

Plan Management Frequently Asked Questions-Published March 5, 2015

Q1. Will Health Care Independence Program eligible individuals be able to enroll in any Silver Level QHP?

A1. Per requirements specified in AID guidance, all issuers must offer an EHB-only silver plan in order to offer QHPs in the Marketplace. Department of Human Services (DHS) does not plan to accept enrollment limitations on Health Care Independence Program participation in a QHP unless enrollment is similarly limited for non-Health Care Independence Program purchasers of Marketplace plans.

For the 2016 coverage year, Arkansas's DHS intends to implement purchasing changes to the QHP Premium Assistance process for the Health Care Independence Program to ensure the continued cost-effectiveness of the Program and competitiveness of the market. Specifically, for plan year 2016, DHS intends to purchase within a service area:

- (1) The lowest cost qualifying EHB-only silver-level plan offered in the service area;
- (2) The next lowest cost qualifying EHB-only silver-level plan offered in the service area that is offered by a different carrier than the lowest cost EHB-only silver-level plan (referenced in item #1 above); and
- (3) Any other carrier's lowest cost qualifying EHB-only silver-level plan, so long as such plan's cost falls within 10% of the second-lowest cost qualifying EHB-only silver-level plan available to Health Care Independence Program eligibles in the service area.

Q2. What is the auto-assignment methodology for Health Care Independence Program eligibles who do not select a plan?

A2. Health Care Independence Program eligibles have 42 days to select a plan. For those individuals who do not select a plan, DHS will auto-assign them only to those plans that meet the purchasing guideline described above. Individuals will be auto-assigned to the lowest cost qualifying EHB-only silver-level plan for each carrier in their service area.

Auto-assignments will be distributed among qualifying issuers offering AID-certified, EHB-only, silver-level QHPs with the aim of achieving a target minimum market share of Health Care Independence Program enrollees for each issuer in a service area. The target minimum market share in a service area will vary based on the number of competing issuers as follows:

- Two issuers: 33% of Health Care Independence Program participants in that service area;
- Three issuers: 25% of Health Care Independence Program participants in that service area;
- Four issuers: 20% of Health Care Independence Program participants in that service area;
- More than four issuers: 10% of Health Care Independence Program participants in that service area.

Issuers will be auto-assigned individuals until they enroll the lesser of the number of individuals needed to hit the target minimum market share or the maximum number of enrollees permitted by the Insurance Department. If a carrier is no longer permitted to enroll additional individuals, the

carrier will not count as a Health Care Independence Program participant for the purposes of establishing the target minimum market share in the region.

Q3. Do QHPs have to be statewide to serve the Health Care Independence Program?

A3. As noted in the Issuer Bulletin, Arkansas's policy goal is for issuers to compete on a statewide basis. For the 2016 plan year, the State will allow QHP issuers to choose their service areas, based on the rating regions established in the Issuer Bulletin and Insurance Commissioner approval.

Q4. Is cost sharing allowed for the 100% AV plan?

A4. The 100% AV plan may not use cost sharing.