



TO: FFE Steering Committee
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SUBJECT: Recommendations from the Consumer Assistance Advisory Committee
COMMITTEE TOPIC: AR IN PERSON ASSISTER ENTITY APPLICATION REQUIREMENTS
DATE: August 15, 2012

PART I – RECOMMENDATIONS

A. **RECOMMENDATION SUMMARY:** The Consumer Assistance Advisory Committee (CAAC) discussed the topic of AR IPA Entity Applications at the committee meeting on August 10.

The Steering Committee is being asked to vote on the following recommendations:
1. What are the appropriate IPA Entity Application Requirements?
2. What are the appropriate IPA Entity Application Renewal Requirements?
3. What are the appropriate reasons to deny or terminate an IPA Entity’s application or contract?

B. **RECOMMENDATION DETAILS:** The Consumer Assistance Advisory Committee provides the following recommendations for the Steering Committee’s adoption.

1. **WHAT ARE THE APPROPRIATE IPA ENTITY APPLICATION REQUIREMENTS?**
 The potential IPA Entity will apply to act on behalf of the State to perform the duties outlined in the ACA requirements for the purpose of reducing the uninsured, underinsured, and the uninformed in the State of Arkansas. The application will be split up into five (5) parts:



- a) A description of the IPA Entity's program to provide outreach and education and ensure individual IPAs under their direction are certified, well informed and provide fair and impartial information about insurance carriers and qualified health plans;
- b) Financial considerations for an IPA entity to participate;
- c) Attestations from the IPA Entity that they and the individual IPAs will comply with all Federal and state requirements;
- d) Requirements for IPA Entity Application Renewals
- e) Requirements for IPA Entity Application Denials

1) A description of the IPA Entity's program to provide outreach and education and ensure individual IPAs under their direction are certified, well informed and provide fair and impartial information about insurance carriers and qualified health plans;

- a) Explain the length of time your entity has been in business, the type of work your Entity has done that has prepared you for this work, the organizational capacity of the entity to carry out the duties as identified in Federal regulations and the state of Arkansas,
- b) Provide a roster of your board of directors (if applicable),
- c) Explain how the Entity's prior experience prepares you for a position that requires strong interpersonal communication skills and what qualifications in this regard you will look for in selecting individual IPAs for outreach services,
- d) Explain your process for identifying and recruiting AR In Person Assistants who are qualified to carry out the IPA duties as described in the application with whom you will hire or enter in a contractual relationship,
- e) Description of the region of the state and the population(s) the IPA program will serve,
- f) Description of the plan for identifying the uninsured, underinsured and uninformed consumers who are eligible to purchase insurance through the exchange for conducting outreach activities for the population you intend to serve,
- g) Description of a comprehensive plan for conducting education activities to include venues and types of organizations that apply specifically to the individual IPA's proposed region of the state and targeted population and enrollment facilitation (a final targeted consumer outreach plan will be submitted to the AID 60 days after the start of contract.)



- h) A description of the evaluation methodology to be used to track and report consumer assistance activities to the AID as requested including but not limited to complaints tracking and resolution.
- i) Describe existing relationships in the community and how they will benefit the IPA program with consumers your Entity will need to educate; and/or, if you do not currently have existing relationships, provide an explanation of who the program could readily establish relationships with, examples may include but are not limited to:
 - i. small business employers and employees,
 - ii. consumers(including uninsured and underinsured consumers),
 - iii. consumers who are disabled;
 - iv. consumers who are homeless;
 - v. culturally diverse groups, and/or;
 - vi. self-employed individuals likely to enroll in a qualified health plan;
- j) Please provide letters of support from entities with which you have existing relationships (letters of support are strongly encouraged and will strengthen your application to become an IPA entity),
- k) Description of the plan for availability to consumers and description of types of assistance that will be provided and on-going Operations Tasks (e.g., hours of availability, locations in person, phone availability, on line assistance or web availability, and/or other ways the IPA entity will be available to the public),
- l) Description of a proposed methodology for providing the state feedback from the respective communities regarding how the exchange is working,
- m) Description of an employee performance evaluation, including how the IPA Entity and individual IPAs acting on the entity's behalf will:
 - i. informed of AID training opportunities;
 - ii. that each individual IPA has taken the training and achieved a passing grade;
 - iii. has been certified by the State;
 - iv. ensure that individual IPAs have adequate support to ensure their readiness to provide consumer services;
 - v. measure the success of their services;
 - vi. seek feedback on the services of their IPAs;
 - vii. plan for corrective action if AR IPAs do not comply with requirements;
 - viii. provide ongoing monitoring of the staff employed, volunteers, or contracted;
 - ix. provide complaint intake and resolution tracking to assure resolution of any identified problem, and
 - x. Generally provide appropriate management of employed or contracted staff.
- n) How the entity will handle repeated complaints about individual IPAs by consumers and inability to resolve issues even with corrective action by the state.



- o) The entity shall provide a description of the methodology it will use to ensure Entity / IPA computer skills and how technology will be used to support IPA activities,
- p) Submission of three references in the area in which the entity will provide services.

2) Financial considerations for an IPA entity to participate;

- a) The IPA Entity must provide information to support their financial viability (e.g. audited financial statements) and a commitment that all funding provided by the AID to the entity will be used for the sole purpose of the IPA activities.
- b) A breakdown of the IPA Entity's budget including allocations, and a written justification for all proposed expenses will be an important consideration in the evaluation of the IPA entity's application.
- c) The IPA Entity must provide documentation indicating that their federal and state taxes are current.

An itemized budget may include the following components:

- **PERSONNEL** (itemize all positions, indicating percent of time, salary and names of senior personnel)
 - Comprehensive job description including primary duties and qualifications
 - Salary Justification
 - Salaries will be commensurate with the duties being performed
 - Fringe benefits rates must be or percent of the salary cost for fringe benefits. "Salary figure includes X% for fringe benefits."
 - How was rate of pay determined for the position? Provide explanation about how pay is commensurate with the duties that will be performed as part of the project.
- **SUBCONTRACTORS**
 - Include detailed information outlining the primary activities the subcontractor will conduct and qualifications they must meet in order to be hired to carry out these activities.
 - Provide justification for the activities that will be done by subcontractors, along with the reasons it is necessary to use subcontractors and why you cannot perform these tasks and require someone else to do it.
 - Include estimates from identified subcontractors to show reviewers how you arrived at the specific costs for the subcontracted work.



➤ **TRAVEL**

- Travel justification includes the reasons why it is necessary to the successful completion of the project. (If including out of state travel identify why it is necessary)
- Travel expenses cannot exceed the current per diem and mileage limits used by the state for public employees.

➤ **SUPPLIES**

- List costs only for supplies that will be used in carrying out project activities.
- Explain why they are necessary and how they will be used to benefit the project.

➤ **PUBLICATIONS, PRINTING, and OUTREACH COSTS**

- Publish and print materials, such as training materials, best practice guides, or other products arising from the project
- Costs for reproducing and distributing electronic media produced by the project, such as CDs, DVDs, or other media to be used
- Costs for providing outreach and education for the targeted population including but not limited to costs associated with online strategies and activities.

➤ **ADVERTISING COSTS**

- Include all advertising costs that will be expended in connection with the duties to be performed.

➤ **CAPITAL COSTS**

- Include all capital costs that will be expended in connection with the duties to be performed.

➤ **CONFERENCES AND TRAINING COSTS**

- Costs associated with any AID required training and conferences.

➤ **INDIRECT COSTS**

- Include all categories of indirect costs and an explanation of what is included in the indirect costs. Most costs of the project should already be detailed in the other categories listed above.

➤ **IN-KIND CONTRIBUTIONS ¹**

- What are you or your partners (collaborators) contributing to the project besides listed management or project activities?
- Contributions like office space, telephone access, computer or other equipment use, or other contributions should be listed at their relative value.

¹ **Note:** while the relative value of in-kind contributions are listed here as costs, they are not added into the project costs.



➤ **OTHER COSTS**

- Explain any other expenses used in connection with the duties to be performed and provide justification for those expenses.

3) Attestations from the IPA Entity that they and the individual IPAs will comply with all Federal and state requirements;

- a) The Entity will conduct targeted community outreach to beneficiaries under their sponsorship or with community-based partners or coalitions to increase understanding of the exchange and raise awareness of the opportunities for assistance with benefit and plan selection with special emphasis on vulnerable populations and others who experience barriers to receiving assistance due to their geographic location, language, and/or culture;
- b) Entities will increase and enhance access to an IPA workforce that is trained, fully equipped and proficient in providing the full range of services including enrollment assistance in appropriate benefit plans and referral for complaint resolution;
- c) A commitment that the entity will track and report activities as required by the AID;
- d) A commitment that the entity and all contracted, volunteer, or employed individual IPAs are not a health insurance issuer; subsidiary of a health insurance issuer, or an association that includes members of or lobbies on behalf of the insurance industry health insurance issuer;
- e) A commitment that the entity will employ sufficient staff, including support staff, to meet the demand of the area and/or population it serves;
- f) A commitment that the entity will stay updated on all requirements, policies, and regulations regarding the Exchange and assure that employed, volunteer, and contracted individual IPAs associated with the entity will stay up to date as well.
- g) A commitment that the entity will conduct performance evaluations to determine areas of strengths and weaknesses of its IPAs.
- h) A commitment that the IPA entity will abide by all performance indicators provided by the AID;
- i) A commitment that the IPA entity agrees to provide direct payment to all contracted or employed IPAs as agreed upon through contract and/or employment agreement.
- j) A commitment that the IPA entity and all contracted, volunteer, or employed individual IPAs will not receive any direct or indirect payments from any health insurance issuer in connection with the enrollment of any qualified individuals or qualified employees in a Qualified Health Plan (QHP) as explicitly prohibited by Federal law;



- k) A commitment that the IPA entity and all contracted, volunteer, or employed individual IPAs will not receive any compensation of any kind from any other entity, organization or agency for enrolling individuals in health plans;
- l) Disclosure by the IPA entity and all contracted, volunteer or employed individual IPAs of any past compensation received from plans, reason for compensation, and whether or not there is a desire to receive future compensation from any plan or insurer in the health care community;
- m) A commitment that at least one employed staff member of the IPA entity and all contracted, volunteer or employed individual IPAs will participate in initial **and** on-going training as required by the AID.;
- n) A commitment that the IPA Entity and all contracted, volunteer, or employed individual IPAs will not provide financial incentives to potential health coverage consumers, such as rebates or giveaways;
- o) The IPA entity will ensure that all contracted, volunteer or employed individual IPAs will agree to a criminal background check in accordance with State and Federal rules;
- p) The IPA entity will ensure that all contracted, volunteer, or employed individual IPAs will agree to put consumer safety first in carrying out the duties of the IPA;
- q) The IPA entity will ensure that all contracted, volunteer, or employed individual IPAs will be lawfully present;
- r) The IPA Entity and/or its' contracted, employed or volunteer IPAs will not engage in political activities in connection with the duties to be performed;
- s) A commitment that the IPA Entity will sign all disclosures as required by the AID;
- t) The IPA entity will ensure that all contracted, volunteer or employed individual IPAs will be at least 18 years of age.

2. WHAT ARE THE APPROPRIATE IPA ENTITY APPLICATION RENEWAL REQUIREMENTS?

Entities will be required to apply annually. Accepted entity applications will result in a contract with the state. Each contract will be for a one year period with the option for two (2) one year renewals.

Renewals will include, at a minimum, the following:

- a) Budget reconciliation from the previous year, if the entity had a contract the prior year;
- b) Documentation that the IPA Entity met the goals of the IPA program



- c) Reaffirmation of the attestations required for initial certification;
- d) Changes to any elements provided in the initial application process;
- e) Annual submission of the entity's operating budget;
- f) Compliance of one staff person and employed, volunteer, or contracted individual IPAs with all state training requirements;
- g) A review of the services, reporting, and performance improvement provided during the previous year and the performance of the entity during that time; and,
- h) A review of complaints, the disposition of the complaints, and their resolutions.

3. WHAT ARE THE APPROPRIATE REASONS TO DENY OR TERMINATE AN ENTITY'S APPLICATION OR CONTRACT?

- a) A minimum rating has not been achieved.
- b) Misuse of funds,
- c) Failure to perform the duties of the IPA entity,
- d) A more qualified entity proposing to serve the same population was selected,
- e) Another entity was selected based on costs,
- f) IPA Entity does not meet specific quality and other standards,
- g) IPA Entity demonstrates conduct that the entity is not operating within professionally-accepted ethical standards,
- h) There has been a change in status of any of the attestations that result in the IPA Entity not meeting requirements for participation, or,
- i) Consumer complaints about the IPA Entity that were not resolved or corrected.
- j) The entity is on the either the federal or state "Excluded Provider" list.

PART II - BACKGROUND AND DISSENTING OPINIONS

The Consumer Assistance Advisory Committee convened on August 10, 2012, from 1:00 p.m. to 4:00 p.m. at the Arkansas Insurance Department. The purpose of the meeting was to make



recommendations to the Federally Facilitated Exchange Partnership Steering Committee (“the Steering Committee”) concerning topic area 4: IPA Entity Application Requirements, framed as the following:

1. What are the appropriate IPA Entity Application Requirements?
2. What are the appropriate IPA Entity Application Renewal Requirements?
3. What are the appropriate reasons to deny or terminate an IPA Entity’s application or contract?

The Committee had a lively, interactive discussion regarding IPA entity application requirements. There was agreement on all aspects provided in these recommendations. There were no dissenting opinions regarding this topic.

The majority of the conversation centered on accountability and disclosure of the IPA Entity’s budget and the evaluation of the IPA Entity’s performance. Committee members felt strongly that the use of funds be appropriate and transparent and that evaluation of each program be standardized by the State so that an apples to apples comparison could be achieved with which to determine the performance of each IPA entity.

The committee also provided recommendations to the AID on the weighting of criteria when scoring the applications for the selection of IPA entities. The Committee identified the following as high priority areas when scoring the applications.

- Established relationships with targeted Enrollees
- Capacity to carry out the duties, and;
- Outreach, Education, and Enrollment Plan

The Consumer Assistance Advisory Committee thanks the Steering Committee for the opportunity to provide recommendations for the successful implementation of the In-Person Assister Program. We look forward to the Committee’s decisions in this regard.