Arkansas Insurance Department

Section 4 - Plan Management

v2.0

December 14, 2012

CONTENTS

4.0 PLAN MANAGEMENT

BP 4.1 AUTHORITY TO CERTIFY AND OVERSEE QHPs

THE EXCHANGE HAS THE APPROPRIATE AUTHORITY TO PERFORM THE CERTIFICATION OF QHPS AND TO OVERSEE QHP ISSUERS CONSISTENT WITH 45 CFR 155.1010(A).

The Arkansas Insurance Department (AID) has the authority to review and regulate the Qualified Health Plans (QHPs) and QHP issuers as specified in Ark. Code Ann. *§§* 23-61-103 and 23-61-108 which are attached.

BP 4.2 QHP CERTIFICATION PROCESS

THE EXCHANGE HAS A PROCESS IN PLACE TO CERTIFY QHPS PURSUANT TO 45 CFR 155.1000(C) AND ACCORDING TO QHP CERTIFICATION REQUIREMENTS CONTAINED IN 45 CFR 156.

CAPACITY TO CERTIFY QHPS (BP 4.2A)

THE EXCHANGE HAS THE CAPACITY TO CERTIFY QHPS IN ADVANCE OF THE ANNUAL OPEN ENROLLMENT PERIOD PURSUANT TO 45 CFR 155.1010(A) (1).

AID will have processes and procedures in place to regulate the standards related to QHPs as discussed more fully in 4.2B, below. AID currently has two people trained in the rate and form review process and plans to add a third position in early 2013. Similarly, the AID Finance Division is fully staffed and currently reviews solvency and licensing requirements for issuers. Finally, AID has trained staff in the Health Benefit Exchange Partnership Division (HBEPD) prepared to take on additional responsibilities related to gathering information from these various divisions and auditing issuers. HBEPD also plans to add a new position to assist in this responsibility in early 2013.

CAPACITY TO ENSURE COMPLIANCE WITH QHP CERTIFICATION STANDARDS (BP 4.2B)

ENSURING QHP COMPLIANCE WITH THE QHP CERTIFICATION STANDARDS CONTAINED IN 45 CFR 156, INCLUDING BUT NOT LIMITED TO STANDARDS RELATING TO LICENSURE, SOLVENCY, SERVICE AREA, NETWORK ADEQUACY, ESSENTIAL COMMUNITY PROVIDERS, MARKETING AND DISCRIMINATORY BENEFIT DESIGN, ACCREDITATION, AND CONSIDERATION OF RATE INCREASES (4.2B). QHP CERTIFICATION STANDARDS ARE DEFINED AS FOLLOWS AT 45 CFR 156.200:

Overview

Arkansas will build off existing processes currently performed by AID to complete review of issuer and plan compliance with QHP certification requirements. These processes, and the way they align with Plan Management functions, are described in this Blueprint and further supported by the Arkansas-specific end-to-end process flow, which is being submitted as an addendum to this Blueprint. That document builds on the NAIC end-to-end process flow to show specifically how Arkansas processes align. In addition, included within this document is a table titled "Plan Management Activity/Resource/System Crosswalk (Table 1.0). The Crosswalk is a listing of all Plan Management business requirements identified by their assigned Process Flow number, and indicates which AID divisions bear responsibility for that business requirement.

Initiate QHP Application

The QHP certification process for both SHOP and the Individual Exchange will commence with the publishing of a Bulletin in which the Commissioner will announce the process and timeline for issuer submission of plan filings as described at a high level below. AID intends to follow a two-part QHP application, with the majority of information collected at the issuer corporate level once, and plan-specific information captured at the specific QHP plan level. The Bulletin will include:

- General announcement about AID, the Exchange application process and instructions for submission
- Deadlines for filing issuer and QHP applications in order to submit plans to the Exchange by July 2013 deadline. AID will require QHP applications to be submitted no later than 30 days prior to the federally designated deadline to ensure that submissions are received far enough in advance of the July deadline to allow all necessary reviews to be completed.
- Accreditation requirements and timelines (discussed in more detail below)

Applications will be accepted via the System for Electronic Rate and Form Filings (SERFF). Arkansas has sought clarification from the National Association of Insurance Commissioners (NAIC) related to the functional role the SERFF system will provide in facilitating the QHP application process. Arkansas specifically asked what SERFF will provide to support the collection and evaluation of data related to QHP certification standards (Actuarial Value Tiers, Network Adequacy, Quality Accreditation, service areas, etc.).

NAIC has responded that, as a Partnership state, Arkansas will have to fulfill certain CMS requirements for plan review functions. The SERFF team is working with CMS to determine what those requirements would be and how they would be implemented in SERFF. In cases such as Network Adequacy, the state plans to adopt the NAIC model regulation with minor adjustments to accommodate Federal and State requirements. The standards utilized in this model are essentially the same as standards currently utilized by URAC and NCQA as a part of their accreditation procedures. Additional network adequacy requirements beyond those currently required by Federal and State law are not being adopted by

Arkansas at this time. regulations with minor adjustments to accommodate both Federal and State Requirements. The details of the planned approach will be developed upon receipt of final guidance from CCIIO/CMS/HHS. Additionally, the state plans to implement the approved approach in SERFF via state specific requirements that would function much like supporting documentation does in SERFF today. Then the state would provide confirmation that the requirements had been met and that confirmation would be part of the certified plan transmission that goes to CMS.

For other functions, like verification of essential health benefits, service areas, and rates, Arkansas will need to use CMS standard templates to ensure the necessary data are captured to send to CMS. These templates can be supplemented with state specific requirements necessary for the state review process.

NAIC also indicated that the SERFF team is working with the accreditation entities (NCQA and URAC) and with CMS to automate the collection and display of Actuarial Value/Metal Level and Accreditation data. NAIC is planning to provide tools so that states have all the necessary information to verify these requirements without having to collect the data directly from the insurers. Both of these elements will also have an exception process to allow the insurer to provide documentation outside the normal avenue, such as when an insurer has not applied for accreditation and is within a grace period.

Arkansas will continue to work with NAIC to define specifics of how SERFF can and will be used to perform the QHP application intake and review processes.

Issuer Application

A first step in the review of QHP applications will be to determine if the issuer filing the application is a licensed state carrier. If this is not the case, the carrier will be required to complete the Arkansas carrier licensing process.

AID's Finance Division is responsible for company licensing using the Uniform Certificate of Authority Application (UCAA), which is designed to allow insurers to file copies of the same application for admission in numerous states. Each state that accepts the UCAA is designated as a uniform state. Arkansas fully participates and is designated as a uniform state. All uniform states share a standard goal of processing applications within 90 days of receipt.

As part of this process, the Finance Division performs a financial solvency review, which includes a comprehensive and detailed operational and financial review of the applicant's business plan. In the QHP application process, Arkansas will continue to leverage the traditional role of the Finance Division in licensing carriers and assuring that they are financially solvent, and therefore capable of providing stability to the consumers who will eventually enroll in their Exchange plans. Finance will continue to conduct ongoing solvency reviews for licensed carriers to assure market stability.

For plans already licensed, HBEPD will forward a copy of the issuer application to the Finance Division. Finance will review and advise HBEPD if the company is financially solvent and in good standing. Finance will keep HBEPD updated on the status of their review during this process.

As they do today, the Finance Division will verify that carriers are in "good standing," and, therefore, eligible to make new filings. HBEPD will additionally request relevant complaint and compliance information from the Consumer Services, Legal, Accounting and Finance Divisions in order to complete this "good standing" review.

Separate from AID's licensing process, the Exchange issuer approval elements will include ACA requirements. One such new process will be verification of accreditation status. In year one, URAC and NCQA accreditation will be verified and accepted. Should accreditation requirements change in subsequent years, AID will work with the federally approved accreditation companies to ensure that the review includes all elements from both a federal and state perspective. The accrediting companies will be required to share any auditing data upon request, all findings and a certificate of compliance. The companies must also agree to promptly share any change of condition or status as soon as it is known to the accrediting company.

For QHP issuers that are not already accredited, Arkansas will require them to schedule accreditation within their first year of being on the Exchange. Their procedures and policies related to adequacy and quality must be accredited by year two. By the fourth year, all carriers wanting to participate in the Exchange must be accredited to apply for QHP status. If HHS provides guidelines or clarification on required accreditation timelines, AID is prepared to comply with those timelines.

Network adequacy will be assessed during the application process by HBEPD. An issuer will be required to show that it has achieved conditional or full accreditation that includes an evaluation of the issuer's network or that accreditation has been applied for with a statement detailing the issuer's ability to meet network adequacy standards including the requirements related to essential community providers and federal health care centers. The description must include the company policy for ensuring an adequate network, as well as any evidence that this policy is being utilized.

HBEPD will ensure that the QHP has made its provider directory available for online publication (or has provided the source of online publication) and has a method for continuous updates identifying providers that are no longer accepting new patients according to PPACA § 156.230(b). Carriers will be required to update any changes within 14 days. If the publication must be taken off line for a period to exceed 48 hours, the carrier must notify AID at least two weeks in advance, or as soon as practically known, stating the reason for unavailability, what steps are being taken to get the information back on line and expected completion date.

Likewise, quality improvement and quality measures will be determined as a part of accreditation in lieu of an additional review by AID staff. AID will work with URAC, NCQA and/or any accrediting organization recognized by the Department of Health and Human Services (DHHS) to develop additional auditing requirements should the Arkansas Federally-facilitated Exchange (FFE) Partnership move to include additional requirements or QHP quality improvement initiatives at a later date. It is the understanding of AID that quality improvement and quality measures will not be part of the accreditation or initial evaluation processes in Year 1.

Complaint and compliance information on issuers is currently available but is not a standard part of the plan review process. This information will be gathered during the QHP review process (and also to develop plan ratings) from the Consumer Services Division (CSD)/Consumer Assistance Program (CAP), Legal and Finance Divisions. Complaints and appeals information will be used in accreditation according to 45 CFR 156.275. Additional information on how this information is collected, investigated, maintained and reported can be found on page 12.

Carriers may begin submitting issuer applications as early as SERFF functionality will permit.. HBEPD will be responsible for collecting and reviewing the company global requirements through coordination with the Finance, CSD, CAP, Legal, Administration and Accounting Divisions.

Plan-Specific Information

The small group and individual QHP plan review and approval process will build off the AID process currently in place for Rate and Form Filings with the inclusion of the ACA requirements specific to QHPs that are not currently required as part of carrier form and rate filings. The process utilized by AID Life & Health Division (L&H) with support from other AID divisions provides a solid foundation as well as previously demonstrated success in form and rate reviews necessary to perform the ongoing QHP application review function.

To ensure completion of QHP rate and form filing reviews before the deadline to submit plans to the Exchange, rate and form reviews may take place concurrently with financial solvency reviews for licensure during the first two years of the FFE-P. Following this time period, the process will be re-evaluated. Companies seeking new state licensure will have the plans initially deemed disapproved pending the company receiving its certificate of authority, though a review of the plan will continue to take place. Additionally, AID will seek to clarify with SERFF that the system will prevent plan approval prior to licensure. The plan application reviews may take place concurrently with issuer application reviews. (BP 4.2a)

Specific components of the QHP application process will include review of the following elements:

Service Areas

Issuer plan data submissions must specify service areas which will be reviewed according to guidelines in the PPACA *§ 155.1055(a):*

The QHP service area must cover a minimum geographical area that is at least an entire county or group of counties, unless the Exchange determines that serving a smaller geographic area is necessary, nondiscriminatory, and in the best interest of the qualified individuals and employers.

The QHP service area must be established without regard to racial, ethnic, language, health-status related factors, or other factors that exclude specific high utilizing, high cost, or medically-underserved populations. § 155.1055(b).

This information will be submitted by the carrier through SERFF. It is currently anticipated that the submissions will be allowed at the county level in Year 1; however, it should be noted that the Insurance Commissioner has accepted a recommendation of the Arkansas FFE Partnership Steering Committee that a (greater than one county) regional service area be reviewed for future consideration. L&H will review the area selected to evaluate whether there is an appearance of including or excluding specific areas for discriminatory purposes. If it appears that the selection of service areas is due to a discriminatory design, L&H will address this question with issuer to determine the cause for the selection. If it is found that the selection was made for a discriminatory purpose, the issuer will be given the opportunity to correct the selection before the filing is rejected for non-compliance.

Marketing

L&H will be responsible for review of marketing materials. Arkansas currently performs ad hoc analyses of marketing material and has legal authority to do so as evidenced in Rule 11 and AID bulletins such as 9-93 and 5-2005. Materials are reviewed against state and federal rules and statutes. Companies are given the opportunity to correct any noted violations before the filing is rejected.

Again, AID is ideally qualified to build off its current operations processes to perform this required QHP application review function.

Essential Health Benefits and Discriminatory Benefits Design

L&H will review plan filings for compliance with essential health benefit and discriminatory benefit design guidelines. AID Rule and Regulation 19 already stipulates guidelines for the *Unfair Sex Discrimination in the Sale of Insurance* and requires form filings certification: *All new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of this Department.* Additionally, AID has noted in prior bulletins and directives, such as Bulletin 7-92 and Directive 3-2001, that any discriminatory design would be in violation of the *Unfair Trade Practices Act*, Ark. Code Ann. *§ 23-66-201 et seq.*

L&H already performs discriminatory benefit design reviews as part of ongoing rate and form filings. To the extent that these plans will have additional requirements from previous filings, AID has contracted with an actuarial firm to assist in creating training guides and checklists to be used in the QHP review process.

Rating Areas

Rating areas will be a consideration in the QHP review process. AID is communicating with a third party actuary to assist the state in establishing options for QHP rating areas. The final decision will be made with input from the Steering Committee and will ultimately be issued by the Commissioner. We expect this information to be available and a decision to take place prior to March 2013.

COST-SHARING REDUCTIONS (BP 4.2c)

Arkansas is seeking CCIIO guidance related to the FFE-P process for collection, analysis, and if required, submission to Federal government for review of QHPs' plan variations for cost-sharing reductions, advance payment estimates for such reductions, and any supporting documentation needed to ensure compliance with applicable regulations and accuracy of the cost-sharing reduction advance payments. Specifically, the question addresses whether responsibility would fall to CCIIO as the State is using a federal website and not calculating any of the cost sharing as part of enrollment. Arkansas understands that CCIIO has met with the NAIC SERFF team to address this issue. When Arkansas receives additional guidance, HBEPD will work with CCIIO to design and/or implement procedures to complete this activity.

ACTUARIAL VALUE (BP 4.2d)

L&H will continue to evaluate rate filing information and will utilize a third party actuary to verify rates as needed. However, Arkansas intends to use the AV Calculator tool to the extent possible for the purpose of determining actuarial value as plan filings are submitted to SERFF, without independent actuarial analysis from AID.

MARKET REFORM RULES (4.2e)

L&H currently evaluates and will continue this function to ensure QHP compliance with market reform rules in accordance with all applicable state and federal regulations and guidance, including ACA market reforms. L&H rejects all filings not meeting the minimum guidelines.

Benefit and Rate Reviews

This process includes the receipt of rate and benefit data for each specific QHP plan. L&H will be responsible for oversight. It will continue to be facilitated technically by the SERFF system.

Currently, rate information is submitted in SERFF. Rates are analyzed by L&H based in part on earned premium, incurred claims and loss ratio. If the rates affect a large number of people, L&H will have an actuary review, analyze and recommend as to whether the rate increase is reasonable or unreasonable. These rates are then reviewed by the Commissioner for approval. Additionally, while any rate increase is required to be reported for QHPs, all rate increases are also analyzed by the Health Insurance Premium Rate Review (HIPRR) Division. The final approval or disapproval is processed by L&H through SERFF.

For QHP rate increases, the process will build off the existing infrastructure of HIPRR. SERFF will continue to be utilized as the technical solution to receive rate information and track the review process and final disposition.

Benefit review, beyond the verification of Essential Health Benefits already described, will focus on confirming the existence of "meaningful differences" among plans offered by the same carrier. Arkansas will continue to work with NAIC and CCIIO in identifying "meaningful difference" criteria.

Consistent with the End-to-End Process Flows, carriers will have the opportunity to revise and resubmit QHP applications if the initial review demonstrates missing information, as indicated below:

Revise QHP Issuer Application:

This process may be performed at different points in the QHP Issuer Application Evaluation Process to allow the issuer to resubmit portions of its QHP Issuer Application or submit supplemental data if issues with the application are discovered. SERFF will be used as the technical solution to notify issuers of the need for revisions, to track correspondence, and receive the updated information.

Revise Rate and Benefit Data and Information:

This process will be performed by L&H, consistent with the rate review process already described above.

Approval of QHP:

When a QHP is approved, a formal agreement will be established between CCIIO and the issuer through an agreement form. Issuers will agree within the contract agreement that they will comply with all state and federal laws, regulations, and guidelines. Any agreement between CCIIO and an issuer will be forwarded to the State for inclusion within the issuer's filed information with the State.

Determine QHP Non-Certification

This section describes procedures that will be used in the instance of non-certification of QHPs. QHP non-certification differs from de-certification. Non-certification is the disapproval of issuer's application to sell some or all of the QHPs they wish to offer inside the Exchange. This non-certification process will be detailed and sequenced according to steps PM-05.05 through PM-05.45 of the End-to-End Process Flow document attached as an appendix to this Blueprint. As indicated in the Process Flow, there are multiple scenarios within the QHP certification processes that would trigger non-certification of an issuer or plan, such as failure to submit required information in a timely fashion (PM-01.95), failure to meet one or more of the certification standards (PM-02.37) or untimely submission of revised information (PM-04.25). Steps PM-05.05 and PM-05.15 involve notifying the QHP issuer of the non-certification and updating the carrier's account information. This is a non-inclusive list that could include many other instances related to either financial solvency or compliance. Both of these requirements would be performed by HBEPD or L&H dependent upon whether the non-certification was due to a deficiency in the issuer application or the plan application. The remaining steps PM-05.25 through PM-05.45 involved adjudication of an issuer appeal related to non-certification. This process will be coordinated by the AID Legal Division with resource support provided as necessary from other AID divisions. In review of both the issuer and plan application, AID staff will review the application and supporting documents and/or rate and form information to determine whether or not the issuer has fully complied with all state and federal requirements. If a deficiency is noted, the issuer will be notified by AID staff of the deficiency and given an opportunity to amend the filing. If the carrier does not submit the required information in a timely manner, the filing will be closed and the issuer notified. The issuer will then have the right to request an appeal of the disposition of the filing within 30 days. Otherwise, the issuer may refile the information through SERFF.

Currently, Arkansas utilizes a formal hearing process described under Ark. Code Ann. §23-61-301 et seq. The Commissioner, or his or her appointee, will serve as the hearing officer and conduct the proceeding in compliance with the requirements set forth under the Arkansas Administrative Procedures Act. Issuers can appeal final decisions made by AID through the hearing process and can expect to have an appeal held within 30 days under Ark. Code Ann. §23-61-303. Issuers may further appeal the results from any hearing to the Pulaski County Circuit Court.

Arkansas has posed questions to CCIIO related to instances where another FFE Partnership has certified plans, but Arkansas has non-certified the same plan due to perceived non-compliance with federal law. If CCIIO is to have a separate appeal process, Arkansas is prepared to offer assistance in developing and implementing that functionality.

Monitor Issuer and Plan Certification Compliance (BP 4.2b)

AID intends to monitor QHP compliance by leveraging existing oversight functions within AID. The AID Consumer Assistance Program (CAP) is responsible for addressing consumer inquiries, comments, and complaints related to health products. The Consumer Services Division (CSD) works closely with CAP and is responsible for collecting data; reporting data to the federal government and NAIC; and communicating issues or other information to AID departments. Additionally, the Legal and Finance Divisions also monitor and submit compliance related issues to the NAIC through use of the Regulatory Information Retrieval System (RIRS).

AID Rule and Regulation 44 outlines the consumer complaint tracking requirements for all insurers. At a minimum, the insurers are required to keep a complaint log that lists the number of complaints by line of insurance, function, reason, disposition, and states of origin and that log shall be compiled not less frequently than annually. This information must be available for review at the Commissioner's request and/or during any market conduct review.

CSD data collection and reporting processes include the following:

- CSD collects information in an Access database and has the capability to report on complaints using the data elements that are tracked. For example, information that is tracked about consumers may include insurance status, region, and general issue category using standardized status codes. Agency/Issuer information relating to the complaint is also tracked in a standardized format.
- Common reports include aggregate complaints/issues by insurance status, complaint trends with particular agencies or issuers, etc. Reports are currently sent by CSD either quarterly or as needed to the Finance Division. Other reports are sent to Legal as needed. HBEPD will also be copied on these reports related to QHP issuer activity.
- The independent CAP is currently responsible for resolving issues and complaints related to health products and will be responsible for fielding QHP-related consumer and issuer calls and ensuring resolution. The CAP complaint resolution process is aligned with the CSD process. CAP will submit relevant data to CSD for reporting purposes.
- CSD will send additional reports related to complaint and quality data for QHPs to HBEPD monthly once CCIIO issues guidance related to information that will be required for tracking and reporting.

- The CSD sends Quarterly Compliance uploads to HIOS and NAIC.
- Additional data related to complaints including all correspondence is sent to NAIC twice a month.
- When necessary, CSD and CAP make referrals to Medicaid, AR Kids First, and PCIP for complaint resolution.
- The Legal Division fields consumer complaints received either as an escalation from CSD or as a direct referral. The Legal Division reports status or new information to CSD for reporting and tracking purposes.

In the event of an adverse event or adverse finding from a periodic assessment that may affect a QHP's certification status, HBEPD will coordinate with other AID divisions to support the resolution of the issue. Currently, compliance issues are tracked in a distributed system; however, there is ongoing procurement for an integrated tool to support regulator activities within AID that will provide functionality to support these processes. Appeals related to oversight and monitoring activities will be handled through AID's existing appeal resolution process. Upon finding cause to decertify a QHP, HBEPD will simultaneously notify the FFE and the issuer that it recommends the removal of the QHP from sale on the Exchange.

It is possible that during the course of a year, a QHP issuer could experience financial solvency or other compliance issues. It is the recommendation of the HBEPD that Arkansas utilize existing interim procedures in regulating these issues within the company prior to recommendation of decertification. Currently, these procedures are maintained as confidential within AID pursuant to statute. Arkansas recommends that to the extent that the interim procedures are utilized and shared with CCIIO that a process be established to maintain confidentiality for the QHP issuer.

Co-Op Plans

Reviews of the CO-OP plans will be conducted on the same basis and in the same manner as for other insurance carriers. AID will review all plans and provide recommendations to CMS on whether a CO-OP plan meets State-based Exchange standards for a QHP to assist CMS in its decision to deem a CO-OP as certified to participate in the FFE Partnership according to 42 CFR 156.520 (e).

SHOP Plans

Reviews of SHOP plans will be conducted through the same process, timelines and criteria as for individual plans. SERFF will be used to manage SHOP plans and will have the functionality required to maintain data elements related to SHOP. Arkansas intends to utilize the same QHP procedures with plans in SHOP. To the extent that differences exist between SHOP and individual QHP requirements, Arkansas is awaiting final guidance from CCIIO/CMS/HHS prior to creating a description of how Arkansas will meet SHOP specific criteria. This task is planned for completion no more than 30 days following receipt of the final rules.

DESCRIPTION OF THE ENTITIES RESPONSIBLE FOR QHP CERTIFICATION, INCLUDING A DESCRIPTION OF ROLES AND RESPONSIBILITIES OF EACH ENTITY AS THEY RELATE TO EACH OF THE QHP CERTIFICATION STANDARDS

- The **Finance Division** is charged with AID's core mission of protecting insurance consumers through effective financial solvency regulation. This Division is responsible for the Department's financial examination and periodic monitoring of all Arkansas insurance companies.
- The **Life and Health (L&H) Division** manages the form and rate review process and will be responsible for verifying QHP plan alignment with federal and Arkansas requirements as well as benefit and rate review.
- The **Health Insurance Premium Rate Review (HIPRR) Division** will be responsible for review of plan rate increases.
- **Third-Party Actuarial Services** may be used to assist in the analysis of rates and rate increase requests. AID is also considering utilizing a third-party actuary for the development of recommendations for rating areas.
- The **Consumer Services Division (CSD) in conjunction with the Consumer Assistance Program (CAP)** manages the receipt, tracking, and resolution of complaints and issues. CAP is an independent entity that is closely related to CSD but is primarily responsible for health products. CSD is responsible for data collection and reporting.
- The **Health Benefit Exchange Partnership Division (HBEPD)** is responsible for the overall administration and governance of the Arkansas Exchange Partnership components. The Division will also perform the quality review audits, review of the issuer applications and make recommendations for certification / recertification / decertification.
- The **Legal Division** will be responsible for the appeals processes.

The table that follows illustrates AID Divisions participation in plan management functions. Processes and events that have two or more responsible divisions indicated in the crosswalk involve inter-division collaboration. The workflow and primary responsibility for each listed task will be further defined in the Policies and Procedures manual developed by AID.

Table 1: Plan Management Activity/Resource/System Crosswalk

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
QHP Issuer Application Receipt											
PM - 01.10	Distribute bulletin regarding opening of QHP Application Process	X					X		X		AID Website; SERFF
PM - 01.25	Receive QHP Application		X				X				SERFF
PM - 01.30	Validate if issuer is properly licensed			X							
PM - 01.35	Notify Issuer that license is needed			X			X				SERFF
PM - 01.80	Perform Automated Checks						X				SERFF
PM - 01.82	Identify QHP Issuer Application Data Issues						X				SERFF
PM - 01.95	Receive Final QHP Issuer Application Submission Attestation		X				X				SERFF
PM - 01.97	Notify Issuer of QHP Issuer Application Acceptance						X				SERFF
PM - 01.96	Close QHP Issuer Application Submission Window						X				SERFF
Evaluate QHP Issuer Application											
PM - 02.05	Initiate QHP Issuer Application Evaluation Process						X				SERFF
PM - 02.10	Validate State Licensure, Solvency, and Good Standing			X			X				SERFF
PM - 02.15	Evaluate Network Adequacy		X				X				SERFF
PM - 02.17	Verify Attestations and Supporting Documentation		X				X				SERFF

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
PM - 02.20	Health Benefit Exchange Partnership requests Relevant Complaint and Compliance Information from Consumer Assistance, Legal, and Finance Divisions			X	X		X	X	X		SBS
PM - 02.25	Evaluate Complaint and Compliance Information			X			X	X	X		SBS
PM - 02.30	Verify Compliance with Exchange Marketing Standards		X						X		SERFF
PM - 02.35	Evaluate Quality, Including Accreditation Status		X				X				SERFF
PM - 02.36	Evaluate Against Additional QHP Certification Standards		X				X				SERFF
PM - 02.37	Compile Issuer Application Evaluation Results						X				SERFF
Revise QHP Issuer Application											
PM - 03.25	Receive QHP Rate and Benefit Data and Information		X								SERFF
PM - 03.30	Perform Automated Checks										SERFF
PM - 03.35	Notify Issuer of Data Issues		X				X				SERFF
PM - 03.65	Determine if Issuer Submission of Rate and Benefit Data and Information is within the Time Frame		X				X				SERFF
Revise QHP Issuer Application											
PM - 04.05	Initiate Revision Process						X				SERFF
PM - 04.10	Notify Issuer of Revision Request						X				SERFF
PM - 04.25	Receive Revised Information						X				SERFF

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
PM - 04.33	Identify Issuer Application Abandonment						X				SERFF
PM - 04.37	Receive Issuer Withdrawal Notice						X				SERFF
PM - 04.40	Update Issuer Account Information						X			X	SERFF
Determine Issuer or Plan Non-Certification											
PM - 05.05	Notify Issuer of Non-Certification of QHP(s) or Issuer						X				SERFF
PM - 05.15	Update QHP(s) and Issuer Account Information						X				SERFF
PM - 05.25	Receive and Process Appeal of Non-Certification						X		X		
PM - 05.30	Notify Issuer of Successful Appeal						X		X		
PM - 05.40	Notify Issuer of Appeal Denial						X		X		
PM - 05.45	Receive Appeal Denial						X		X		
Establish QHP Certification Agreement											
PM - 06.05	Validate that Issuer Application and Plan Data are Approved						X				SERFF
PM - 06.10	Generate QHP Certification Agreement						X				SERFF
PM - 06.25	Conduct Discussions with Issuer [Initiated by issuer]						X				
PM - 06.40	Receive Notification of Non-Acceptance of Certification Agreement						X				SERFF
PM - 06.50	Determine Actions Needed Resulting from Non-Acceptance of Agreement						X				
PM - 06.60	Update Issuer and QHP Account Information						X				SERFF
PM - 06.65	Transmit QHP Certification Information and						X				SERFF

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
	Agreement to FFE										
PM - 06.55	Conduct Agreement Discussions with Issuer						X				N/A
Monitor Issuer and Plan Certification Compliance											
PM - 07.10	Analyze QHP Certification Compliance (Including Operational Compliance)		X	X	X		X	X	X		SERFF
PM - 07.20	Identify QHP Compliance Issue		X	X	X		X	X	X		
PM - 07.23	Address Compliance Issues in Accordance with Terms of QHP Agreement		X	X	X		X	X	X		
PM - 07.25	Coordinate with State Compliance Process		X	X	X		X	X	X		
PM - 07.30	Notify Issuer of Exchange Compliance Issue and Response Required		X	X	X		X	X	X		
PM - 07.45	Receive Issuer Response to Exchange Compliance Issue		X	X	X		X	X	X		
PM - 07.50	Evaluate Issuer Response to Exchange Compliance Issue		X	X	X		X	X	X		
PM - 07.55	Notify Issuer of Exchange Compliance Issue Resolution		X	X	X		X	X	X		
PM - 07.60	Continue to Seek Resolution of Exchange Compliance Issue		X	X	X		X	X	X		
PM - 07.73	Notify Issuer of Decertification						X				
PM - 07.82	Send Notice to Affected Enrollees		X				X	X			
PM - 07.83	Update QHP Account Information		X				X				
PM - 07.84	Notify CMS of Issuer or QHP Decertification						X				
PM - 07.90	Receive and Process Appeal of Decertification						X		X		
PM - 07.92	Notify Issuer of Successful Appeal						X		X		

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
PM - 07.93	Notify FFE of QHP Decertification						X				
PM - 07.94	Notify Issuer of Appeal Denial						X		X		
Maintain Qualified Health Plan Operational Data											
PM - 08.06	Receive and Track Complaint Information						X	X	X		RIRS; HIOS; NAIC; TBD
PM - 08.09	Analyze Complaint Information		X				X	X	X	X	TBD
PM - 08.15	Respond to Complaints as Necessary		X				X	X	X		
PM - 08.55	Receive Changes to Issuer's Administrative Information		X	X	X		X		X		SERFF
PM - 08.61	Receive New/Changed Marketing and Enrollee Communication Materials		X								SERFF
PM - 08.62	Review and Analyze New/Changed Marketing and Enrollee Communication Materials		X						X		SERFF
PM - 08.63	Submit Request for Revisions to Materials [to issuers]		X				X		X		SERFF
PM - 08.71	Receive and Process Change in QHP Enrollment Availability						X				SERFF
PM - 08.73	Notify CMS of Change in QHP Enrollment Availability (Open/Closed)						X				
PM - 08.75	Notify FFE of Change in QHP Enrollment Availability						X				
PM - 08.80	Update QHP Account Information						X				SERFF
Issuer Case Management											
PM - 09.05	Receive Notification of an Issue						X				TBD
PM - 09.10	Refer Issue to FFE Account Manager						X				TBD

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
PM - 09.15	Create a Case						X				TBD
PM - 09.17	Coordinate with QHP Oversight Divisions						X			X	TBD
PM - 09.20	Perform Research and Data Collection		X	X	X		X	X	X	X	TBD
PM - 09.22	Communicate with Issuer about Issue						X				TBD
PM - 09.25	Upload Associated Documentation		X				X	X			TBD
PM - 09.27	Coordinate with Other AID Business Areas as Needed	X	X	X	X	X	X	X	X	X	TBD
PM - 09.30	Update Case Management System						X				TBD
PM - 09.35	Update Issuer Account						X				TBD
PM - 09.40	Close Case						X				TBD
Analyze Rate and Benefit Data and Information											
PM - 10.05	Receive Justification Information for Rate Increase		X		X	X	X				SERFF
PM - 10.35	Receive Notification of Availability of Justification Information [from CMS]		X		X	X	X				SERFF
PM - 10.20	Analyze Rates and Benefits		X		X*	X	X				SERFF
PM - 10.50	Send State Rate Review Determination and Updated Rates to CMS		X		X		X				SERFF
PM - 10.60	Approve and Update QHP Rate and Benefit Data and Information		X		X*		X				SERFF
PM - 10.65	Update QHP Account with Rate and Benefit Data and Information		X		X		X				SERFF
Revise Rate and Benefit Data and Information											
PM - 11.05	Initiate Revision Process		X		X*						SERFF
PM - 11.10	Notify Issuer to Provide Revision to Rate		X		X*						SERFF

Process Flow Crosswalk	*Plan Management Activity*	*Administration / Commissioner*	Life and health	*Finance*	*HIPRR*	*Actuary*	*Exchange*	*Consumer Services*	*Legal*	*Information Systems*	*System (if applicable)*
	and/or Benefit Data and Information										
PM - 11.25	Receive Issuer Revised Rate and/or Benefit Information		X								SERFF
PM - 11.30	Perform Automated Checks on Revised Information		X								SERFF
PM - 11.35	Notify Issuer of Data Issues		X				X				SERFF
PM - 11.40	Notify Issuer to Provide Final Attestation		X				X				SERFF
PM - 11.60	Receive Final Attestation		X				X				SERFF
PM - 11.65	Determine if Issuer Provided Revision within the Time Frame		X				X				

*** - The HIPRR will review rate increases. Life and Health will approve rates in QHP applications.**

DESCRIPTION OF THE INTEGRATION BETWEEN THE EXCHANGE AND THE STATE DEPARTMENT OF INSURANCE

The Arkansas FFE Partnership will leverage existing business processes within AID to conduct Exchange activities. AID is familiar with and currently uses the SERFF system to process form and rate filings and will be able to conduct QHP reviews through a similar process. L&H is primarily responsible for conducting plan reviews and issuing certification recommendations but will work with other Divisions as necessary, including Finance, HIPRR (rate review), HBEPD, CSD/CAP, Legal and others to conduct Exchange activities as outlined in the AID Exchange process model.

HBEPD, as indicated in Table 1: Plan Management Activity/Resource/System Crosswalk, also maintains a variety of FFE integration functions. This includes several specific requirements where information is passed between AID and the FFE. This includes activities such as PM-06.65, transmitting QHP certification and agreement information to the FFE; PM-07.84 and PM07.93, identifying and sharing any decertification information with the FFE; PM-08.73 and PM-08.75, notifying the FFE of changes in the availability of QHP enrollment slots; and PM-10.50, identifying the HBEPD interfacing with the FFE regarding rate and benefit information. HBEPD will also work with other divisions to ensure that communication flows are maintained and that each division and the FFE has the information that it needs in order to fulfill its role in regulating the issuers. HBEPD will also communicate as needed with QHP issuers to resolve any questions or issues that may arise during the plan year.

BP 4.3 PLAN MANAGEMENT SYSTEM(S) OR PROCESSES THAT SUPPORT THE COLLECTION OF QHP ISSUER AND PLAN DATA

THE EXCHANGE USES A PLAN MANAGEMENT SYSTEM(S) OR PROCESSES THAT SUPPORT THE COLLECTION OF QHP ISSUER AND PLAN DATA; FACILITATES THE QHP CERTIFICATION PROCESS; MANAGES QHP ISSUERS AND PLANS; AND INTEGRATES WITH OTHER EXCHANGE BUSINESS AREAS, INCLUDING THE EXCHANGE INTERNET WEB SITE, CALL CENTER, QUALITY, ELIGIBILITY AND ENROLLMENT, AND PREMIUM PROCESSING.

DESCRIPTION OF THE ANTICIPATED NUMBER OF HEALTH PLANS EXPECTED TO PARTICIPATE IN THE STATE

Based on a market research study completed by the Center for Insurance Studies at the University of Central Arkansas, there are seven major health insurance issuers that indicated likely participation in the Arkansas Exchange in either the individual market or SHOP. With a minimum of two metallic tier plans and a child only plan per issuer, it is anticipated that there will be at least twenty-one (21) health plans participating.

DATA COLLECTION METHOD AND APPLICABLE SYSTEMS THAT WILL BE USED TO SUPPORT THE BUSINESS OPERATIONS OF PLAN MANAGEMENT

Support of Core Business Operations

AID will use the NAIC SERFF system to support most business operations in plan management. According to NAIC, "enhancements to SERFF that are currently under way will enable the states to use SERFF not only for form and rate review but also to review QHP applications, certify QHPs to participate in Exchanges and carry out related oversight functions, such as renewing, monitoring, recertifying and decertifying QHPs. It is envisioned that an issuer that wants to base a QHP on an insurance product it already offers in a particular state will have the ability to 'build' a QHP in SERFF using forms and rates that the state has already accepted, depending on the state's existing requirements."

The Blueprint Plan Management Process Model outlines the core business operations that will be supported by SERFF and other systems as indicated by the cylindrical data store symbols.

SERFF will be used to:

- Initiate the QHP Issuer Application (BP-PM-01), receive QHP application from issuers (BP-PM-01.25) and manage application revisions (BP-PM-04.25), and maintain the final QHP application submission and attestation (BP-PM-01.95)
- Validate that licensure has been established in the QHP review process (BP-PM-01.30)
- Manage QHP submission windows (BP-PM-01.96)
- Facilitate the evaluation of the QHP issuer application and maintain information about evaluation results (BP-PM-02.37), including determinations of non-certification (BP-PM-05.15)

  Note: HBEPD accesses complaint information as part of QHP evaluation (BP-PM-02.20) through the HIOS system. In case of non-certification, the Legal Division uses an appeals tracking system to maintain a low volume of QHP appeals data. (BP-PM-05.35). The appeals tracking system would also be used in the decertification process as the result of a review or compliance issue (BP-PM-07.96). It is anticipated that AID will replace the multiple tracking systems with one system that will be utilized Department wide. An RFP is currently pending on this integrated tracking system, though the approval and initiation time frames for the new system are still to be determined.

- Receive QHP Rate and Benefit Data and Information/ timeframes (BP-PM-03.25) and revisions (BP-PM-11.25) as well as maintain plan rate and benefit updates (BP-PM-10.60 and BP-PM-10.65) ***(Consistent with Exchange Blueprint Section 4.3a)***
- Maintain certification acceptance agreements submitted by issuers (BP-PM-06.60) as well as non-acceptance (BP-PM-06.40).
- Monitor ongoing compliance including accessing plan information such as network data and rate and benefit information as a result of an adverse event or periodic review (BP-PM-07.10)

NOTE: Recent information from a CCIIO phone conference indicates that CCIIO and SERFF are discussing whether SERFF can be used for compliance tracking and monitoring. If this system is not put into place, AID will continue to utilize current processes where complaints (that may be indicative of compliance issues) are tracked using an Access database in CSD, an Excel database in Legal and internal confidential analysis filing procedures in Finance. Any complaints/compliance issues forwarded from the FFE will be logged and tracked in the same manner. AID is in the process of procuring a new AID tracking system that will support these operational processes throughout the entire Department.

NOTE: Initial approval and changes to plan marketing materials will also be maintained in SERFF (BP-PM-08.63). Arkansas understands that business requirements, functions and features of the SERFF upgrades will be sent to CCIIO directly from SERFF. This information will likely include testing plans and screen shots of the system.

Exchange of Data with CMS

According to the NAIC, "HHS has made a commitment to working with the NAIC so that SERFF can be leveraged by SBE and Partnership states to perform certain plan management functions, including QHP certification, benefit and rate data collection, and reporting associated with QHP submissions. HHS also has committed to working with the NAIC to ensure that, in the FFE, issuers will not be overly burdened by duplicative data entry. The states may continue to utilize existing technology to perform regulatory review of forms and rates to confirm that benefit and rate information intended for display within the FFE is consistent with that which was approved by the state."

RELEVANT IT DOCUMENTS

Attachments include:

- The AID Blueprint Plan Management Process Model
- SERFF HIX Plan Management Business Requirements Summary (dated 3/16/2012)
- Plan Management Scope Change Summary
- SERFF Plan Management Scope v.2
- Swim lanes of proposed exchange models
- NAIC Sample Data Model

All relevant SERFF IT documents can be viewed at the links below:

http://www.serff.com/hix.htm

https://calt.hhs.gov/sf/docman/do/listDocuments/projects.se_portal_sandbox/docman.root.serff_plan_management

BP 4.4 ENSURE ONGOING QHP COMPLIANCE

THE EXCHANGE HAS THE CAPACITY TO ENSURE QHPS' ONGOING COMPLIANCE WITH QHP CERTIFICATION REQUIREMENTS PURSUANT TO 45 CFR 155.1010(A)(2), INCLUDING A PROCESS FOR MONITORING QHP PERFORMANCE AND COLLECTING, ANALYZING, AND RESOLVING ENROLLEE COMPLAINTS.

DESCRIPTION OF GENERAL APPROACH TO ENSURING QHP COMPLIANCE AND MONITORING QHP PERFORMANCE

AID intends to monitor QHP compliance by leveraging existing oversight functions within the Department, as described on pages (11-13). The existing AID oversight functions, as cross walked to Exchange functions illustrated in the table provided in this Blueprint section, demonstrates the Arkansas capacity to ensure QHP compliance per Section 4.4A. In the event of an adverse event or adverse finding from a periodic assessment that may affect a QHP's certification status, HBEPD will coordinate with other AID Divisions to support the resolution of the issue, and will notify CCIIO through HIOS.

Consumer assistance; Issue and Complaint Resolution and Reporting

Issues and Complaints Reported to AID

CSD in conjunction with CAP is responsible for addressing consumer inquiries, comments, and complaints; collecting data; reporting data to the federal government and NAIC; and communicating issues or other information to AID divisions. CAP is an independent entity that is closely related to CSD but is primarily responsible for health products and will be responsible for issue and complaint resolution and reporting to the Exchange.

The Arkansas plan oversight system is largely complaint or referral-based and driven by reports from CSD. Complaints and issues related to QHPs will be managed within the existing business process. That process includes tracking call center complaints, collecting and organizing this information using status codes and submitting quarterly compliance uploads to the Health Information Oversight System (HIOS). Any inquiries related to Medicaid are referred to the Arkansas Department of Human Services. Calls that are transmitted from the FFE to CAP/CSD will be tracked and processed in the same way as complaints that are received directly.

Once CAP or CSD receives a complaint, this is documented within the Access database. The investigator responsible for reviewing the complaint will contact the consumer, agent/broker, and/or issuer for additional information. After determining the cause of the complaint, CAP/CSD will work with the issuer and consumer to rectify the issue. If a statutory violation is noted or if a resolution cannot be obtained, CAP/CSD will refer the complaint to Legal. This information will be tracked in an Access database with quarterly compliance uploads to HIOS and bi-monthly reports to NAIC. AID has just signed the contract

with State Based Systems (SBS) to replace the Access data system with a department-wide tracking system. SBS is scheduled to be implemented by December 2013.

In some cases the Legal Division becomes involved in issuer oversight, either where Legal is contacted directly as opposed to complaints logged in consumer assistance or when CSD refers a case to Legal. Legal investigates any market conduct issues that may involve fines, disciplines or suspensions. They are also involved in any multi-state investigations. Legal tracks these files internally by use of an Excel spreadsheet. Legal also sets up internal Division files that contain information related to the investigation that is it conducting. Once the file is closed, Legal notifies CSD and CSD submits the information to the NAIC. If the issue involves an agent/broker, Legal will upload the information through the RIRS.

CSD currently enforces an AID requirement that all clean complaints be responded to and closed within 15 days of the complaint being received. This time may be expanded if additional information is requested from the consumer for purposes of researching and responding to the complaint.

Issues and Complaints Reported to the Federally-Facilitated Exchange Partnership

CMS anticipates that the FFE Partnership will field issues and complaints that must be resolved through interaction with state insurance departments. It is anticipated that this communication will be facilitated with SERFF. The process and system requirements are being developed and the final process is to be determined. Arkansas awaits information and will work with CMS/CCIIO to implement and coordinate this process.

Licensure, Financial Solvency, and Market Conduct

In accordance with the Blueprint requirements outlined in Section 4.4B, Arkansas has processes to assure QHP compliance. The Finance Division is responsible for oversight of the licensure and solvency of issuers who submit QHPs to the Exchange. Finance also works with the Legal Division in the review of any market conduct issues. Additionally, the Finance Division conducts financial oversight of issuers including renewal of certification, review of financial statements and requests, quarterly write-ups assessing risk profiles, and other audits or reviews as needed. Market conduct and financial exams are conducted on domestic companies every 3 years at a minimum for HMOs and every 5 years for life and health companies. Finance may conduct examinations on foreign companies, but this is typically handled by the state of domicile in coordination with AID. Compliance issues are addressed during these examinations and as needed in the interim periods. Financial exams and/or market conduct exams may be performed more frequently if information reported to the Department raises the concern that financial or compliance issues may exist within the company. During the course of complaint resolution by CSD/CAP, the Finance and/or Legal Divisions may conduct an independent examination due to notification of potential solvency or market conduct issues. The Finance Division will also work with Legal and/or Liquidation Divisions in the review of financial and market conduct issues. Liquidation would only be involved in the case of insolvency.

If the Finance Division determines that the severity of solvency issues merits decertification, the Finance Division can recommend decertification of the plan or issuer to HBEPD. However, interim actions may be taken such as:

- Corrective action plans;
- Additional reporting requirements;
- Plan limits; or
- Other compliance plans.

It is the recommendation of AID that plans not requiring immediate decertification be allowed to proceed through the confidential interim action plans currently being utilized by AID.

Violations that may result in decertification include but are not limited to:

- Unapproved rate increases;
- Violation of discriminatory practices;
- Discriminatory marketing;
- Non-adherence to corrective action plans;
- Failure to meet QHP criteria;
- Failure to acquire or loss of accreditation;
- Solvency and Licensing issues;
- Noncompliance with network adequacy requirements, including maintaining a list of active network providers on the issuer webpage.

Additionally, in the case of insolvency, HBEPD would work with Finance and Liquidation Division to ensure that any consumers are notified of their rights and responsibilities in order to access Guaranty Fund coverage. Because insolvencies do not typically occur over night, it is unlikely that the plan would still be certified within the Exchange at the time of insolvency (and, thus, have consumers still in that plan). However, communication support would still be important in case the period for non-payment of claims reached back to a time period where consumers were still covered by the plan.

DESCRIPTION OF THE INTEGRATION BETWEEN THE APPROPRIATE STATE ENTITY AND OTHER STATE ENTITIES WITH RESPECT TO QHP ISSUER OVERSIGHT AND RESOLUTION OF ENROLLEE COMPLAINTS

The AID Blueprint Plan Management Process Model section outlines the QHP issuer oversight process and integration with appropriate AID divisions. In general, Arkansas will build off of the coordinated process already managed across Divisions of the Insurance Department, inclusive of the new Plan Management and Consumer Assistance functions being established by planning processes underway in the Exchange Division.

As previously indicated in this document, any inquiries related to Medicaid will be referred to the Department of Human Services. Calls that are transmitted from the FFE to CAP/CSD will be tracked and processed in the same way as complaints that are received directly.

Otherwise, QHP issuer compliance monitoring and consumer complaint resolution processes will be coordinated among AID divisions, as has been described in this Section 4.4 and illustrated in Table 1: Plan Management Activity/Resource/System Crosswalk provided in this document. AID plans to further refine and develop plans for QHP performance and oversight when Federal guidance is finalized.

BP 4.5 DESCRIBE ARKANSAS PROCESS FOR PROVIDING TECHNICAL ASSISTANCE AND SUPPORT TO QHP ISSUERS, I.E. ACCOUNT MANAGERS

THE EXCHANGE HAS THE CAPACITY TO SUPPORT ISSUERS AND PROVIDES TECHNICAL ASSISTANCE TO ENSURE ONGOING COMPLIANCE WITH QHP ISSUER OPERATIONAL STANDARDS.

DESCRIPTION OF ISSUER TECHNICAL ASSISTANCE AND SUPPORT ACTIVITIES TO BE PROVIDED BY THE EXCHANGE AND EXAMPLES WHERE APPLICABLE.

Per the May 16, 2012 FFE guidance, QHP Issuers must have access to a designated Exchange Account Manager. Arkansas understands that the Account Manager is intended to be a federal position but sees a need to have a parallel state Account Manager position. The state Account Manager position will serve as a point of contact to help issuers navigate business processes that may stretch across AID divisions or may involve questions of state versus federal governance in the Partnership Exchange. The Account Manager or managers will be located in the HBEPD.

L&H provides plan submission support to health insurance carriers in the plan filing process, largely facilitated through SERFF. QHP submissions will follow a similar process but may require more support and issue resolution specifically related to new QHP form fields or documentation necessary to submit QHP applications. L&H will support the issuers to some extent in the filing process but the Account Manager and Information Systems Division may also be required to assist with technical issues. If issuers contact CSD, they will be routed to the appropriate division unless CSD is able to resolve the issue. L&H or HBEPD will be responsible for maintaining any updates in the issuer QHP account, if applicable.

AID intends to periodically meet with QHP issuer contacts to proactively address application and operational issues and ongoing planning. Currently AID meets with issuers related to Exchange issues and questions on at least a weekly basis. Arkansas carriers have been very involved in the FFE Partnership development process. If HBEPD is unable to answer a question, HBEPD forwards these questions to CCIIO. HBEPD also seeks to keep CCIIO informed of any carrier concerns related to the law or its interpretation. Once final regulations and planning requirements have been determined, HBEPD plans to issue a Bulletin to the issuers describing these requirements and pertinent contacts. An additional continuously updated question and answer resource may be created depending upon the needs and desires of the Arkansas issuers.

BP 4.6 RECERTIFICATION, DECERTIFICATION, APPEAL, AND TRANSITION

THE EXCHANGE HAS A PROCESS FOR QHP ISSUER RECERTIFICATION, DECERTIFICATION, AND APPEAL OF DECERTIFICATION DETERMINATIONS PURSUANT TO 45 CFR 155.1075 AND 155.1080.

Decertification / Withdrawal (4.6a)

QHPs may be decertified or withdrawn in the course of ongoing or periodic monitoring or as the result of an adverse event reported to AID or FFE. Possible causes for decertification are discussed on pages (26-27). The business process for complaint and issue resolution is found in the Plan Management Process Model. The specific steps identified are PM-07.70 through PM-07.94 and primarily involve notification functions to the issuer, affected members and the FFE as well as the components of the appeals process.

Decertification differs from non-certification in that it involves a change in status of a plan that has been certified. The entire process will involve four divisions of AID, including L&H, HBEPD, CSD and Legal. When an issuer fails to continue to meet Exchange requirements in a way that adversely impacts their certification status, the interest of consumers is at risk because an unexpected change in carriers has the potential to create continuity of healthcare issues. This is why AID is prepared to focus on particular needs of consumers throughout the steps of this process.

Decertification is an extension of the Exchange compliance process. That process includes tracking consumer or provider complaints whether received through Arkansas or as a referral from the FFE Call Center, collecting and organizing this information using status codes and submitting quarterly compliance uploads to HIOS.

Should compliance monitoring raise a concern with a carrier regarding either an issuer-specific or plan-specific requirement that is not resolved, a process for plan decertification may be commenced. Decertification involves two major components: sending notification of decertification and administering a process under which a carrier may appeal the decertification.

Carriers, affected consumers and the FFE must all be notified. When L&H changes the status of a QHP to decertified, L&H will update the QHP account information. HBEPD will notify the carrier, and, together with CSD, coordinate the process of sending notification to affected consumers to facilitate their enrollment into a different health plan. HBEPD will also notify the FFE of the decertification event.

The appeals process will be coordinated by the Legal Division. Arkansas has a formal hearing process. The Commissioner or his or her appointee serves as hearing officer when necessary. Outside hearing officers can also be appointed. Issuers can appeal QHP decertification decisions made by AID. Following a final decision of the appeal at the administrative level, an issuer may choose to appeal the matter for review to the Circuit Court of Pulaski County, Arkansas.

If the adjudication of the appeal results in the carrier's status being changed back to certified, L&H, HBEPD and CSD/CAP will provide notification to the carrier, consumers and the FFE, consistent with role each of those Divisions played in completing decertification notification.

Arkansas will likely draft a QHP rule that will address certification/recertification/decertification procedures. The policy and procedures in support of this rule will be completed and the rule published upon receipt of final rules from CCIIO/CMS/HHS. Also, Arkansas currently requires in AID Rule and Regulation 44 that issuers must maintain complaint information. Arkansas may consider including a requirement within the proposed QHP Rule for issuers to submit the complaint table required of the companies under Rule 44 to AID.

If there is a voluntary company/issuer withdrawal from the state or Exchange, the company must give the state 180 days notice. For individual plan withdrawal, the company must give the state 90 days notice.

Additionally, in the case of insolvency, HBEPD would work with the Finance and Liquidation Divisions to ensure that consumers are notified of their rights and responsibilities in order to access Guaranty Fund coverage. (In Arkansas, consumers have guaranty fund coverage up to $300,000 per person in the case of insolvency). Because insolvencies do not typically occur over night, it is unlikely that the plan would still be certified within the Exchange at the time of insolvency (and, thus, have consumers still in that plan). However, communication support would still be important in case the period for non-payment of claims reached back to a time period where consumers were still covered by the plan.

AID currently sends notification to consumers enrolled in liquidated or withdrawn plans and is actively involved in helping consumers find replacement coverage. The process for transitioning enrollees into new QHPs from plans that have been decertified on the FFE is TBD. AID would like to consider using a similar procedure as developed for Blueprint 3.14 (Pre-existing Condition Insurance Plan transition) for continuity within the Exchange model. However, until this is developed, AID will depend on using current procedures allowing consumer choice. AID is prepared to comply with the guidance to be provided by HHS on actions necessary to enroll consumers in new QHPs and intends to develop policies and procedures specific to transitioning to new QHPs upon receipt of final guidance from CCIIO/CMS/HHS.

Because decertification can happen in a number of ways, many different entities may be involved. If the decertification occurs because of a financial issue, it is likely that Finance, Legal, Liquidation and HBEPD will be initially involved. Decertification due to compliance or complaint issues may involve CSD/CAP, L&H, HIPRR, Legal, Finance, HBEPD and, possibly, Administration. Once the source of the decertification has been addressed, HBEPD will work in conjunction with CAP/CSD, L&H and possibly Liquidation to notify consumers, navigators/in-person assisters, SERFF and CMS/FFE of the decertification status.

Appeals (4.6c)

Arkansas has a formal hearing process. The Commissioner, or his or her appointee, serves as hearing officer when necessary. Outside hearing officers can also be appointed. Issuers can appeal decisions

made by the AID such as denial of rate filings. Following a final decision of the appeal at the administrative level, an issuer may choose to appeal the matter for review to the Circuit Court of Pulaski County, Arkansas.

Arkansas has pending questions to CCIIO about whether there will be an additional federal hearing process that will need to be accounted for within this plan; when/if that process would be activated; and what areas the federal appeals process would cover. Arkansas stands ready to work with CCIIO to plan or implement any of these procedures.

Recertification (4.6b)

QHPs must complete an annual recertification process starting with Year 2 of Exchange operations. The Exchange must complete the review of the QHPs' recertification submissions by June of each year in time to facilitate October open enrollment. Recertification will assure that issuers continue to meet all qualified health plan requirements including any additional requirements that the state or federal government added to QHP certification standards during the year.

If issuers or QHPs have been decertified, they can be recertified according to 42 CFR §155.1075. The recertification process aligns with the initial issuer or QHP application process. The plans must comply with all QHP certification criteria to be recertified.

BP 4.7 TIMELINE FOR QHP ACCREDITATION

THE EXCHANGE HAS SET A TIMELINE FOR QHP ISSUER ACCREDITATION IN ACCORDANCE WITH 45 CFR 155.1045. THE EXCHANGE ALSO HAS SYSTEMS AND PROCEDURES IN PLACE TO ENSURE QHP ISSUERS MEET ACCREDITATION REQUIREMENTS (PER 45 CFR 156.275) AS PART OF QHP CERTIFICATION IN ACCORDANCE WITH APPLICABLE RULEMAKING AND GUIDANCE.

TIMELINE BY WHICH QHP ISSUERS MUST BE ACCREDITED IN ACCORDANCE WITH 45 CFR 155.1080

For QHP issuers that are not already accredited by NCQA or URAC, Arkansas will require them to schedule accreditation within their first year of being on the Exchange. Their procedures and policies related to adequacy and quality must be accredited by year two. By the fourth year, all carriers participating in the Exchange must be accredited to reapply for QHP status. If HHS provides guidelines or clarification on required accreditation timelines, AID is prepared to comply with those timelines. Arkansas intends to release a bulletin describing this process in the first quarter of 2013.

(Also see section 4.2 – Issuer Application)

SYSTEMS AND PROCEDURES IN PLACE TO ENSURE QHP ISSUERS MEET ACCREDITATION REQUIREMENTS PER 45 CFR 156.275 AS PART OF QHP CERTIFICATION

NAIC indicated that the SERFF team is working with the accreditation entities (NCQA and URAC) and with CMS to automate the collection and display of accreditation data. NAIC is planning to provide tools so that states have all the necessary information to verify these requirements without having to collect the data directly from the insurers. Otherwise, issuers will be required to submit NCQA and URAC accreditation information (and AID will do a secondary request from NCQA and URAC to ensure accreditation). There will be an exception process to allow the insurer to provide documentation outside the normal avenue, such as when an insurer has not applied for accreditation and is within a grace period. Such exception will be submitted through SERFF.

(Also see section 4.2 – Initiate QHP Issuer Application)

BP 4.8 QHP QUALITY REPORTING

THE EXCHANGE HAS SYSTEMS AND PROCEDURES IN PLACE TO ENSURE THAT QHP ISSUERS MEET THE MINIMUM CERTIFICATION REQUIREMENTS PERTAINING TO QUALITY REPORTING AND PROVIDE RELEVANT INFORMATION TO THE EXCHANGE AND HHS PURSUANT TO AFFORDABLE CARE ACT 1311(C)(1), 1322(E)(3), AND AS SPECIFIED IN RULEMAKING.

TYPE OF DATA THAT WILL BE USED FOR CERTIFICATION, MONITORING AND DISPLAY

AID is seeking clarification on the format and type of data that will be required for the purposes of submitting quality reporting data and relevant information to the Exchange and DHHS. The Arkansas Insurance Department posts annual reports to the website that contain some data that may be pertinent to quality. These annual reports may be found at: http://insurance.arkansas.gov/Administration/annualreport.html.

AID understands that NCQA also has Consumer Assessment of Health Providers and Systems data that the FFE would like to report to the FFE website for quality purposes. AID further understands that NCQA, SERFF and CCIIO are working together to address a process whereby this information may be accumulated and posted to the website.

NEXT STEPS

This document has identified business requirements that remain TBD or are awaiting further federal guidance. These items have been grouped under this "next step" category to assemble a centralized list of follow up items.

1) Arkansas is seeking CCIIO guidance related to the FFE-P process for collection, analysis, and if required, submission to Federal government for review of QHPs' plan variations for cost-sharing

reductions, advance payment estimates for such reductions, and any supporting documentation needed to ensure compliance with applicable regulations and accuracy of the cost-sharing reduction advance payments. When this guidance is received, Arkansas will work with CCIIO to design and/or implement procedures to complete this activity.

2) AID is seeking clarification on the format and type of data that will be required for the purposes of submitting quality reporting data and relevant information to the Exchange and HHS.

3) CCIIO has indicated that future guidance will be released indicating the Partnership performance and activities metrics that the Exchange will be required to report. Additionally, it is Arkansas's understanding that the format, timing and other requirements will also be included within that guidance. Arkansas stands prepared to work with CCIIO in timely implementation of these requirements.

4) Identify systems solution for issuer case management business requirements identified in PM-09.XX end-to-end process items. Also, clarify with CCIIO what the state's responsibilities are for account management in the Partnership model.

SECTION 4 ATTACHMENTS

- A.C.A. § 23-61-103.doc
- A.C.A. § 23-61-108.doc
- A.C.A. § 23-61-303.doc
- A.C.A. § 23-66-201.doc
- A.C.A. § 23-66-202.doc
- A.C.A. § 23-66-203.doc
- A.C.A. § 23-66-204.doc
- A.C.A. § 23-66-205.doc
- A.C.A. § 23-66-206.doc
- A.C.A. § 23-66-207.doc
- A.C.A. § 23-66-208.doc
- A.C.A. § 23-66-209.doc
- A.C.A. § 23-66-210.doc
- A.C.A. § 23-66-211.doc
- A.C.A. § 23-66-212.doc
- A.C.A. § 23-66-213.doc
- A.C.A. § 23-66-214.doc
- A.C.A. § 23-66-215.doc
- AR Federal Partnership Plan Management Process Blueprint 20120915.pdf
- Rule 19 UNFAIR SEX DISCRIMINATION IN THE SALE OF INSURANCE.pdf
- Rule 44 COMPLAINTS REGISTER.pdf