

**Arkansas Insurance Department (AID)**  
**Arkansas Health Connector Division (AHCD)**  
**Monthly Report to Steering Committee**  
**September 23, 2014 through October 20, 2014**

**General Update**

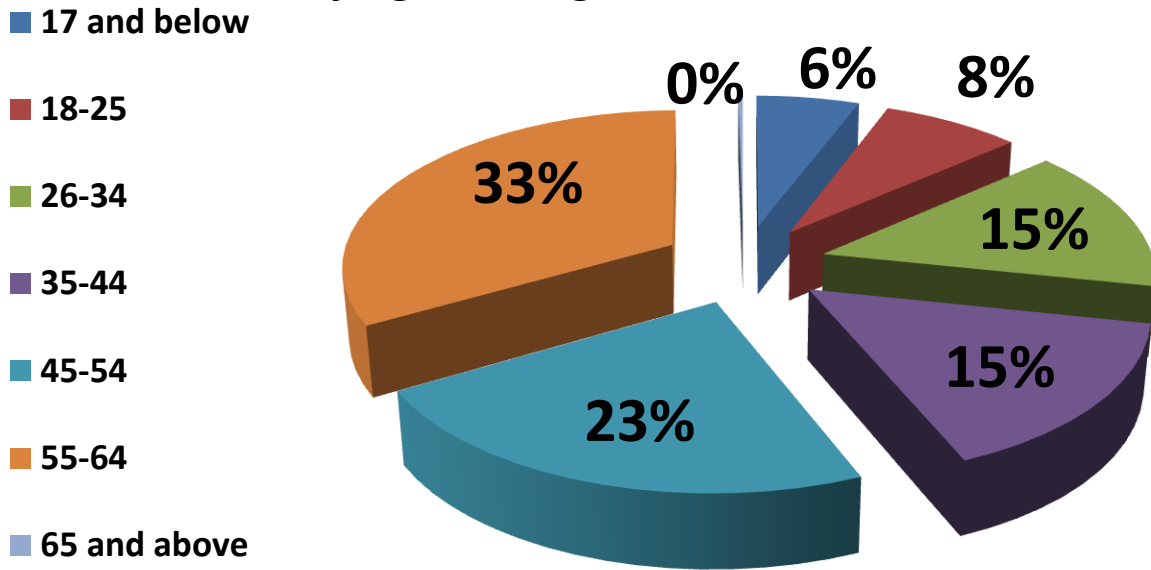
- Data that AID received from issuers indicate that through October 5, 2014, there was some increase in enrollment, compared to last month, of consumers with incomes greater than 138 percent of the Federal Poverty Level (FPL). A high percentage of consumers enrolled in Marketplace plans continue to pay their premiums and are keeping their plans active. According to this most recent data, 44,140 consumers with incomes greater than 138 percent of the FPL have enrolled in Marketplace plans in Arkansas with 36,582 being current on their premiums. Some of those not current on premiums have not yet had their first month's premium due. Altogether, including Private Option consumers, there were 231,610 Arkansans who had enrolled in Marketplace plans.
- AID on October 3, 2014 announced the projected monthly premium rates for the health insurance plans to be offered through the Health Insurance Marketplace in 2015. "We're confident that Arkansans will have plenty of high quality health insurance options to choose from at competitive prices," Commissioner Bradford said. "These rates are further proof that the Health Insurance Marketplace continues to work well in Arkansas." The projected 2015 rates do not become final until the Marketplace health insurance plans are certified by the U.S. Department of Health and Human Services. We anticipate this certification on or before November 3, 2014 with few, if any, changes to the rates.
- Private Option enrollment continues to increase. According to an Arkansas Department of Human Services (DHS) report through September 30, 2014, there have been 211,611 people determined eligible for the Medicaid expansion in Arkansas with 204,811 having completed enrollment. Of those determined eligible, the percentage determined to be 'medically frail' rose one percentage point from 10 percent to 11 percent. These individuals were assigned to the traditional Medicaid program. There are 81 percent of the total Private Option enrollees at or below 100 percent FPL. The percentage of those ages 19-44, rose two percentage points from 65 percent to 67 percent, which further signals a healthier risk pool.
- Commissioner Bradford on September 30 issued Bulletin No. 13-2014 regarding the issuance of notices by carriers to Marketplace consumers about re-enrollment for 2015. <http://www.insurance.arkansas.gov/Legal/Bulletins/13-2014.pdf>  
The notices include, among other things, a description of the annual redetermination and renewal process, the timeframe to report income changes, the timeframes for enrolling for 2015, and the process for providing income information for purposes of determining the Advanced Premium Tax Credit.
- The AHCD and the Arkansas Health Insurance Marketplace Board have completed a Memorandum of Understanding to set in place responsibilities going forward as the AHIM, according to Act 1500 of 2013, transitions into being the governance authority over the Marketplace in Arkansas. The federal

Center for Consumer Information and Insurance Oversight requested the MOU in conjunction with the AHIM's Exchange Establishment grant request which was submitted on October 9, 2014. The plan is for the SHOP Marketplace to transition to AHIM for Plan Year 2016 and the Individual Marketplace for Plan Year 2017. The Arkansas Insurance Department will continue plan certification reviews and monitoring, and recommend plans to AHIM for certification/re-certification/ decertification for Marketplace participation as outlined above. The AID will also continue Marketplace Producer and other Assister Licensure.

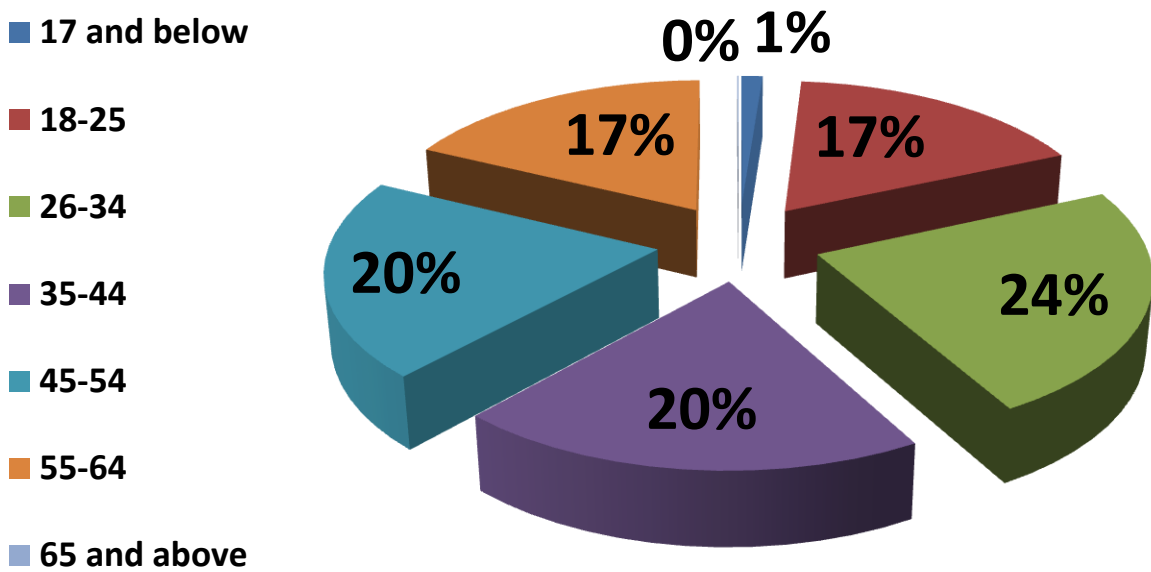
## **Enrollment**

- AHCD in September mailed a letter to about 700 Arkansans who were eligible for an extension of a Special Enrollment Period through Healthcare.gov. It's unclear how many of the 700 re-enrolled in a Marketplace plan. But it appears that the mailings successfully reached the consumers. Only about 50 envelopes were returned to the AID due to the addresses on file no longer being current for those consumers. These consumers are Arkansans with incomes over 138 percent of the FPL who had their coverage canceled by Arkansas DHS. These cancellations were due to an error that resulted in enrolling some consumers in the Private Option who had pending eligibility determinations by the federal government and were, in fact, not Private Option eligible. Due to the intervention of AID, CCIIO agreed to extend this Special Enrollment Period from August 11 to October 10, 2014. AID was concerned that consumers would only have a day or two at most to sign up for new coverage after receiving a planned August notice.
  
- Charts that follow, based on data from the October 5 report of information submitted to AID from issuers, demonstrate the age distribution in the combined Marketplace, as compared to age breakdown specific to the non-Private Option consumers. The numbers continue to provide proof of the value of the Private Option in creating a more stable and healthy risk pool that contributes to better rates throughout the entire Marketplace. The charts also continue to show that data is clear that Marketplace consumers are paying their premiums and many more are not delinquent; they simply have yet to pay their first month's premium after signing up.

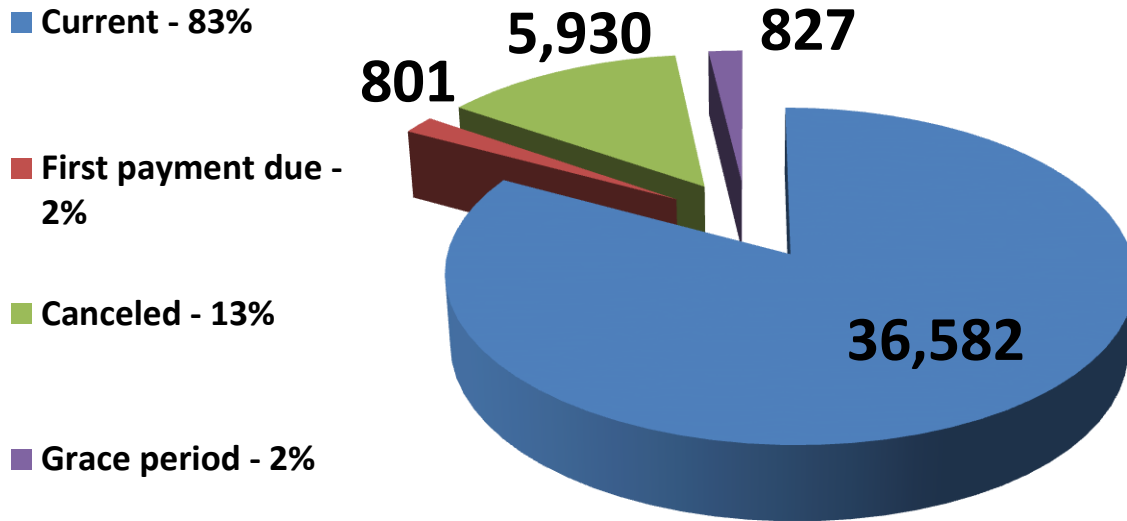
### Enrollees Over 138% Federal Poverty Level by Age, through October 5, 2014



### Enrollees by Age, through October 5, 2014 Combined (with Private Option) Marketplace



## State Partnership Marketplace Payment Status through October 5, 2014



- Through October 5 reporting by issuers to AID, these are the 10 counties with the greatest number of Marketplace enrollees with incomes greater than 138 percent of the Federal Poverty Level:

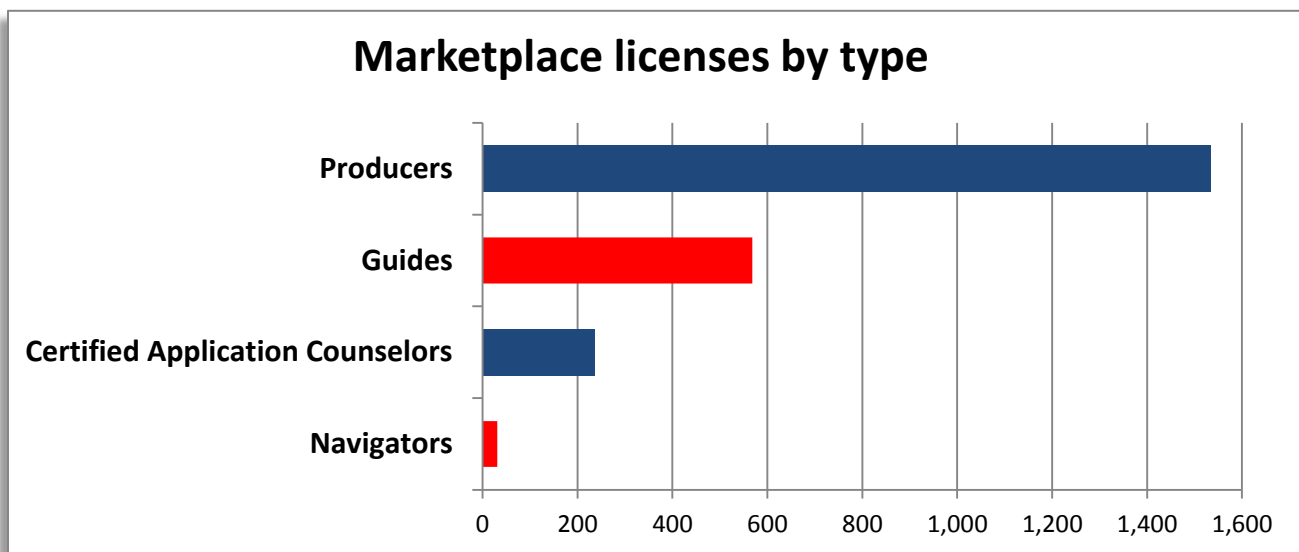
Pulaski	5,939
Benton	3,764
Washington	3,688
Garland	1,975
Faulkner	1,813
Saline	1,619
Sebastian	1,530
Craighead	1,373
White	1,080
Lonoke/Pope	892

- AID's data team continues to work on revisions in carrier data reporting elements based on emerging data needs for Plan Year 2015 open enrollment and beyond. Revised reporting specifications, developed in collaboration with issuers and other stakeholders, were released in early October.
- We continue to search for ways to encourage Marketplace participation by the producer community. The University of Arkansas Partners for Inclusive Communities is holding meetings for all assisters, including producers, in each of the seven rating areas of the state in preparation for open enrollment. A second forum with state health leaders and producers was held October 14 at the Arkansas Center for Health Improvement. About 10 producers attended along with Surgeon General Joe Thompson,

AID Deputy Commissioner Cynthia Crone and DHS officials. Agents indicated they have a better understanding of eligibility and enrollment processes, which helps them provide better consumer service, and also a better understanding of how to ensure they receive credit toward commissions when they sign up consumers for the Marketplace. Producers continue to seek more open lines of communication with DHS about the status of Private Option customers.

## Licensing

- Nearly 2,400 people are licensed by AID to help residents in need of health insurance get the necessary information to enroll in a plan best suited for them and their families. Through October 10, 2,370 Marketplace licenses included 1,534 licenses to producers, 568 to guides, 237 to certified application counselors, and 31 to navigators.



- The AID licensure computer system is being replaced. Therefore, there has been a delay (since October 10) in processing license applications. The new system should be online by October 27.
- Re-licensure of all Marketplace assisters should be completed by September 30, 2014 according to Act 1439 of 2013. All assisters must complete the federal training as well as state training; re-licensure fee is \$35. Federal training for non-producers did not become available until September 4. A CCIIO question about licensure of IPA Guides no longer affiliated with AID-contracted Guide Organizations was resolved October 17. We expect a final communication from CCIIO, outlining IPA requirements for State Partnership Marketplaces when there are no contracted IPA organizations, no later than October 21. Therefore, IPA Guides have not yet had access to federal or state training for Plan Year 2015. In response, Commissioner Bradford is extending the grace period for re-licensure until November 14, 2014, the day before open enrollment begins. CCIIO is encouraging any organization hiring guides to register as a Certified Application Counselor (CAC) organization. This quick, on-line process can be achieved through <http://marketplace.cms.gov/help-us/cac-apply.html>.
- The contract has been finalized with the Independent Insurance Agents of Arkansas to provide the state-specific education required for licensure/re-licensure in a classroom setting. The courses offered are “Arkansas 2015 State Based Training” and “ACA Health Insurance Marketplace 101.” Each course

may provide producers with two continuing education credits. Thirteen classes are currently scheduled from October 16 through November 19. Locations are Forrest City, North Little Rock, Jonesboro, Monticello, Van Buren, Harrison, Texarkana and Fayetteville.

## **Federal Update**

- Weekly teleconference meetings continue among AHCD staff, our CCIIO Project Officer, Angelica Torres-Reid, and other CCIIO/CMS staff as needed regarding pending CCIIO-related questions. AHCD staff also continues to engage in meetings via webinars for technical assistance and development.
- The HHS Region VI Office in Dallas, which serves Arkansas, hosted an informational event regarding the Marketplace in Little Rock at the Arkansas State Police headquarters on September 24 which catered to advocates, assisters, and other interested stakeholders. Comments and questions from those attending included some who noted that many who need health insurance are convinced that they won't be eligible for a Marketplace or Private Option plan. They said consumers don't understand their options and are fearful of falling into a mythical gap in which they receive no assistance from the ACA.
- AID has submitted proposed budget revisions to CCIIO for the No Cost Extensions awarded for Level One A (Evaluation), Level One B (Consumer Education), and Level One D (Resource Center and Quality Improvement) Cooperative Agreements.
- CMS announced October 15 that the federal government is encouraging consumers to return to healthcare.gov at the start of Open Enrollment on November 15, update their 2015 application, and compare their options to make sure they enroll in the plan that best meets their budget and health needs for next year. CMS said it is working to make sure consumers have the assistance and information they need. To help simplify the re-enrollment process, 90 percent of a consumer's online application will already be filled out or pre-populated. In-person assistance will be available to help review an applicant's options and find a plan that best suits their needs. Also, CMS is staffing an additional 1,000 call center representatives this year over last year that will be available to answer questions and walk consumers through the coverage process.
- CMS said that notices consumers began receiving the week of October 13 explain the renewal process. If consumers do not return to the Marketplace to update their application, they generally will be auto-enrolled in the same plan and will receive the same amount of advance payment of the premium tax credit and same cost-sharing reductions as the 2014 plan year. They can change plans during open enrollment through February 15, with coverage in their new plan starting on the first day of the next or second month depending on when they enroll.
- To help consumers better understand the renewal process, CMS is promoting "5 Steps to Staying Covered" – to make it as simple as possible for consumers to choose the plan that best fits their needs and budget. The consumer-tested 5-step process includes:
  - 1) Review: Plans change, people change – review your coverage and look for a letter from your plan about how your benefits and costs may change next year,
  - 2) Update: Starting November 15, log in and update your 2015 application - make sure your household income and other information is up-to-date for next year,
  - 3) Compare: Compare your current plan with other plans that are available in your area,

- 4) Choose: Select the health plan that best fits your budget and health needs, and
- 5) Enroll: The marketplace opens on November 15, make sure to review, update, compare and choose by December 15 to have any changes take effect on January 1. Contact your plan after you've enrolled and make sure you pay your first month's premium.

- To view the Federal Marketplace notices, visit: <http://marketplace.cms.gov/technical-assistance-resources/training-materials/training.html>
- To learn more about the 5 Steps to Staying Covered, visit: <http://marketplace.cms.gov/outreach-and-education/5-steps-to-staying-covered.pdf>
- On the "Communications Cluster" call October 16 hosted by CCIIO, federal officials shared the following strategies for open enrollment outreach:
  - CCIIO will start paid media November 15
  - Television buy will be national, on cable
  - Digital and radio buys will be in targeted FFM states (AR is included for digital ad buys; CCIIO will inform AHCD about whether it will purchase radio ads in AR)
  - Spanish ads in key Latino markets
  - No spot market TV buys because CCIIO does not have as much money for ads as last year
  - National TV buy will run through February 15 except for the last two weeks of December when advertising rates typically spike
  - TV ads will focus on testimonials and will be like a "collage of people"
  - White House will promote "Days of Action" to encourage enrollment, such as "Youth Day of Action" or "Faith Day of Action"
  - White House requests that if any state has any particular targeting type day to let them know so the federal and state governments may coordinate activities.

## **Arkansas Health Connector Division**

### Plan Management

- The proposed Network Adequacy rule (Rule 106) will be the subject of a departmental public hearing scheduled for October 29 at 10 a.m. The pending rule regarding the Patient Centered Medical Home (PCMH) rule (Rule 108) will be addressed during the same public hearing.
- AID continues to work in conjunction with Plan Management vendor PCG and diverse stakeholders, especially those participating on the Consumer Assistance Advisory Committee and the Plan Management Advisory Committee, to help create a pilot quality rating system for health insurance plans. The pilot data collection, analyses, and reporting would be implemented in 2015. The Steering Committee on September 24 approved a recommendation of 19 metrics for this pilot, decreased from 21 initially recommended by the advisory committees. Two clinical measures that would have required record review were removed. This recommendation is pending before Commissioner Bradford.
- Regarding the October 3 *Plan Year 2015* Marketplace rates news release, the information provided offers further details concerning the announcement by the Governor's Office in August that rates are

projected to drop on average by approximately 2 percent throughout the Marketplace in Arkansas. This is a weighted average. Some premiums will go up and others will go down, depending mostly on the carrier and the rating area in which a consumer lives. Rates vary by company, type of plan, consumer's age, geographical rating area, and in some cases, by smoking status. There are more than 19,000 possible rates for plans offered throughout the Marketplace in Arkansas.

- AID's initial plan was to release the rates at the time of the plan certification by the U.S. Department of Health and Human Services, which is scheduled to happen no later than November 3 and possibly sooner. However, November 3 is the day before Election Day, which raised some concerns. Governor Beebe directed us to expedite the release of the rates to avoid any appearance of politics. The Governor's Office noted that the potential of politics becoming involved was emphasized by the September 23 letter to Commissioner Bradford from Arkansas's four U.S. Representatives. The Congressmen called for the rates to be released. We expect few, if any, changes to the rates once HHS certifies the plans. The rates have been thoroughly reviewed by the insurance carriers, officials at the Arkansas Insurance Department, and the actuarial firm of Lewis & Ellis Inc. of Dallas.
- AID staff worked diligently to sort the Marketplace data and produce a reader-friendly webpage where a variety of rate options can be found. For projected 2015 rate listings visit: [https://ipa.arhealthconnector.arkansas.gov/Rates2015\\_Select.aspx](https://ipa.arhealthconnector.arkansas.gov/Rates2015_Select.aspx)  
The link provides a search feature for specific rates as well as an option to download the complete list of all rates, which is more than 400 pages long.
- The following chart includes the projected 2015 average Silver level non-tobacco monthly rates for the median age in Arkansas (38). The average rates are listed by each carrier in each rating area and do not include tax credits.

	<b>Ambetter of Arkansas</b>	<b>Arkansas Blue Cross and Blue Shield</b>	<b>Blue Cross Blue Shield, Multi-State Plan</b>	<b>QC Life and Health (new)</b>	<b>QualChoice Health Insurance</b>
<b>1. Central</b>	\$338	\$294	\$309	\$363	\$363
<b>2. Northeast</b>	\$294	\$273	\$287	\$399	\$399
<b>3. Northwest</b>	\$309	\$276	\$291	\$327	\$327
<b>4. South Central</b>	\$283	\$272	\$286	\$363	\$363
<b>5. Southeast</b>	\$277	\$291	\$307	\$399	\$399
<b>6. Southwest</b>	\$296	\$295	\$310	\$399	\$399
<b>7. West Central</b>	\$295	\$263	\$276	\$327	\$327

- Preliminary analysis of rates for 2015 as compared to 2014 reveal a marked decrease in rates in some of the geographical ratings areas and a slight increase, for the most part, in the other areas. Here is a breakdown of the increases sought by each carrier and the rates allowed by AID.

<b>Company</b>	<b>Proposed Average Increase</b>	<b>Approved Average Increase</b>
<b>Arkansas Blue Cross and Blue Shield (includes multi-state)</b>	8.5%	2.0%



<b>Celtic Insurance Company (Ambetter)</b>	-9.4%	-12.0%
<b>QCA Health Plan, Inc.</b>	6.5%	5.0%
<b>QualChoice Life and Health Insurance Company, Inc.</b>	New	New
<b>Individual Marketwide</b>	3.1%	-2.2%

Outreach and Education

- AHCD is working on ways to educate consumers about enrollment/re-enrollment/special enrollment processes in a way that does not violate the special language in Act 276, which bans the use of funds by AID for marketing activities. AHCD is distributing four consumer-focused cards -- How to Use Health Insurance, Health Insurance Special Enrollment, 2015 Open Enrollment (English and Spanish version) – to the Arkansas Department of Health and to the Arkansas Department of Human Services. We are mailing hard copies to regional offices for distribution to county offices. AHCD will be happy to share with groups or agencies that could use and share them with consumers in need of information. The cards may also be downloaded and printed from our website. <http://ahc.arkansas.gov/assisters/get-informed/>
- We continue to receive multiple news media and other requests for information and interviews. There were approximately 15 media requests answered during this monthly reporting period. Among those seeking interviews and requests for information were *Arkansas Democrat-Gazette*, *The Associated Press*, *Arkansas Times*, *National Review*, the *Wall Street Journal*, and Stephens Media.
- AHCD continues work to fine-tune and update information on the Division’s webpage on the AID website. The Internet Network of Arkansas (INA) is the vendor making the necessary design and development changes.
- The AHCD Resource Center continues to handle calls from the public. We have worked diligently to provide answers to all members of the public—consumers, legislators, and others. We also work to get answers to special inquiries from legislators or other public officials for their constituents. We anticipate increased call volume during open enrollment due to having no statewide Guide program, and are making plans to be ready through staff reassignment and temporary workers as needed.

Legislative Committees

- Public Health Committee Meeting; September 25 – Deputy Commissioner Crone and Attorney/Plan Management Specialist Chrisman joined DHS leaders in a Private Option and other Marketplace update. AID announced Governor Beebe’s directive to release the Arkansas Marketplace rates, pending HHS certification.
- Legislative Joint Audit Committee; October 10 – Chief Deputy Commissioner Blasingame, Deputy Commissioner Crone, Accounting Director Looney; and interim AHCD Finance Director Sue Stone of First Data attended. There were no audit findings for AHCD; there was extensive discussion among Committee members regarding the process by which federal grants are chosen for audit. AID did not testify and we are to go back for next month’s meeting to discuss any particular questions from Committee members regarding the AHCD audit.

- Arkansas Legislative Council/Joint Budget Committee; October 14 – AID’s budget hearing was held for SFY 2016 funding. Deputy Commissioner Crone and Sue Stone of First Data, interim AHCD Finance Director, accompanied Commissioner Bradford, Chief Deputy Commissioner Blasingame, and AID Accounting Director Pam Looney for any specific Marketplace questions. Marketplace questions related to remaining Exchange Establishment Cooperative Agreement funds (~\$23 million), whether or not AHCD would be requesting additional CCIIO funding (AID/AHCD does not plan to request new federal Marketplace funds); long-term funding for the Marketplace (ACA requires exchanges be self-sufficient with no on-going federal funding); and purpose of conference travel (much is federally directed, such as for CCIIO Planning/Design/ Implementation reviews; request was made by Rep. David Meeks for a listing of travel purposes and what travel is/was requested by CCIIO). The budget received Executive Recommendation for approval but was held.
- Joint Budget Special Language Subcommittee; October 15 – Commissioner Bradford and Deputy Commissioner Blasingame attended at the request of Committee members. The AID appropriation bill special language prohibiting activities promoting enrollment in the Marketplace was discussed. Commissioner Bradford discussed how AHCD could re-budget funds to focus on educational activities designed to help consumers know how to use their health insurance. Any recommendation on the Special Language was held.

### ***Arkansas Health Insurance Marketplace Board***

The AHCD has committed to work with the AHIM Board, Executive Director and staff to effect a seamless transition from a State Partnership Marketplace to a State-Based Marketplace. The AHIM has voted to plan to institute a State-Based Marketplace for Plan Year 2016 for Small Business Health Option Program (SHOP) and for Plan Year 2017 for the individual market. As mentioned earlier in this report, a formal Memorandum of Understanding has been signed between AID and AHIM regarding functions, timeframes, authority, responsibilities, and oversight for time periods before CMS approval of Arkansas’s SBM, during transition to the SBM, and following official transition.

### ***Advisory Committees/Steering Committee Updates***

#### **Steering Committee**

The Steering Committee met September 24, 2014 at AID.

A recommendation was made to favor the 19 Quality Metrics recommended by the PMAC. The recommendation is pending before Commissioner Bradford.

Jan Bartlett from the Office of Health Information Technology discussed the SHARE program as a possible resource for the state to use when implementing the Quality initiative.

The Committee discussed consumer education, and, specifically consumer notices from carriers and CCIIO for 2015 open enrollment. Arkansas DHS has de-linked Private Option/Medicaid eligibility determinations from re-enrollment for Plan Year 2015 and beyond.

The next meeting is October 22.

### **Plan Management Advisory Committee**

The PMAC met October 10, 2014 at AID.

Frank Sewall said that he expects plans to be certified by October 22.

Zane Chrisman indicated that AID is drafting a bulletin to reflect the Quality Pilot recommendations.

Elisa White said that although the quality indicators relate more to providers than to issuers, the issuers will have sway over the providers to improve the ratings and thus improve the consumer experience.

There was discussion about whether each category will be weighted for the purpose of an overall quality score, but that has not been determined.

The PMAC will next meet on November 14.

### **Consumer Assistance Advisory Committee**

The CAAC met October 10, 2014 at AID.

Deloris Chitwood previously requested a list of email contacts of DHS employees for agents to use as they encounter issues during the eligibility and enrollment process in the Private Option. Robert Williams with DHS indicated that such a list would not be helpful to agents. He recommended that they contact AFMC.

AHCD provided the CAAC with an update on data collection, licensing, educational materials, consumer notices about 2015 open enrollment, the Resource Center, and Quality, among other things.

Dr. Richard-Davis asked whether a subcommittee meeting was held to address notices. No such committee meeting had been scheduled; however there is a subcommittee that has met about consumer education.

Debbie Pate with the Arkansas Center for Health Improvement stated that ACHI has further discussed an educational video. She said the main focus will be on how consumers can use their health insurance. Whether the videos will contain information about open enrollment has not been determined. She expects the videos will loop in provider waiting rooms and be housed on YouTube.

The next CAAC is scheduled for November 14. Part of that meeting will be in conjunction with the PMAC meeting.

### **Contracts/Procurement Update**

Project Management – First Data continues to provide valuable project management and consulting. On October 14, First Data supplied AHCD with an additional consultant, Courtney Traylor, who will serve in the role of finance manager.

Outreach and Education – There is no active Outreach and Enrollment contract.

Plan Management – Public Consulting Group (PCG) continues its assistance with the PMAC as well as assisting with the 2015 QHP certification reviews and approval recommendations and assisting with development of

quality monitoring standards, providing valuable presentations to the PMAC and CAAC. We also have a contract with Lewis and Ellis actuary firm for ongoing actuarial services.

Evaluation - AHCD continues to work with UAMS College of Public Health, the vendor selected to perform the evaluation of the State Partnership Marketplace in Arkansas, and its subcontractor, Arkansas Foundation for Medical Care (AFMC). This project will evaluate all aspects of the State Partnership Marketplace and offer AHCD and the new State-Based Marketplace board suggestions on ways to sustain effective functions and improve Arkansas's Marketplace. COPH is engaging in interviews with stakeholders including members of the Steering Committee, AHCD staff, issuers, guides and vendors as well as evaluating other existing data. Surveys for health care providers have been sent out. Consumer surveys will be sent out next month.

Producer Training — This includes state-specific education in a classroom setting leading to Marketplace producer licensure/re-licensure in Arkansas. A contract has been finalized with Independent Insurance Agents of Arkansas. The RFQ is open-ended, meaning more vendors can apply in the future.

Data —Mainstream Technologies Inc., through a contract with the state Department of Information Systems, is implementing greater automation in loading data supplied by AR carriers to databases for further query and analysis. Mainstream employee J.D. Robinson has been assigned to the AHCD project and has worked with Wayne Clary and Tonmoy Dasgupta on this project.

Data and Informatics – AHCD continues to align business processes and data collection, analysis, and reporting needed for State Partnership Marketplace continued operations and improvements through a contract with Arkansas Department of Information Systems (DIS) for needed information technology talent. Tonmoy Dasgupta is lead.

Website – The Internet Network of Arkansas (INA) is working on updates and improvements to the AHCD pages on the AID website. Once functionality and design is complete, AHCD staff will be able to update, using the improved features, on a regular basis.

### ***Exchange Staff Update***

Sandra Cook, Consumer Assistance Specialist, has resigned effective November 14. Her last day in the office will be October 24.

Stadrey Wilson, Resource Center Specialist, has resigned effective October 24.

Kristie Spring, has been hired as a temporary worker for administrative assistance functions. Her first day was October 13.

Jordan Hutson, who had been working in an administrative assistant position, was hired into a Resource Center Specialist position on October 13.

The AHCD Bi-Weekly Status Meeting – The Bi-Weekly Contractor Status Meetings convened October 2 and October 16.

### ***Staff Presentations and/or Meetings Attended***

- Maumelle Chamber of Commerce, Maumelle, September 25 (Donaldson)
- Mid-Atlantic Medical Neighborhood Forum, National Harbor, October 3 (Crone, Richard-Davis)
- Asian Festival, Little Rock, October 4 (Donaldson)
- National Academy of State Health Policy, Atlanta, October 6-7 (Crone)\*

- Fayetteville Chamber of Commerce, Fayetteville, October 8 (Donaldson)
  - District Eight, U.S. Federal Reserve Bank, Industry Councils Meeting, St. Louis, October 8 (Crone)\*
  - Health Education Associates, Health Insurance Exchange Summit, Las Vegas, October 9-10 (Cook; Dasgupta)\*
  - Medicaid Managed Care Conference, Washington, D.C., October 20 (Chrisman)\*
- \* Travel expenses funded by Meeting

### Key Risks/Issues

Below is a summary of submitted/open risks/issues for the report period.

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
Lack of continued cohesiveness between the FFE Partnership, Arkansas DHS and ACHI- related healthcare improvement initiatives (workforce, payment reform, health information technology, Private Option).	Organizational	<ul style="list-style-type: none"> <li>• Different messages being distributed by different agencies.</li> <li>• Redundancy of work.</li> <li>• Increased workload due to multiple requirements.</li> </ul>	Regular/frequent communications with key stakeholders and agency leaders to ensure ongoing and consistent information sharing and status updates.	Open
The Federal Funding model coupled with the State of Arkansas spending authorization model and requirements create the need for multiple spending approval cycles plus introduces the possibility of available federal funds without the authority to spend or mismatch between personnel allocation and specific Miscellaneous Federal Grant (MFG) appropriations.	Organizational	<ul style="list-style-type: none"> <li>• Schedule delays due to lack of funding for staff, operations or services required to meet Partnership responsibilities.</li> <li>• Lack of Level One budgets allocated to appropriate MFGs or scope of work.</li> <li>• CCIIO may require additional coordination between SPM and SBM funding applications.</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate impact of CCIIO review process on the release of IT funds from CCIIO</li> <li>• Develop subsequent Grant requests and No Cost Extensions (NCEs) well in advance of the end of current grant monies allocation</li> <li>• Coordinate funding requests timing between AHCD and Arkansas Health Insurance Marketplace Board</li> <li>• Continue to educate legislators and the state Department of Finance and Administration (DFA) on funding needs, processes and timelines</li> </ul>	Open. No Cost Extension Budgets were made to align with state approved MFGs for SFY2015. A long-term solution was planned with the state Budget Director for the next biennium. Finalized MOU with AHIM for coordination of CCIIO funding and deliverables for SPM transition to SBM.

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
Getting navigators and guides hired, trained, and updated in a timely manner.	Organizational	Delays in educating eligible individuals about their health insurance choices. Eligible individuals fail to sign up for coverage.	<ul style="list-style-type: none"> <li>• AR Navigator Coalition disseminating information about Act 276 limiting state funding for Outreach and Education toward 2015 enrollment. Required continuing education for re-licensure of all Assister types developed by: 1) AID for on-line education; 2) by approved provider vendor(s) for classroom education. CCIIO approved IPA-Guide licensure for Guides not affiliated with an organization under contract with AID; Grace period for 2015 licensure extended to November 14.</li> <li>• Tracking of producers and other Marketplace Assistants licensed.</li> <li>• Coordinate between CCIIO, Navigator Grantees, Licensed Producers, Guides, and CACs</li> <li>• GMS System will be updated to disseminate routine updates to all licensed assisters and producers to relay rapidly changing information related to enrollment/licensure for PY 2014, 2015.</li> </ul>	Open
Continuity of Coverage recommendation for Medicaid to purchase private plans through the Exchange (Private Option) fails to receive the necessary appropriation during the 2015 regular session of the Legislature.	Legislative	<p>A quarter million low income Arkansans will lose health insurance coverage in 2015 or later after gaining it in 2014.</p> <p>Total risk pool for the Marketplace in Arkansas gets older and healthier, and premiums increase for</p>	<ul style="list-style-type: none"> <li>• Provide data for economic and human benefit of Medicaid buying into private health insurance. Continue implementation, planning for “private option” improvements</li> <li>• Cooperate with and welcome legislators into our information and planning process.</li> </ul>	Open Will remain an issue during the 2015 regular session and annually

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
		all.		
Few issuers apply to participate on the Marketplace.	Organizational	Lack of choices for Marketplace consumers.	<ul style="list-style-type: none"> <li>• Hold meetings with carriers to urge them to participate and answer any questions they may have.</li> <li>• In continuing conversations with companies and with OPM (about recruitment of additional MSP(s)) for AR for PY 2016.</li> </ul>	Closed for PY 2015. Will continue for PY 2016.
Outreach and Education, Plan Management, or Project Management contracts for Level One grants rejected	Financial	<p>Marketing/outreach during open enrollment eliminated; eligible not reached, could miss out on coverage.</p> <p>Lack of Plan Management contract could impact 2015/2016 plan certification process and Quality planning for 2015 and beyond.</p> <p>Lack of Project Management vendor could impact deliverables being achieved on-time and in coordinated; integrated and efficient manner.</p>	<p>Continue working to provide detailed information to legislators about ongoing contract needs for SPM.</p> <p>Working to determine ways, allowed under Act 276, to provide information—such as how to use your insurance—to consumers since outreach, education contract was denied by the Legislature</p> <p>Prepare contracts for renewal in advance of expected December expiration dates</p>	<p>Outreach contract closed at this time following ALC rejection of continuing contract in 2013, and 2014 Fiscal Session special language amendment to prohibit promotion of enrollment.</p> <p>Plan Management (PCG, ACHI) and Project Management (First Data) contract extensions with approval by ALC. All due for extensions in December, 2014.</p>
Arkansas Health Insurance Marketplace Board fails to reach consensus on Marketplace	Organizational	Work accomplishments could be discarded or	Establish communication lines with AHIM staff and board members, some of whom are	Open AHIM Board voted to

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
Model for AR		duplicated; delays or no-CCIIO funding could result	already aware of what we have done, and seek good working relationships with Board and staff as well as continuing good relationship with CCIIO P.O.	establish SBM for SHOP for 2016 and Individual Market for 2017. MOU between AID-AHIM signed 10/2/14.
<p>Level One E and Level One F grant not approved by CCIIO or appropriated by AR Legislature.</p> <p>Level One funds cannot be appropriated by HHS after December 31, 2014.</p>	Financial	<p>Progress for State Based Marketplace will be delayed.</p> <p>Funding for SPM functions and operations supporting transition to a SBM will be lost.</p>	<p>Work with CCIIO and AR legislators including the legislative AHIM Oversight Committee to obtain funding and MFG approval.</p> <p>Work with AHIM Board and staff to coordinate federal funding requests and expenditures.</p>	<p>Closed for Level One E (funded and appropriated) and F (withdrawn following submission).</p> <p>Open for CCIIO Exchange Establishment funding coordination through SFY2017 between AID and AHIM.</p>
Loss of In-Person Assister program and ability to provide Outreach and Education services.	Organizational	Fewer Arkansans get accurate information about Marketplace and fewer enroll in SFY 2015 (PY 2015 Open Enrollment).	<p>Ensure good relations with producers, CACs and other licensed assisters, helping them stay updated.</p> <p>Continue factual updates to licensed marketplace producers and other assisters.</p> <p>Provide access to online and classroom training leading to required licensure/re-licensure of all Marketplace Assister types.</p>	Closed for IPA program. Act 276, AID's appropriation bill, passed with special language amendment that prohibits AID from spending any state, federal or other funds on outreach or IPA activities that promote enrollment in



Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
				SFY 2014-2015. This will need to be revisited for SFY 2015-2016.

### **Key Meetings/Milestones Concluded**

Meeting/Milestone	Type	Date
Steering Committee	State	9/24/2014
House and Senate Public Health, Welfare and Labor Committees	State-Legislative	9/25/2014
Arkansas Health Insurance Marketplace Board	State	10/1/2014 10/8/2014
Arkansas Legislative Joint Auditing Committee	State - Legislative	10/10/2014
Consumer Assistance Advisory Committee	State	10/10/2014
Plan Management Advisory Committee	State	10/10/2014
Arkansas Legislative Council/Joint Budget	State-Legislative	10/14/2014
Joint Budget Special Language Subcommittee	State- Legislative	10/16/14

### **Key Meetings/Milestones Upcoming**

Meeting/Milestone	Type	Date
Steering Committee	State	10/22/2014
House and Senate Public Health, Welfare and Labor Committees	State-Legislative	10/23/2014
Arkansas Legislative Council/Joint Budget Committee	State-Legislative	11/12-13/2014
Legislative Joint Auditing Committee	State-Legislative	11/13/2014
Consumer Assistance Advisory Committee	State	11/14/2014
Plan Management Advisory Committee	State	11/14/2014