

Arkansas Insurance Department
Health Benefits Exchange Partnership Division
Plan Management Advisory Committee
Friday, February 8th, 2013
8:00 am

Meeting Agenda

1. Medicaid / Exchange Partnership Continuity of Coverage Presentation— Deborah Bachrach, Manatt Health Solutions

2. Pediatric Dental Benefits – Rich Albertoni, PCG

Attachment: PCG Pediatric Dental Brief

- Presentation by Ed Choate, Delta Dental

3. Tobacco Surcharge – David Dillon, L & E

Attachment: L&E Report on Tobacco Rating Issues in Arkansas

4. Rating Areas/Service Areas Update, David Dillon, L & E

TBD

5. EHB Benefit Substitution

45 CFR § 156.115(b)(3); 77 FR 70651; 77 FR 70670

Benefit substitution is allowed if the substitution is actuarially equivalent to the benefit that is being replaced, is made only within the same essential health benefit category, and is not a prescription drug benefit. Issuers must submit evidence of actuarial equivalence of substituted benefits to the state. The certification must be conducted by a member of the American Academy of Actuaries, be based on an analysis performed in accordance with generally accepted actuarial principles and methodologies; and use a standardized plan population. Actuarial equivalence of benefits is determined regardless of cost-sharing.

Option: AR has the option to enforce a stricter standard on benefit substitution or prohibit it completely.

6. QHP Bulletin Updates

- Dental excerpt:

An Issuer must notify the Exchange of its intent to participate in the certification process by March 1, 2013 by sending an email to insurance.exchange@arkansas.gov. A secondary bulletin notifying carriers of the intent to participate by stand alone dental carriers will be published no later than by March 8, 2013.

General Requirements	
State Standard	Subject to stand alone dental carriers notifying AID of their intent to participate, AID will also require all QHP Issuers offering a plan which has pediatric dental imbedded as part of its benefits to also offer an identical plan which does not include pediatric dental as part of its benefits. This requirement will be null and void and all QHP issuers will be required to have an imbedded pediatric dental benefit should no stand alone dental carriers respond with their intent to participate.

Rating Area	
Federal Standard 45 CFR §156.255	As it applies to QHPs, the ACA defines a “Rating Area” as a geographic area established by a state that provides boundaries by which issuers can adjust premiums. The ACA requires that each state establish one (1) or more rating areas, but no more than seven (7) rating areas, with that State for purposes of applying the requirement of this title.
State Standard	<i>TBD</i>

Service Area	
Federal Standard 45 CFR 155.30 & 155.70	Service area is the geographic area in which an individual must reside or be employed in order to enroll in a QHP. A QHP issuer must specify what service areas it will be utilizing. The service area must be established without regard to racial, ethnic, language or health status related factors or other factors that exclude specific high utilization, high cost or medically underserved populations.
State Standard	The state will allow the QHP issuers to choose the service area for year one in as much as service areas may not be smaller than a county, but intends to investigate regional coverage with a goal of statewide service areas. This requirement is currently under evaluation by outside AID actuaries and will be published at a later date.