care (Optum), the current HSA/FSA vendor, in the amount of \$75,000. The second contract, presented by Director Wallace, is a 5-month extension with HMO partners for Health Advantage in the amount of \$28 million. A motion to approve the Connect Your Care (Optum) contract was made by Kurt Knickrehm and seconded by Marty Casteel. A motion to approve the HMO Partners contract was made by Jerry Jones and seconded by Kurt Knickrehm. All members were in favor.

Director Wallace provided an update from the Employee Benefits Division (EBD). He reported that the portability process—managing teacher transfers between districts—is preparing to launch on July 1, 2025. Director Wallace added that the team has been actively managing teacher retirements since May, and that process is going smoothly. The ongoing implementation of the new benefits management system is also moving forward. Early previews of the system, including screenshots and sample layouts, have been well received and generated positive feedback. The rollout will occur in three phases: the first phase aims to deliver a core product in time for open enrollment in October; a major enhancement is planned for the first quarter of 2026; and full implementation is targeted for mid-2026. Director Wallace also noted that work has begun on the annual rate-setting exercise. The team is currently

finalizing key components in coordination with the Department of Education and the MAPD plan. Additional updates on rate development are expected in the coming month, in preparation for open enrollment.

Lastly, seeing no other business to come before the Commissions, Chairwoman Dunlap stated a motion to adjourn would be entertained. All members were in favor.