

EXHIBIT C

MINUTES

ALC-ARKANSAS HEALTH INSURANCE MARKETPLACE LEGISLATIVE OVERSIGHT SUBCOMMITTEE

October 18, 2018

The ALC-Arkansas Health Insurance Marketplace Legislative Oversight Subcommittee met Thursday, October 18, 2018, at 1:00 p.m. in Room 130 of the State Capitol, Little Rock, Arkansas.

Senate Marketplace Legislative Oversight Subcommittee Members Attending: Senators Ronald Caldwell, Co-Chair, Jim Hendren, Jason Rapert, and Terry Rice.

House Marketplace Legislative Oversight Subcommittee Members Attending: Representatives Deborah Ferguson, Co-Chair; Kenneth Bragg, Jon Eubanks, and Kim Hammer.

Other Legislators Attending: Senators Eddie Cheatham, and Gary Stubblefield.

Call to Order & Comments by the Chairs

Representative Deborah Ferguson called the meeting to order.

Consideration to Adopt the September 18, 2018 Meeting Minutes (EXHIBIT C)

Representative Deborah Ferguson stated that without objection, the September 18, 2018, meeting minutes are adopted.

Review of Reporting Requirements for the Subcommittee

Jessica Beel, Staff Attorney, Bureau of Legislative Research, outlined in detail, the three (3) reports that the AHIM Subcommittee is responsible for submitting to ALC.

Representative Ferguson requested that the Bureau of Legislative Research (BLR) study how other state exchanges operate. Representative Ferguson announced that this subcommittee will not meet in November, but it will meet December 15, 2018, to review this subcommittee's annual report on any analysis or findings that have resulted from the AHIM Subcommittee's activities during the year.

On December 15, 2018, this subcommittee will also reflect on and study any efficiency and sustainability issue that will need legislation in the upcoming 2019-2020 Regular Session of the 92nd General Assembly.

Comments from AHIM and their Response to the Insurance Department's Presentation at the Meeting Last Month

Mark Meadors, Vice Chair, AHIM Board of Directors, and Angela Lowther, Director, both with the Arkansas Health Insurance Marketplace; responded to the Arkansas Insurance Department's (AID) presentation at the last meeting. Allen Kerr, Insurance Commissioner, Arkansas Insurance Department, was also in attendance.

AHIM's response to AID's presentation at the last subcommittee meeting:

- ◆ AID mistakenly estimated a \$3,000,000 savings if the AHIM program is rolled into the AR Insurance Department
- ◆ AHIM's powerpoint presentation details AID's budget, line-by-line
- ◆ Named critical resources that AHIM said AID will not have

Mr. Meadors and Mr. Kerr are in agreement that the future of the Affordable Care Act (ACA) is uncertain.

Representative Deborah Ferguson noted that the Fiscal Division of the Bureau of Legislative Research is compiling an unbiased report that will analyze, compare, and verify all the numbers and information that has been presented by AHIM and AID. This report will be presented to the subcommittee members at the December meeting. As requested by Representative Kim Hammer, the increase of the user fee from 1% in 2018 to 1.25% in 2019 will be reviewed for justification purposes--based on the estimated cash surplus and the number of policies.

Representative Hammer asked Zane Chrisman, Deputy Commissioner of the Arkansas Insurance Department, how many complaints they receive annually, related to insurance policies that are issued by AHIM. Ms. Chrisman said she would get this information for the subcommittee.

Report from the Arkansas Health Insurance Marketplace (AHIM) Board—Recommendations for User Fees and the Required Technology Fee (EXHIBIT E)

Mark Meadors, Vice Chair, AHIM Board of Directors, and Angela Lowther, Director, both with the Arkansas Health Insurance Marketplace, led the discussion.

The Arkansas Health Insurance Marketplace (AHIM) Board of Directors submitted a report to the AHIM Legislative Oversight Subcommittee, stating that the AHIM User Fee for Plan Year 2019, would be 1.25% above the federal technology fee, and will remain the same for the Plan Year 2020. The federal technology fee will be 3%, for a total of 4.25%.

Senator Jason Rapert stated that Arkansas has one of the highest Marketplace user fees in the U.S.

Representative Ferguson stated, that without objection, this subcommittee will ask ALC to allow this subcommittee to meet in November, so there will be time to read and review the report submitted by the Fiscal Division of BLR. This report will allow the subcommittee to make a more informed decision on the future of the Arkansas Health Insurance Marketplace, and then to submit it to ALC by the December 1st deadline.

The meeting adjourned at 2:32 p.m.