



Department of Transformation and Shared Services

Governor Sarah Huckabee Sanders

Secretary Joseph Wood

Director Kay Barnhill

September 13, 2023

The Honorable Breanne Davis, Co-Chairperson
 The Honorable Mark Berry, Co-Chairperson
 Uniform Personnel Classification and
 Compensation Plan Subcommittee
 Arkansas Legislative Council
 State Capitol Building, Room 315
 Little Rock, Arkansas 72201

Dear Senator Davis and Representative Berry:

The Office of Personnel Management (OPM) submits a request from the Arkansas Department of Commerce (ACOM), Insurance Department for your review.

The Arkansas Insurance Department (AID) is requesting one (1) pool position from the OPM surrender pool established by Arkansas Code Annotated § 21-5-225 (a). The classification requested and surrendered position are listed below:

CLASSIFICATION REQUESTED

<u>CLASS CODE</u>	<u>TITLE</u>	<u>GRADE</u>	<u>SALARY RANGE</u>
G010C	ACOM Division Manager	GS12	\$69,776 – \$101,175

POSITION SURRENDERED

<u>POSITION NUMBER</u>	<u>TITLE</u>	<u>CLASS CODE</u>	<u>GRADE</u>	<u>SALARY RANGE</u>	<u>LAST DATE VACATED</u>
22158517	Insurance Senior Examiner	A042C	GS09	\$50,222 – \$72,822	07-29-2023

The Honorable Breanne Davis, Co-Chairperson
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JUSTIFICATION

The Arkansas Department of Commerce currently possesses four (4) positions authorized as G010C, ACOM Division Manager. The Department needs a fifth position authorized as this classification situated within Insurance Department's Pharmacy Benefits Manager (PBM) Division. This position's responsibilities will include ensuring adherence to standards determined by the Arkansas Pharmacy Benefits Manager Licensure Act, ensuring adherence to AID's internal regulations, coordinating the operations of subordinate personnel within their PBM Division, as well as providing reports to various legislative committees upon demand pertaining to PBM enforcement and regulatory activities. This position will additionally be required to work with pharmacies, pharmacy trade interest groups, and trade associations pertaining to PBM complaints and inquires.

RECOMMENDATION

The Office of Personnel Management (OPM) has reviewed this request from the Arkansas Department of Commerce (ACOM), Insurance Department and recommends the establishment of one (1) surrender pool position authorized as G010C, ACOM Division Manager. The cost for this one (1) surrender pool position is approximately \$85,824.48. The agency guarantees our office that it possesses sufficient funding to support this surrender pool position request.

Your consideration of this request is greatly appreciated.


STATE PERSONNEL DIRECTOR


DATE

KB/jlh:1-2

1919

RECEIVED
AUG 24 2023
BY:



Department of Transformation and Shared Services
Office of Personnel Management
Request for Pool Position

Business Area Department Name / Agency Name Date
0425 Arkansas Insurance Department 08/21/2023

Position(s) to be Surrendered

Position/Item Number Classification Title Pay Grade Class Code
2215-8517 Insurance Senior Examiner GS09 A042C

Classification(s) Requested

Classification Title Pay Grade Class Code
ACOM Division Manager GS12 G010C

I hereby certify that:

- A. The position requested is critical to the operation of this Agency and a detailed justification for this request is attached. (Justification should be detailed and not less than one typed page in length.)
- B. Sufficient funds are available to fund this position at the requested grade.
- C. This is a full-time position that will not be used for any other purpose than that which is outlined in the attached narrative.
- D. The position to be surrendered is the highest grade position available and the loss of this position will not adversely affect the operation of this Agency.
- E. No current employee will be displaced by this action.

HR Administrator's Signature

08/21/2023

Date

Department Secretary's Signature

Date

8/23/23



Sarah Huckabee Sanders
GOVERNOR

Hugh McDonald
SECRETARY OF COMMERCE

August 22, 2023

Ms. Kay Barnhill, Director
Office of Personnel Management
Department of Transformation and Shared Services
501 Woodlane Ave, Suite 205
Little Rock, AR 72201

Re: Request to Utilize the OPM Surrender Pool to Establish One (1) Position in Exchange for Surrendering One (1) Position/Arkansas Insurance Department/PBM Division

Dear Ms. Barnhill:

A handwritten signature in black ink, appearing to read 'Kay', with a line extending from the end of the signature towards the 'Dear Ms. Barnhill:' text.

The Arkansas Insurance Department, a division within the Arkansas Department of Commerce, respectfully requests to utilize the OPM surrender pool to establish one (1) position in exchange for surrendering one (1) position. This request is being made due to the 2018 Arkansas Pharmacy Benefits Manager Licensure Act that was enacted to establish standards and criteria for the regulation and licensure of Pharmacy Benefit Managers (PBM). The agency requests to obtain the following:

New Position

➤ ACOM Division Manager, GS12, G010C (1)

And surrender the following one (1) position:

➤ Insurance Senior Examiner, GS09, A042C (1)

The ACOM Division Manager is a position needed in AID's (PBM) Pharmacy Benefits Managers Division. As regulation and licensing of PBMs expands/ increases with each general session of our legislature, so does the need for a more robust PBM unit to keep up with that higher demand, including a director and staff for the unit. The Division Manager shall be responsible for regulating and enforcing the Arkansas' PBM ("Pharmacy Benefit Managers") Licensure Act and PBM rules and regulation of the Arkansas Insurance Department ("AID") and coordinating a staff in the PBM division to effectuate such regulation and AID state-wide PBM policies.

The subject matter of such regulation relates to regulating laws and regulations applying to pharmacy or drug benefits offered by all health insurers across this State. The PBM Division Manager shall administer and enforce such regulations with his or her staff. They will be required to interact daily with pharmacies, and pharmacy trade interest groups, or trade associations, pertaining to PBM complaints or inquiries. They will also be required to provide testimony and reports to State Legislature or various legislative committees pertaining to PBM enforcement and regulatory activities.

Ms. Kay Barnhill
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The ACOM Division Manager will report directly to the Arkansas Insurance Commissioner.

Limited Qualified Candidates

Attracting qualified applicants with required technical expertise and professional designations is difficult due to numerous limiting factors. The addition of this position will aid us in attracting qualified applicants.

Your consideration of this request is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugh McDonald", written in a cursive style.

Hugh McDonald
Secretary