

Arkansas Tobacco Settlement Commission

ATSC Commission Minutes ♦ Thursday, March 13th, 2013 ♦ 1:00 p.m.-3:00 p.m.
Arkansas Tobacco Settlement Commission, 101 East Capitol, Suite 108, Little Rock, AR 72201

Commission Members Present:

Susan Hanrahan - Chair
Karen Wheeler – Vice Chair
Paul Halverson
Susan Harriman
Blake Perry
Allison Hogue

Staff Present:

Faye Shepherd
Tina DeLay

Attending Guests:

John Ahlen
Philip Adams, Capitol Liaison

Call to order

Chair Hanrahan

A quorum was established. Everyone was welcomed and the meeting was called to order at 1:00 p.m.

Review/Approval of Minutes

Chair Hanrahan

Motion to approve minutes as presented:
Motion moved: Blake Perry
Motion carried: Paul Halverson
Approved

Recognition of Retiring and Resigning Members

Chair Hanrahan

John Ahlen retired from the AR Science and Technology Authority and Paul Halverson is resigning from Arkansas Health Department as Director & State Health Officer. Dr. Hanrahan presented both with engraved clocks in recognition of their service to the Arkansas Tobacco Settlement Commission.

ATSC History Presentation

John Ahlen

- In November 2000 the Act forming the Arkansas Tobacco Settlement Commission was passed.
- In July 2001 the necessary appropriations were passed to fund the Act.
- In October 2001 the following was established to form the Commission Board:
 - The Director of Education or his/her proxy
 - The Director of the Arkansas Science and Technology Authority
 - The Director of Higher Education or his/her proxy
 - The Director of Department of Health
 - The Director of Human Services or his/her proxy

- The Governor's Appointee
 - Senate Pro Tempore Appointee
 - The Speaker of the House Appointee
 - The Attorney General Appointee
- The first \$1,000,000 (from the payout) was used to start the Healthy Century Trust Fund.
 - The ATSC Programs were funded via the percentage amounts listed in the Act. The funds are calculated and passed to the programs through the Department of Finance.
 - \$5,000,000.00 was used to fund the building of UAMS Bio Sciences – Little Rock, Bio Sciences – Jonesboro, and The College of Public Health.
 - Any unspent money went to the Healthy Century Trust Fund.
 - Any money that doesn't go to the Programs goes back to the Healthy Century Trust Fund.
 - Any leftover funds from the designated Programs are to be returned to Medicaid Expansion Program, Bio Sciences, and Targeted Needs Program.
 - The Arkansas Health Department borrows money from the state to run the TPCP program for the year and DFA sends them a schedule for reimbursement.
 - The annual amount received from the tobacco companies is not fixed and varies quite a bit from year to year.
 - There is not an allocation of MSA monies for the administration offices of ATSC. They receive funding for their budget based on the ATSC interest earned on investments.
 - Said investments were to keep the ATSC afloat for a 25 year period.
 - The Tobacco Settlement Act holds the requirements to which ATSC is bound.
 - The Basics of the Act:
 - Adopt by-laws
 - Hire an Independent Evaluator for our seven funded programs
 - Percentage funding levels for our seven funded programs
 - Hire staff

**Question:* How does the Commission change the stated outcome measures?

***Answer:* Through the By-Laws only without opening the Act.

- When the Act was put together the General Assembly developed the outcome measures from the mindset of that era, 10 years ago.
- Outcome measures are based on three goals: short-term, mid-term, and long-term goals.
- Dr. Ahlen said most AR legislators are asking what is working and what is not working in his/her district.

With that information Dr. Ahlen wrapped up the history of the Arkansas Tobacco Settlement Commission.

Introduction of ATSC Capitol Liaison

Faye Shepherd

Director Shepherd introduced Philip Adams to the Commission as our new Capitol Liaison. Mr. Adams is replacing Joyce Dees and has committed to attending ATSC meetings, and assisting in getting answers to questions from the Governor and the members of the General Assembly.

Mr. Adams advised the Commission there is a shell bill to ban smoking in all public places.

Director's Report

Faye Shepherd

Director Shepherd provided an executive summary of the second quarter reports from the programs. She also provided a legislative update on our appropriation bill and the bills of our seven funded programs. The only Program appropriation bill that has been released is MHI.

All others including ATSC Administration are held up for one reason or another. She announced that Commissioner Allison Hogue has been reappointed her position on the Commission Board.

Director Shepherd updated commissioners on the quarterly report template designed by our independent evaluator, Battelle. A program collaborative meeting involving the seven funded programs is scheduled for April 3rd 2013. Ms. Linda Tyler is scheduled to speak to the programs about how they can get their messages to Public Health more effectively and how to address concerns legislators may have about their program.

Director Shepherd also gave a Tobacco Arbitration update explaining there hasn't been a change since the Commission last met. The proposed settlement is pending.

Review of Battelle Quarterly Report Templates

Susan Hanrahan

This was discussed by Dr. Hanrahan and she said the Commission is supporting Battelle and the programs on the new Quarterly Report Template.

Budget/Revenue Projection

Susan Hanrahan

There are budget spreadsheets that Director Shepherd and Assistant Tina DeLay created and those were included in the backup paperwork.

Plans for Upcoming Commission Meetings/Schedule

Susan Hanrahan

A list of 2013 Commission meetings was distributed at the January Commission meeting. Additionally, the dates and times are on the ATSC web page and the Arkansas State calendar.

Action Items:

Two sub-committees were formed:

- 1) Independent Evaluator committee
 - a. Purpose: work with the programs on the new Battelle evaluation matrix, follow up and assist Battelle on the implementation of the matrix with in the programs so the new quarterly report format can implemented beginning July 1, 2013.
 - i. Commission members:
 - a. Susan Harriman
 - b. Karen Wheeler
 - c. Allison Hogue
- 2) Budget committee
 - a. Purpose: to assist Director Shepherd with any budget issues that may arise and to gain information regarding ATSC vendors and contracts.
 - i. Commission Members:
 - a. Susan Hanrahan
 - b. Blake Perry
 - c. Jim Hazelwood
- 3) May Agenda – review of Battelle’s working budget
- 4) Next ATSC meeting Tuesday, May 14th 2013.

Motion to adjourn:

Motion moved: Susan Harriman

Motion carried: Paul Halverson

Approved