

State Employee Advisory Commission and Public-School Advisory Commission Minutes

August 5, 2025

The Arkansas State Employee Advisory Commission and Public-School Employee Advisory Commission met on Tuesday, August 5, 2025, at 10:00 a.m. The meeting was recorded and is available upon request through the Department of Shared Administrative Services. The following members were present:

ASE Commission Members Present:

**Shane David
Cynthia Dunlap
Bruce Maloch
Marty Casteel**

PSE Commission Members Present:

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

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 July 8, 2025. A motion to approve the minutes was made by Billy Jackson and was seconded by Kurt Knickrehm. All members were in favor.

Chairwoman Dunlap next recognized Jay Eickman of Navitus Health Solutions to present the August Formulary Advisory Committee recommendations followed by Kristen Belew. A motion was made by Billy Jackson to approve the pharmacy benefit formulary recommendation, which was seconded by Kurt Knickrehm. All members were in favor. A

motion was made by Bruce Maloch to approve the medical benefit formulary recommendation, which was seconded by Jim Tucker.

Chairwoman Dunlap called on Director Wallace to present the contract review for two special procurements. The first procurement, with HMO Partners, Inc., is a follow-up from the previous meeting. This special procurement will extend the contract with HMO Partners through the end of December 2026. The extension will allow additional time to revise the RFP, evaluate alternative service approaches, and determine the most effective solution for the State. The projected total cost is \$86 million, which aligns with the current administrative fees. This estimate was based on data from the past few years and provides more than sufficient funding. The renewal letter submitted by HMO Partners includes an \$0.85 PMPM (per member per month) increase in administrative costs. Notably, actuarial services will be removed from this contract, as they will be included in the upcoming RFP. Additionally, funding for the Employee Assistance Program (EAP) remains level.

The second procurement is a one-year renewal with United Healthcare. During negotiations last year, both the 2025 and 2026 rates were secured at the same time. This renewal simply formalizes that previously negotiated agreement. The renewal includes a \$60 increase; however, no additional funds need to be added to the agreement at this time. This is due to accounting measures already in place on the backend, and sufficient funds have already been approved to cover the cost increase.

A motion to approve the HMO Partners contract was made by Kurt Knickrehm and seconded by Jum Tucker. A motion to approve the United Healthcare contract was made by Kurt Knickrehm and seconded by Billy Jackson. All members were in favor.

Additionally, Director Wallace provided an update on open enrollment planning, noting that efforts are underway to refresh all related documents. Over the coming months, updated information will be shared through social media and posted on the website as part of this process.

Regarding upcoming meetings, the schedule is being adjusted to align with the State Board of Finance calendar. The next meeting is scheduled for November 4th at 10:00 a.m., and meetings will move to a quarterly format going forward.

Lastly, seeing no other business to come before the Commissions, Chairwoman Dunlap stated a motion to adjourn would be entertained. A motion was made by Shane David, which was seconded by Marty Casteel. All members were in favor.