

House and Senate Public Health, Welfare, and Labor Committees
Arkansas Insurance Department (AID)
Arkansas Health Connector Division (AHC)
July 25, 2013



Update on planning efforts for open enrollment
starting October 1, 2013, for coverage effective January 1, 2014

Qualified Health Plans (QHPs) Certification Update

- June 30 was the deadline for issuers to apply to AID for QHP approval. Five medical carriers applied: Arkansas Blue Cross Blue Shield, Blue Cross Blue Shield Multi-State Plan, NovaSys/Celtic Insurance Company, QualChoice of Arkansas, and United Security Life and Health Insurance. These companies submitted multiple plans for review.
- AID is reviewing each QHP proposal for compliance with QHP certification criteria as recommended by the Steering Committee and approved by the Commissioner, including the rates, benefits, and applicant's financial rating, business plan, and financial projections. We have been in contact with issuers as questions arise and are working to ensure access, quality and consumer protection.
- There are a total of 13,341 items to be reviewed by July 31; this task was 75 percent complete on July 22nd.
- AID must make final QHP approval recommendations to the U.S. Department of Health and Human Services by July 31, 2013. We expect at least two QHPs will be offered in each county.
- The deadline for Stand-Alone Dental (SAD) plans to be submitted for Health Insurance Marketplace approval was also June 30. Seven companies have applied: Arkansas Blue Cross Blue Shield, Best Life and Health, Delta Dental of Arkansas, Dentegra Insurance Company, Guardian Life Insurance Company, and Renaissance. These companies and plans are also assessed for benefits, network and financial status.

Outreach and Education Update

- The Outreach and Education campaign formally kicked off with the launching of the ARHealthConnector.org website and multiple other promotions. The campaign will continue with statewide saturation in television markets in each region of the state, newspapers, billboards, gas pumps, Internet, radio, and even city buses. Social media (Facebook, Twitter) is also heavily emphasized in the campaign.
- AHC staff answered phones during the June 27th airing of the Arkansas Educational Telecommunications Network (AETN) television program on the Arkansas Health Connector hosted by Steve Barnes. Approximately 65 calls were received, the vast majority from people interested in learning more about their health insurance options and how the Marketplace will work.
- Approximately 75 individuals have received training for the AHC Speaker's Bureau. Those individuals are available for speaking engagements in all 75 Arkansas counties. For more information or to schedule a presentation, contact Terri Clark at Terri.Clark@Arkansas.Gov.
- AHC and Mangan Holcomb Partners (MHP) coordinated the publication of educational inserts in *Arkansas Business*, *Talk Business*, and *Arkansas Times*. They have served as helpful educational tools shared at multiple venues.
- AHC staff provided updates in July to licensed insurance agents and brokers across Arkansas about the Health Insurance Marketplace and their roles. The well-attended sessions were in: Little Rock, Ft. Smith, Fayetteville, Jonesboro, West Memphis, El Dorado, and Texarkana.

Guides, Navigators and Non-Navigator Assisters Update

- To date, we have 26 governmental and non-governmental contractors for in-person assister (IPA) guide services. Our goal is for IPA entities to employ 535 guides. On July 22nd, 235 guides were registered in the Guides Management System. We expect, and are working to recruit, additional organizations to employ more guides throughout the state.
- So far, 149 guides have completed Phase I training provided by the Arkansas Association of Two Year Colleges. AHC expects to have 209 Guides trained by August 2nd. We appreciate the cooperation and good work by the Department of Higher Education and the Arkansas Association of Two-Year Colleges in assisting with this training project.

- On July 12, 2013, HHS released the *Final Rule on Standards for Navigators and Non-Navigator Assistance Personnel: Consumer Assistance Tools and Programs of an Exchange and Certified Application Counselors (CACs)*. The final rule requires Federally-facilitated Marketplaces, including Partnership Marketplaces, to designate organizations to certify their organization's staff members and volunteers as CACs. Standards must be met, including privacy and conflicts of interest. This new rule on CACs is consistent with requests we have been hearing from hospitals, health care facilities, community based organizations, and others including county jails desiring to have staff trained to assist with Marketplace enrollment.
- AHC is working with the AID License Division on processes for licensure of Guides and other Marketplace assisters, including federal Navigators, CACs, and licensed producers (agents/ brokers) to comply with Act 1439 of 2013. Arkansas Insurance Rule 104 to set the annual license fee at \$35 has been filed and advertised beginning July 1, 2013. A public hearing is scheduled for July 31, 2013 from 10:30am to 12p.m. at the AID hearing room, first floor.

Federal Rules/Announcements

- Delayed Employer Mandates. On July 2, 2013 the White House announced they would work with employers, insurers, and experts to propose a simplified reporting process for large employers (those with 50 or more employees) and, therefore, reporting requirements are suspended for a year. Since employer responsibility payments can only be assessed based on this new reporting, such payments won't be collected for 2014—allowing employers time to test the new reporting systems and make any necessary adaptations.
- Income Verification is Still On. On July 5, 2013, CCIO announced that State Based Marketplaces may elect to delay until 2015 their sample-based review requirement to verify consumers' income and health insurance status. The Federally-facilitated Marketplace (Arkansas's Model as a Partnership State) will still perform sample-based reviews. The Marketplace will continue to use electronic data from IRS, SSA, and current income data sources to verify income for purposes of determining eligibility for advance payment of the premium tax credit. The IRS will continue to reconcile advance payments of the premium tax credit when consumers file taxes and recoup overpayments. There is no change for Arkansas.
- The Final Navigator/Non-Navigator Rule. On July 12, 2013, the final rule outlining requirements for Certified Application Counselors (CACs) including a requirement for State Partnership Exchanges to certify organizations to certify/decertify their own CACs was released (see above also). AID will be developing a Train the Trainer model to implement this provision in advance of October 1.

Arkansas Health Insurance Marketplace Board

- As directed by Act 1500 of 2013, board members were appointed to the newly-created Arkansas Health Insurance Marketplace Board by Governor Beebe, Senate President Pro Tempore Lamoureux, and House Speaker Carter. A list of Board Members is attached. The Board will determine whether and when Arkansas will apply for State-Based Marketplace status. The new board will assume Marketplace governance as early as July 1, 2015 for a State-Based Marketplace in Plan Year 2016.
- In the interim, the Plan Management and Consumer Assistance Advisory Committees and the Steering Committee for the Arkansas Health Connector (AHC) will continue consulting with the Arkansas Insurance Department (AID) regarding policies for the State Partnership Marketplace.
- We are pleased that several of the newly appointed board members have insurance experience and/or are members of AHC advisory committees.

Arkansas Health Insurance Marketplace

Board Members

Governor Mike Beebe's Appointments:

Mike Castleberry, Little Rock, Vice President of Network and Business Development at HealthScope.

Chris Parker, Little Rock, partner at Eichenbaum, Liles P.A. in Little Rock.

Annabelle Imber Tuck, Little Rock, retired Justice of the Arkansas Supreme Court.

Senator President Pro Tempore Michael Lamoureux's Appointments:

Steve Faris, Central, former state senator.

Fred Bean, Little Rock, President, Bean Hamilton Corporate Benefits.

John Denery, Little Rock, Stephens Insurance Executive Vice President.

House Speaker Davy Carter's Appointments:

Sherrill Wise, Little Rock, Vice President and Treasurer of Dillard's Inc.

Dr. Jerry Jones, Cabot, former Branch Chief of Pharmacy Services, Arkansas Department of Health.

Greg Hatcher, Little Rock, founder and owner of Hatcher Agency.

Other Members of the Board (by virtue of their positions):

Jay Bradford, Arkansas Insurance Commissioner.

John Selig, Arkansas Department of Human Services Director.