Arkansas Health Connector Division
Arkansas Insurance Department

Arkansas Department of Human Services
Arkansas Medicaid

Plan Management Frequently Asked Questions-Published June 5, 2014

Q1. Will Private Option eligible individuals be able to enroll in any Silver Level QHP as they did last year?

A1. In 2015, Private Option eligible individuals will only be permitted to enroll in EHB-only silver-level plans without pediatric dental benefits offered by carriers that are accepting additional enrollees so long as a Stand Alone Dental Plan is offered in the Marketplace. Per requirements specified in AID guidance, all issuers must offer an EHB-only silver plan in order to offer QHPs in the Marketplace. DHS does not plan to accept enrollment limitations on Private Option participation in a QHP unless enrollment is similarly limited for non-Private Option purchasers of Marketplace plans.

Q2. What is the auto-assignment methodology for Private Option enrollees who do not select a plan in 2015?

A2. The auto-assignment methodology will remain the same as in 2014. Individuals will be auto-assigned to the lowest cost EHB-only silver QHP without pediatric dental benefits for each carrier so long as a Stand Alone Dental Plan is offered in the Marketplace. Auto-assignments will be distributed among issuers offering AID-certified, EHB-only, Silver-Level QHPs without pediatric dental benefits (so long as a Stand Alone Dental Plan is offered in the Marketplace) with the aim of achieving a target minimum market share of Private Option enrollees for each issuer in a rating region. The target minimum market share in a region will vary based on the number of competing issuers as follows:

- Two issuers: 33% of Private Option participants in that region;
- Three issuers: 25% of Private Option participants in that region;
- Four issuers: 20% of Private Option participants in that region;
- More than four issuers: 10% of Private Option participants in that region.

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 Private Option participant for the purposes of establishing the target minimum market share in the region.

Q3. Do QHPs have to be statewide to serve the Private Option?

A3. As noted in the Issuer Bulletin, Arkansas's policy goal is for issuers to compete on a statewide basis. For the 2015 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. Because the plans offered in the Private Option must match those plans offered in the Marketplace, the 100% AV plan may not use cost sharing.

Q5. What changes are expected for Private Option purchasing for the 2016 coverage year and beyond?

A5. For 2016 coverage year and beyond, Arkansas's Department of Human Services (DHS) intends to implement several changes to the QHP Premium Assistance process for the Private Option to ensure the continued cost-effectiveness of the Private Option, subject to approval from CMS:

- Establish maximum enrollment limits, after which carriers will no longer be eligible for auto assignment, for Insurance Carriers by region to reduce Marketplace concentration and increase competitiveness of the Marketplace.
- Implement a pricing limit on Private Option plans so the State purchases plans priced within a range (for example 10%) of the second-lowest cost Silver level EHB-only plan without pediatric dental (so long as a Stand Alone Dental Plan is offered in the Marketplace) for Private Option enrollees.
- Adjust Auto-Assignment algorithm for individuals eligible for the Private Option that do not make a choice to favor new Insurance Carriers by combining the auto-assignment position of "substantially-equivalent" Carriers based on AID determination of substantially equivalent Carriers and allow for more equitable distribution of assignment percentage.

Items under future consideration include requiring plans to collect and submit data on member satisfaction, quality metrics, access indicators, and operational effectiveness.

- Data can be displayed on exchange plan sites to assist in consumer choice
- Data may also be used to refine the Auto-Assignment algorithm, incorporating quality and satisfaction in to assignment decisions.

Q6. When will plan renewal occur for current Private Option enrollees?

A6. Regardless of when they initially enrolled in the Private Option during plan year 2014, Private Option enrollees will renew their qualified health plans (QHPs) during the open enrollment period for plan year 2015 (November 15, 2014 through February 15, 2015). During this period,

Private Option enrollees will be able to access the state portal either to: (1) choose to stay enrolled in an available plan with their current carrier or (2) choose an available plan from a different carrier. Individuals will also complete the Health Care Needs Questionnaire during their visit to the portal. The open enrollment period will be the only time during the year, other than during a special enrollment period, when a current Private Option enrollee is permitted to change QHPs, regardless of when the individual undergoes the annual Medicaid redetermination.

Q7. What happens if a current Private Option enrollee does not visit the portal prior to December 15, 2014?

A7. If the individual does not visit the state portal prior to December 15, he or she will be transitioned to an available plan offered by their current carrier on January 1, 2015. The individual will still have until February 15, 2015, to choose an alternate plan. The individual will not be permitted to change plans after this date absent an event triggering a special enrollment period.

Q8. Will current Private Option enrollees receive notice of the transition process?

A8. For all individuals who are current Private Option enrollees and remain eligible for the Private Option, the State will send a notice informing individuals that if they do not select a plan during open enrollment by December 15, 2014, they will be enrolled in the lowest-cost, EHB-only, Silver level plan without pediatric dental benefits (so long as a Stand-Alone Dental Plan is offered through the Marketplace) of their current carrier, effective January 1, 2015. The notice will also encourage all individuals to re-take the Health Care Needs Questionnaire on the portal. The State will continue to refine and enhance its mid-year process for identifying individuals with exceptional health care needs who require transition out of QHPs. Carriers must send notice of this transition along with any new cards and policy by December 15, 2014.

Q9. What is the enrollment process for newly eligible individuals?

A9. Individuals who enroll prior to the beginning of open enrollment for plan year 2015 (November 15, 2015) will be treated like current Private Option enrollees and will be transitioned to the lowest-cost, EHB-only, Silver level plan without pediatric dental benefits (so long as a Stand-Alone Dental Plan is offered through the Marketplace) of the carrier they selected, effective January 1, 2015. Individuals determined eligible and enrolling after November 15, 2014, will be able to select from EHB-only, Silver level plans without pediatric dental benefits (so long as a Stand-Alone Dental Plan is offered through the Marketplace). For individuals enrolling after November 15, 2014, current rules regarding effective dates will apply. Individuals will receive fee-for-service coverage under Title XIX until their QHP effective date. Individuals who may become newly eligible will continue to be able to seek eligibility determinations and enroll on a rolling basis.