Health Insurance Trust Fund Oversight Board

PURPOSE:

1. Approve all health insurance benefit programs offered to state officers and employees pursuant to section 38 654.
2. Approve premium rates, copayments, deductibles and coinsurance percentages and maximums for the plan.
3. For plan year 2028 and each subsequent plan year, approve any requests for proposal contract of more than $3,000,000 that are entered into by the department of administration for the uses set forth in section 38 654, subsection C. The board shall meet to review the department of administration's contract within ten days after the request of the department.
4. Consult with the department of administration as required by this article and at the request of the department of administration.
5. Develop and maintain a strategic plan for the state health plan.
6. Design policies that seek to, by plan year 2035 and for each subsequent plan year, achieve:
(a) A premium cost sharing of eighty five percent to be paid by the employer and fifteen percent to be paid by the employee for medical premiums.
(b) A consistent reserve in the special employee health insurance trust fund established by section 38 654 that is twice the total amount of incurred, but not reported, claims payable from health benefit programs funded by the special employee health insurance trust fund.
(c) Optimal cross subsidization of retirees.
7. Approval an annual report (see statute).

MEMBERSHIP:

Other

A member who has at least 3 years of experience in the health care industry in this state and who is not a registered lobbyist, appointed by the President.
2-year term or at pleasure of the President; eligible for reappointment.
Vacant

A member who has at least 3 years of experience in the health care industry in this state and who is not a registered lobbyist, appointed by the Speaker.
2-year term or at pleasure of the Speaker; eligible for reappointment.
Ms. Charlene Hogeland

Assistant director of the department of administration, benefits services division, who serves as the chairperson.
Mr. Paul Shannon, Arizona Department of Administration

Director of DIFI or director's designee.
Mr. Charles Bassett, Director, Department of Insurance and Finance Institutions

Director of DOA or director's designee.

Health Insurance Trust Fund Oversight Board

Ms. Elizabeth Thorson, Director, Department of Administration

Notes: Established in the Department of Administration.
Elected officials may not serve on the board during the term in which they were elected or appointed.
Members of the Board do not receive compensation or reimbursement of expenses.
Board must meet at least twice annually.
Meetings held at the call of the chairperson or a majority of the board. Meetings may be conducted virtually.
Three members of the board constitute a quorum.
Members of the board are subject to the provisions of Title 38, Chapter 3, Article 8 relating to conflicts of interest.
By July 1 each year the Board approves and ADOA submits a report (the elements of which are specified in 38-655(F)) to the Governor, President of the Senate, Speaker of the House of Representatives, Chairpersons of the Senate and House Appropriations Committees and JLBC Staff.

CONTACT: Duncan Spilsbury, House Research Staff; Liam Maher, Senate Research Staff
REPORT DATE:
EXPIRATION DATE: N/A
STATUTORY CITE: A.R.S. § 38-655, Laws 2026, Chapter 132, Section 5