

State of Arkansas

91st General Assembly

First Extraordinary Session, 2017

A Bill

Call Item 5

HOUSE BILL 1004

By: Representative Gillam

By: Senator J. Dismang

For An Act To Be Entitled

AN ACT CONCERNING THE ARKANSAS HEALTH INSURANCE
MARKETPLACE; TO PROHIBIT DEVELOPMENT OF TECHNOLOGY
FOR A STATE-BASED PLATFORM FOR THE INDIVIDUAL HEALTH
INSURANCE MARKETPLACE; TO PROVIDE OVERSIGHT OF THE
ARKANSAS HEALTH INSURANCE MARKETPLACE TO THE
LEGISLATIVE COUNCIL; TO STUDY THE FUTURE DIRECTION OF
THE ARKANSAS HEALTH INSURANCE MARKETPLACE; TO DECLARE
AN EMERGENCY; AND FOR OTHER PURPOSES.

Subtitle

CONCERNING THE ARKANSAS HEALTH INSURANCE
MARKETPLACE; TO STUDY THE FUTURE
DIRECTION OF THE ARKANSAS HEALTH
INSURANCE MARKETPLACE; AND TO DECLARE AN
EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds that:

(1) Since the enactment of Acts 2013, No. 1500, several changes
regarding the health insurance marketplaces have occurred on a federal level
that have modified the operation of the health insurance marketplaces;

(2) The federal government is expected to propose additional
changes regarding the health insurance marketplaces in the next year; and

(3) Due to the ongoing changes at the federal level regarding



1 health insurance, prohibiting development of technology for a state-based
2 platform for the individual health insurance marketplace and reviewing the
3 direction of the Arkansas Health Insurance Marketplace would be beneficial to
4 the State of Arkansas for the future efficiency, sustainability, and
5 transparency of the Arkansas Health Insurance Marketplace.

6 (b) It is the intent of the General Assembly through this act to:

7 (1) Prohibit development of technology for a state-based
8 platform for the individual health insurance marketplace;

9 (2) Impose certain reporting requirements on the Arkansas Health
10 Insurance Marketplace to ensure that the Governor and the General Assembly
11 are better informed about the Arkansas Health Insurance Marketplace; and

12 (3) Transfer oversight of the Arkansas Health Insurance
13 Marketplace from the Arkansas Health Insurance Marketplace Legislative
14 Oversight Committee to the Legislative Council.

15
16 SECTION 2. DO NOT CODIFY. TEMPORARY LANGUAGE. Study regarding future
17 direction for Arkansas Health Insurance Marketplace.

18 (a) The Legislative Council shall:

19 (1) Review the operations, programs, and finances of the
20 Arkansas Health Insurance Marketplace;

21 (2) Study approaches by other states regarding health insurance
22 marketplace structure, design, and operations;

23 (3) Provide recommendations concerning the Arkansas Health
24 Insurance Marketplace for the continued availability of health insurance to
25 Arkansans; and

26 (4) Explore and recommend options for the future efficiency and
27 sustainability of the Arkansas Health Insurance Marketplace.

28 (b)(1)(A) The Legislative Council shall report on the findings of the
29 items listed in subsection (a) of this section to the General Assembly.

30 (B) A copy of the report shall be sent to the Governor.

31 (2) The report shall include without limitation recommendations
32 for legislation.

33 (c) The Legislative Council may utilize a subcommittee created under §
34 23-61-803(q)(5)(A) to conduct the study of the items in subsection (a) of
35 this section.

36

1 SECTION 3. Uncodified Section 3 of Acts 2013, No. 1500, is amended to
2 read as follows:

3 SECTION 3. NOT TO BE CODIFIED. ~~(a)(1) The health insurance~~
4 ~~marketplace developed through a Federally-facilitated Exchange Partnership~~
5 ~~model shall transfer to be under the control of the Arkansas Health Insurance~~
6 ~~Marketplace on July 1, 2015, if the Board of Directors of the Arkansas Health~~
7 ~~Insurance Marketplace determines that the establishment of a state-based~~
8 ~~marketplace is approved by the United States Department of Health and Human~~
9 ~~Services on or before July 1, 2015.~~

10 ~~(2) The board may extend the date of transfer under subdivision~~
11 ~~(a)(1) of this section.~~

12 ~~(b) The board shall participate in the Federally-facilitated Exchange~~
13 ~~Partnership to assist in planning the transition to a state-based health~~
14 ~~insurance marketplace.~~

15
16 SECTION 4. Arkansas Code § 10-3-2701 is repealed.

17 ~~10-3-2701. Arkansas Health Insurance Marketplace Legislative Oversight~~
18 ~~Committee.~~

19 ~~(a) The Arkansas Health Insurance Marketplace Legislative Oversight~~
20 ~~Committee is established.~~

21 ~~(b)(1) The Arkansas Health Insurance Marketplace Legislative Oversight~~
22 ~~Committee shall consist of the following members of the General Assembly~~
23 ~~appointed as follows:~~

24 ~~(A) Six (6) members of the House of Representatives shall~~
25 ~~be appointed to the Arkansas Health Insurance Marketplace Legislative~~
26 ~~Oversight Committee by the Speaker of the House of Representatives; and~~

27 ~~(B) Six (6) members of the Senate shall be appointed to~~
28 ~~the Arkansas Health Insurance Marketplace Legislative Oversight Committee by~~
29 ~~the President Pro Tempore of the Senate.~~

30 ~~(2) In making appointments, each appointing officer shall select~~
31 ~~members who have appropriate experience and knowledge of the issues to be~~
32 ~~examined by the Arkansas Health Insurance Marketplace Legislative Oversight~~
33 ~~Committee and may consider racial, gender, and geographical diversity among~~
34 ~~the membership.~~

35 ~~(c)(1) The Arkansas Health Insurance Marketplace Legislative Oversight~~
36 ~~Committee shall study matters pertaining to the Arkansas Health Insurance~~

1 ~~Marketplace Act, § 23-61-801 et seq., as the Arkansas Health Insurance~~
2 ~~Marketplace Legislative Oversight Committee considers necessary to fulfill~~
3 ~~its mandate.~~

4 ~~(2) The Arkansas Health Insurance Marketplace Legislative~~
5 ~~Oversight Committee may request reports from the Arkansas Health Insurance~~
6 ~~Marketplace pertaining to the operations, programs, or finances of the~~
7 ~~Arkansas Health Insurance Marketplace as it deems necessary.~~

8 ~~(d) Annually by December 15, the Arkansas Health Insurance Marketplace~~
9 ~~Legislative Oversight Committee shall provide to the General Assembly any~~
10 ~~analysis or findings resulting from its activities under this section that~~
11 ~~the Arkansas Health Insurance Marketplace Legislative Oversight Committee~~
12 ~~deems relevant.~~

13 ~~(e)(1) The President Pro Tempore of the Senate and the Speaker of the~~
14 ~~House of Representatives shall each designate a cochair of the Arkansas~~
15 ~~Health Insurance Marketplace Legislative Oversight Committee.~~

16 ~~(2) The Arkansas Health Insurance Marketplace Legislative~~
17 ~~Oversight Committee shall meet at least quarterly upon the joint call of the~~
18 ~~cochairs of the Arkansas Health Insurance Marketplace Legislative Oversight~~
19 ~~Committee.~~

20 ~~(3) A majority of the Arkansas Health Insurance Marketplace~~
21 ~~Legislative Oversight Committee constitutes a quorum.~~

22 ~~(4) No action may be taken by the Arkansas Health Insurance~~
23 ~~Marketplace Legislative Oversight Committee except by a majority vote at a~~
24 ~~meeting at which a quorum is present.~~

25 ~~(f) Members of the Arkansas Health Insurance Marketplace Legislative~~
26 ~~Oversight Committee are entitled to per diem and mileage reimbursement at the~~
27 ~~same rate authorized by law for attendance at meetings of interim committees~~
28 ~~of the General Assembly and shall be paid from the same source.~~

29 ~~(g)(1) With the consent of both the President Pro Tempore of the~~
30 ~~Senate and the Speaker of the House of Representatives, the Arkansas Health~~
31 ~~Insurance Marketplace Legislative Oversight Committee may meet during a~~
32 ~~session of the General Assembly to perform its duties under this section.~~

33 ~~(2) This subsection does not limit the authority of the Arkansas~~
34 ~~Health Insurance Marketplace Legislative Oversight Committee to meet during a~~
35 ~~recess as authorized by § 10-2-223 or § 10-3-211.~~

36

1 SECTION 5. Arkansas Code § 23-61-803 is amended to read as follows:

2 23-61-803. Arkansas Health Insurance Marketplace.

3 (a) There is created a nonprofit legal entity to be known as the
4 "Arkansas Health Insurance Marketplace".

5 (b)(1) The Arkansas Health Insurance Marketplace is created as a
6 political subdivision, instrumentality, and body politic of the State of
7 Arkansas and, as such, is not a state agency.

8 (2) Except to the extent provided by this subchapter, the
9 Arkansas Health Insurance Marketplace is exempt from:

10 (A) All state, county, and local taxes; and

11 (B) All laws other than the Freedom of Information Act of
12 1967, § 25-19-101 et seq., governing state agencies, including without
13 limitation:

14 (i) The Arkansas Procurement Law, § 19-11-201 et
15 seq.;

16 (ii) The Uniform Classification and Compensation
17 Act, § 21-5-201 et seq.; and

18 (iii)(a) The Arkansas Administrative Procedure Act,
19 § 25-15-201 et seq.

20 (b) The Arkansas Health Insurance Marketplace
21 shall adopt policies, procedures, and rules to implement its obligations
22 under this subchapter.

23 (3)(A) Prior to the adoption, amendment, or repeal of any
24 policy, procedure, or rule, the Arkansas Health Insurance Marketplace shall:

25 (i)(a) Give at least thirty (30) days' notice of its
26 intended action. The thirty-day period shall begin on the first day of the
27 publication of notice.

28 (b) The notice shall include a statement of
29 the terms or substance of the intended action or a description of the
30 subjects and issues involved and the time, the place where, and the manner in
31 which interested persons may present their views on the intended action or
32 the subjects and issues involved.

33 (c) The notice shall be mailed to any person
34 specified by law and to all persons who have requested advance notice of
35 rule-making proceedings.

36 (d)(1) Unless otherwise provided by law, the

1 notice shall be published in a newspaper of general daily circulation for
 2 three (3) consecutive days and, when appropriate, in those trade, industry,
 3 or professional publications that the Arkansas Health Insurance Marketplace
 4 may select.

5 (2) The notice shall be published by the
 6 Secretary of State on the ~~Internet~~ internet for thirty (30) days in
 7 accordance with § 25-15-218; and

8 (ii)(a) Afford all interested persons at least
 9 thirty (30) days to submit written data, views, or arguments, orally or in
 10 writing. The thirty-day period shall begin on the first day of the
 11 publication of notice under subdivision (b)(3)(A)(i)(a) of this section.

12 (b) Opportunity for oral hearing shall be
 13 granted if requested by twenty-five (25) persons, by a governmental
 14 subdivision or agency, or by an association having no fewer than twenty-five
 15 (25) members.

16 (c) The Arkansas Health Insurance Marketplace
 17 shall fully consider all written and oral submissions concerning the proposed
 18 rule before finalizing the language of the proposed rule and filing the
 19 proposed rule as required by subdivision (b)(3)(E) of this section.

20 (d) Upon the adoption, amendment, or repeal of
 21 a policy, procedure, or rule, the Arkansas Health Insurance Marketplace, if
 22 requested to do so by an interested person either prior to adoption,
 23 amendment, or repeal or within thirty (30) days thereafter, shall issue a
 24 concise statement of the principal reasons for and against its adoption,
 25 amendment, or repeal, incorporating therein its reasons for overruling the
 26 considerations urged against its adoption, amendment, or repeal; ~~and~~

27 ~~(iii) Comply with § 25-15-301 et seq. [repealed].~~

28 (B) The thirty-day periods for giving public notice under
 29 subdivision (b)(3)(A)(i)(a) of this section and for receiving written data,
 30 views, or arguments, orally or in writing, under subdivision (b)(3)(A)(ii)(a)
 31 of this section shall run concurrently.

32 (C)(i) If the Arkansas Health Insurance Marketplace finds
 33 that imminent peril to the public health, safety, or welfare or compliance
 34 with federal laws or regulations requires adoption of a policy, procedure, or
 35 rule upon less than thirty (30) days' notice and states in writing its
 36 reasons for that finding, it may proceed without prior notice or hearing, or

1 upon any abbreviated notice and hearing that it may choose, to adopt an
2 emergency rule.

3 (ii) The rule may be effective for no longer than
4 one hundred twenty (120) days.

5 (iii) If, after the expiration of the effective
6 period of an emergency rule, the Arkansas Health Insurance Marketplace wishes
7 to adopt a successive emergency rule that is identical or substantially
8 similar to the expired emergency rule, the Arkansas Health Insurance
9 Marketplace shall not adopt the successive emergency rule earlier than thirty
10 (30) days after the expiration of the emergency rule.

11 (D)(i) The Arkansas Health Insurance Marketplace shall
12 file with the ~~Arkansas Health Insurance Marketplace Legislative Oversight~~
13 ~~Committee~~ Legislative Council, the Secretary of State, the Arkansas State
14 Library, and the Bureau of Legislative Research a copy of each policy,
15 procedure, or rule adopted by it and a statement of financial impact for the
16 rule.

17 (ii) The Secretary of State shall keep a copy of
18 each policy, procedure, or rule filed under subdivision (b)(3)(D)(i) of this
19 section in the permanent register required under § 25-15-204(e)(2).

20 (iii)(a) The scope of the financial impact statement
21 shall be determined by the Arkansas Health Insurance Marketplace but, at a
22 minimum, shall include the estimated cost of complying with the policy,
23 procedure, or rule and the estimated cost for the Arkansas Health Insurance
24 Marketplace to implement the policy, procedure, or rule.

25 (b) If the Arkansas Health Insurance
26 Marketplace has reason to believe that the development of a financial impact
27 statement will be so speculative as to be cost prohibitive, the Arkansas
28 Health Insurance Marketplace shall submit a statement and explanation to that
29 effect.

30 (c) If the purpose of an Arkansas Health
31 Insurance Marketplace policy, procedure, or rule is to implement a federal
32 rule or regulation, the financial impact statement shall be limited to any
33 incremental additional cost of the state policy, procedure, or rule, as
34 opposed to the federal rule or regulation.

35 (E)(i)(a) Each policy, procedure, or rule adopted by the
36 Arkansas Health Insurance Marketplace is effective thirty (30) days after the

1 filing of the final policy, procedure, or rule unless a later date is
2 specified by law or in the rule itself.

3 (b) A final rule shall not be filed until the
4 thirty-day public comment period required under subdivision (b)(3)(A)(ii)(a)
5 of this section has expired.

6 (c)(1) After the expiration of the thirty-day
7 public comment period and before the effective date of the rule, the Arkansas
8 Health Insurance Marketplace shall take appropriate measures to make the
9 final rule known to the persons who may be affected by the rule.

10 (2) Appropriate measures shall include
11 without limitation posting the following information on the ~~Arkansas Health~~
12 ~~Insurance Marketplace's~~ website of the Arkansas Health Insurance Marketplace:

13 (A) The final rule;

14 (B) Copies of all written comments
15 submitted to the Arkansas Health Insurance Marketplace regarding the rule;

16 (C) A summary of all written and
17 oral comments submitted to the Arkansas Health Insurance Marketplace
18 regarding the rule and the ~~Arkansas Health Insurance Marketplace's~~ response
19 of the Arkansas Health Insurance Marketplace to those comments; and

20 (D) The proposed effective date of
21 the final rule.

22 (ii)(a) However, an emergency rule may become
23 effective immediately upon filing or at a stated time less than thirty (30)
24 days after filing if the Arkansas Health Insurance Marketplace finds that
25 this effective date is necessary because of imminent peril to the public
26 health, safety, or welfare.

27 (b) The ~~Arkansas Health Insurance~~
28 ~~Marketplace's~~ finding of the Arkansas Health Insurance Marketplace and a
29 brief statement of the reasons for the finding shall be filed with the rule.

30 (c) The Arkansas Health Insurance Marketplace
31 shall take appropriate measures to make emergency rules known to the persons
32 who may be affected by the emergency rules.

33 (F) The ~~Arkansas Health Insurance Marketplace Legislative~~
34 ~~Oversight Committee~~ Legislative Council shall review the proposed revised or
35 amended policy, procedure, or rule and, if it is believed that the rule or
36 regulation is contrary to legislative intent, shall file a statement thereof

1 with the ~~Legislative Council~~ Arkansas Health Insurance Marketplace.

2 (c) The Arkansas Health Insurance Marketplace shall operate subject to
3 the supervision and control of the Board of Directors of the Arkansas Health
4 Insurance Marketplace. The board shall consist of the following members to be
5 appointed on or before July 1, 2013:

6 (1)(A) Three (3) members appointed by the Governor.

7 (B) One (1) member appointed by the Governor shall be a
8 representative of insurance agents or brokers licensed to sell health
9 insurance in the State of Arkansas.

10 (C) Two (2) members appointed by the Governor shall be
11 consumer representatives;

12 (2)(A) Three (3) members appointed by the President Pro Tempore
13 of the Senate.

14 (B) One (1) of the members appointed by the President Pro
15 Tempore of the Senate shall be a representative of a health insurer.

16 (C) One (1) of the members appointed by the President Pro
17 Tempore of the Senate shall be a representative of small employers;

18 (3)(A) Three (3) members appointed by the Speaker of the House
19 of Representatives.

20 (B) One (1) of the members appointed by the Speaker of the
21 House of Representatives shall be a representative of a health insurer.

22 (C) One (1) member appointed by the Speaker of the House
23 of Representatives shall be a member of a health-related profession licensed
24 in the State of Arkansas;

25 (4) The Insurance Commissioner or his or her designee as an ex
26 officio nonvoting member; and

27 (5) The Director of the Department of Human Services or his or
28 her designee as an ex officio nonvoting member.

29 (d)(1) Members appointed by the Governor serve at the pleasure of the
30 Governor.

31 (2)(A) The initial members appointed by the President Pro
32 Tempore of the Senate under subdivision (c)(2) of this section shall serve
33 terms as follows:

34 (i) One (1) initial member shall be appointed to a
35 term of four (4) years;

36 (ii) One (1) initial member shall be appointed to a

1 term of six (6) years; and

2 (iii) One (1) initial member shall be appointed to a
3 term of eight (8) years.

4 (B) A member subsequently appointed to the board under
5 subdivision (c)(2) of this section shall serve a term of six (6) years.

6 (3)(A) The initial members appointed by the Speaker of the House
7 of Representatives under subdivision (c)(3) of this section shall serve terms
8 as follows:

9 (i) One (1) initial member shall be appointed to a
10 term of four (4) years;

11 (ii) One (1) initial member shall be appointed to a
12 term of six (6) years; and

13 (iii) One (1) initial member shall be appointed to a
14 term of eight (8) years.

15 (B) A member subsequently appointed to the board under
16 subdivision (c)(3) of this section shall serve a term of six (6) years.

17 (e) The appointing authorities under this section shall ensure that a
18 majority of the voting members of the board have relevant experience in:

19 (1) Health benefits administration;

20 (2) Healthcare finance;

21 (3) Health plan purchasing;

22 (4) Healthcare delivery system administration; or

23 (5) Public health or health policy issues related to the small
24 group and individual markets and the uninsured.

25 (f) The board shall select one (1) of its members as chair.

26 (g)(1) Subject to review by the ~~Arkansas Health Insurance Marketplace~~
27 ~~Legislative Oversight Committee~~ Legislative Council, the board may authorize
28 by a majority vote of the total membership of the board cast during its first
29 regularly scheduled meeting of each calendar year:

30 (A) Payment to its members of a stipend per day not to
31 exceed one hundred dollars (\$100) for each meeting attended or for any day
32 while performing substantive business of the board; and

33 (B) Reimbursement of actual expenses while performing
34 substantive business of the board.

35 (2) Members of the board shall receive no other compensation,
36 expense reimbursement, or in-lieu-of payments.

1 (h)(1) The board shall hire the Executive Director of the Arkansas
2 Health Insurance Marketplace to:

3 (A) Plan and administer the Arkansas Health Insurance
4 Marketplace; and

5 (B) Employ necessary staff.

6 (2) The board may plan and administer the Arkansas Health
7 Insurance Marketplace and employ necessary staff on an interim basis until
8 the executive director is hired.

9 (3) The employees of the Arkansas Health Insurance Marketplace
10 are not eligible to participate in the Arkansas Public Employees' Retirement
11 System under § 24-4-101 et seq.

12 (i)(1) Neither the board nor its employees shall be liable for any
13 obligations of the Arkansas Health Insurance Marketplace.

14 (2) The board may provide in its bylaws or rules for
15 indemnification of and legal representation for the board members and board
16 employees.

17 (j)(1) The board shall adopt articles, bylaws, and operating rules in
18 accordance with this subchapter ~~within ninety (90) days after the appointment~~
19 ~~of the board.~~

20 (2) The articles, bylaws, and operating rules shall be reviewed
21 by the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~
22 Legislative Council.

23 (k) The board shall keep an accurate accounting of all activities,
24 receipts, and expenditures on behalf of the Arkansas Health Insurance
25 Marketplace and report to the ~~Arkansas Health Insurance Marketplace~~
26 ~~Legislative Oversight Committee~~ Legislative Council as requested by the
27 ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~
28 Legislative Council.

29 (l)(1)(A) On and after July 1, 2015, the board shall have the
30 authority to apply for and expend on behalf of the Arkansas Health Insurance
31 Marketplace any state, federal, or private grant funds available to assist
32 with the implementation and operation of the Arkansas Health Insurance
33 Marketplace.

34 (B) Before July 1, 2015, the board shall coordinate with
35 the commissioner the application for state, federal, or private grant funds
36 to plan, implement, and operate the Arkansas Health Insurance Marketplace.

1 (2)(A) Before July 1, 2015, the commissioner may apply for any
2 state, federal, or private grant funds available to assist with the
3 implementation and operation of the Arkansas Health Insurance Marketplace.

4 (B) If the commissioner applies for and receives any
5 state, federal, or private grant funds available to assist with the
6 implementation and operation of the Arkansas Health Insurance Marketplace,
7 the commissioner shall enter into a memorandum of understanding with the
8 Arkansas Health Insurance Marketplace concerning the use and expenditure of
9 the grant funds.

10 (m)(1) The board may contract with eligible entities to assist with
11 the planning, implementation, and operation of the Arkansas Health Insurance
12 Marketplace.

13 (2) For purposes of this subsection:

14 (A) An eligible entity includes without limitation an
15 entity that has experience in individual and small group health insurance,
16 benefit administration, or other experience relevant to the responsibilities
17 to be assumed by the entity; and

18 (B) A health insurer or an affiliate of a health insurer
19 is not an eligible entity.

20 (3) In contracting with an eligible entity under subdivision
21 (m)(1) of this section, the board shall give preference to eligible entities
22 that have relevant experience.

23 (4)(A) The board shall establish a competitive bidding process
24 for awarding contracts under this subchapter to an eligible entity.

25 (B) The competitive bidding process for awarding contracts
26 under this subchapter to an eligible entity shall be reviewed by the ~~Arkansas~~
27 ~~Health Insurance Marketplace Legislative Oversight Committee~~ Legislative
28 Council.

29 (n) The board may enter into information-sharing agreements with
30 federal and state agencies and other state marketplaces to carry out its
31 responsibilities under this subchapter, provided such agreements:

32 (1) Include adequate protections with respect to the
33 confidentiality of the information to be shared; and

34 (2) Comply with all applicable state and federal laws and
35 regulations.

36 (o) As a condition of participating in the Arkansas Health Insurance

1 Marketplace, a health insurer shall pay the assessments, submit the reports,
2 and provide the information required by the board or the commissioner to
3 implement this subchapter.

4 (p) The board and any eligible entity under subdivision (m)(1) of this
5 section shall provide claims and other plan and enrollment data to the
6 Department of Human Services and the commissioner upon request to:

7 (1) Facilitate compliance with reporting requirements under
8 state and federal law; and

9 (2) Assess the performance of the ~~Health Care Independence~~
10 ~~Program established by the Health Care Independence Act of 2013, § 20-77-2401~~
11 ~~et seq., if enacted, Arkansas Works Program established by the Arkansas Works~~
12 ~~Act of 2016, § 23-61-1001 et seq.,~~ including without limitation the program's
13 quality, cost, and consumer access.

14 (q)(1) The Legislative Council may study matters pertaining to this
15 subchapter that the Legislative Council considers necessary to fulfill its
16 mandate under this subchapter.

17 (2) The Legislative Council may request reports from the
18 Arkansas Health Insurance Marketplace pertaining to the operations, programs,
19 or finances of the Arkansas Health Insurance Marketplace as it deems
20 necessary.

21 (3) Annually by December 15, the Legislative Council shall
22 provide to the General Assembly any analysis or findings resulting from its
23 activities under this section that the Legislative Council deems relevant.

24 (4)(A) During a regular, fiscal, or extraordinary session of the
25 General Assembly, the Joint Budget Committee shall perform the functions
26 assigned to the Legislative Council under this subchapter.

27 (B) This subsection does not limit the authority of the
28 Legislative Council and its subcommittees to meet during a recess as
29 authorized by § 10-2-223 or § 10-3-211.

30 (5) The Legislative Council and the Joint Budget Committee may:

31 (A) Establish or utilize one (1) or more subcommittees to
32 assist in its duties under this subchapter;

33 (B) Assign information filed with the Legislative Council
34 under this subchapter to one (1) or more subcommittees of the Legislative
35 Council or the Joint Budget Committee, including without limitation a
36 subcommittee created under subdivision (q)(5)(A) of this section; and

1 (C) Delegate their duties under this subchapter to one (1)
 2 or more subcommittees of the Legislative Council or the Joint Budget
 3 Committee, subject to the final review and approval of the Legislative
 4 Council or the Joint Budget Committee.

5
 6 SECTION 6. Arkansas Code § 23-61-804(a)(B), concerning the duties of
 7 the Arkansas Health Insurance Marketplace, is amended to read as follows:

8 (B) The procedures and criteria shall comply with
 9 applicable:

10 (i) Federal law;
 11 (ii) Federal waivers obtained by the state to
 12 ~~implement the Health Care Independence Program established by the Health Care~~
 13 ~~Independence Act of 2013, § 20-77-2401 et seq., if enacted~~ Arkansas Works
 14 Program established by the Arkansas Works Act of 2016, § 23-61-1001 et seq.;
 15 and

16 (iii) Rules promulgated by the State Insurance
 17 Department and the Department of Human Services under the ~~Health Care~~
 18 ~~Independence Act of 2013, § 20-77-2401 et seq., if enacted~~ Arkansas Works
 19 Program established by the Arkansas Works Act of 2016, § 23-61-1001 et seq.;
 20

21 SECTION 7. Arkansas Code § 23-61-804(13), concerning the duties of the
 22 Arkansas Health Insurance Marketplace, is amended to read as follows:

23 (13) Otherwise comply with a requirement the board determines is
 24 necessary to obtain or maintain the approval to ~~establish or~~ administer a
 25 ~~state-based~~ health insurance marketplace.
 26

27 SECTION 8. Arkansas Code § 23-61-805(a), concerning the funding of the
 28 Arkansas Health Insurance Marketplace, is amended to read as follows:

29 (a)(1) The General Assembly shall establish a reasonable initial
 30 assessment or user fee and reasonable increases or decreases in the amount of
 31 future assessments or user fees and penalties and interest charges for
 32 nonpayment of an assessment or user fee charged to participating health
 33 insurers for the efficient operation of the Arkansas Health Insurance
 34 Marketplace.

35 (2) ~~Beginning October 1, 2014, and annually~~ Annually by October
 36 ~~1 thereafter,~~ the Arkansas Health Insurance Marketplace shall report to the

~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~
~~Legislative Council~~ in the manner and format that the ~~Arkansas Health~~
~~Insurance Marketplace Legislative Oversight Committee~~ Legislative Council
 requires the ~~Arkansas Health Insurance Marketplace's~~ recommendations of the
Arkansas Health Insurance Marketplace for the initial assessment or user fee
 and increases or decreases in the amount of future assessments or user fees
 and penalties and interest charges for nonpayment of an assessment or user
 fee charged to participating health insurers.

(3) ~~Beginning January 1, 2015, and annually by January 1~~
~~thereafter~~ Annually by December 1, the ~~Arkansas Health Insurance Marketplace~~
~~Legislative Oversight Committee~~ Legislative Council shall review the
 recommendations of the Arkansas Health Insurance Marketplace under
 subdivision (a)(1) of this section and report to the President Pro Tempore of
 the Senate and the Speaker of the House of Representatives the ~~Arkansas~~
~~Health Insurance Marketplace Legislative Oversight Committee's~~
 recommendations of the Legislative Council for the initial assessment or user
 fee and future increases or decreases in the amount of assessments or user
 fees and penalties and interest charges for nonpayment of an assessment or
 user fee charged to participating health insurers.

SECTION 9. Arkansas Code § 23-61-805, concerning the funding and
 publication of costs of the Arkansas Health Insurance Marketplace, is amended
 to add an additional subsection to read as follows:

(e)(1) Annually, the Arkansas Health Insurance Marketplace shall
report the following information to the Legislative Council:

(A) The total amount of assessment fees or user fees
collected;

(B) The administrative costs and expenditure of the
Arkansas Health Insurance Marketplace, including without limitation salaries
of employees, supply costs, building rental costs, and technology costs;

(C) The amount of any other funds received by the Arkansas
Health Insurance Marketplace; and

(D) Other budgetary or financial matters relating to the
Arkansas Health Insurance Marketplace.

(2) The Arkansas Health Insurance Marketplace shall disclose and
provide additional budgetary or financial information upon the request of the

1 Legislative Council or the Joint Budget Committee.

2
3 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the
4 General Assembly of the State of Arkansas that this act requires the transfer
5 of oversight from the Arkansas Health Insurance Marketplace Legislative
6 Oversight Committee to the Legislative Council and requires the Legislative
7 Council to study various aspects of the Arkansas Health Insurance
8 Marketplace; that the studies to be conducted by the Legislative Council are
9 necessary to determine the future direction of the Arkansas Health Insurance
10 Marketplace; and that this act is immediately necessary because the
11 Legislative Council needs to be able to begin the oversight and study of the
12 Arkansas Health Insurance Marketplace at the earliest possible date.
13 Therefore, an emergency is declared to exist, and this act being immediately
14 necessary for the preservation of the public peace, health, and safety shall
15 become effective on:

16 (1) The date of its approval by the Governor;

17 (2) If the bill is neither approved nor vetoed by the Governor,
18 the expiration of the period of time during which the Governor may veto the
19 bill; or

20 (3) If the bill is vetoed by the Governor and the veto is
21 overridden, the date the last house overrides the veto.

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24 APPROVED: 05/04/2017
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