

**Arkansas Insurance Department (AID)**  
**Arkansas Health Benefit Exchange Partnership Division**  
**Monthly Report –July 21, 2012 – August 23, 2012**

**General Update**

Administrative highlights during this reporting period included:

- The Arkansas Insurance Department (AID) held an administrative hearing on Tuesday July 31, 2012 regarding Rule 103 defining the process for Essential Health Benefits (EHB) Benchmark Plan adoption by the AID. The Rule was amended following public comment and was subsequently presented to the Arkansas Joint Subcommittee on Administrative Rules and Regulations on Tuesday August 21, 2012 where it was passed in Committee. The final version of the rule can be viewed at <http://www.insurance.arkansas.gov/Legal%20Dataservices/rnrpage.htm>. It should be noted that this EHB Rule outlines the process for benchmark plan selection and does not select the initial Arkansas EHB benchmark for 2014. Planning for additional rules (network adequacy, QHP approval, In-Person Assister [IPA] regulation, and possibly market conduct standards) is underway.
- The AHBEP Division submitted *an additional Level One Grant Application on August 14, 2012* for anticipated funding needed October 1, 2012 – September 30, 2013. This application requests 100% federal funding in the amount of \$18.6 million dollars for AHBEP Division needs identified since the previous grant submission as well as operational expenses for February 23, 2013 (current Level One ends February 22, 2013) through September 2013. The major component included in this application is the preparation and implementation costs for the state administered In-Person Assister (IPA) program during the October 1, 2012 – September 30, 2013 grant time period. Included in the scope of the IPA program expenses for the noted time period are the procurement, training, certification and supervision of an estimated 535 IPAs to facilitate enrollment during the open enrollment time period. AHBEP Division will need to submit a future application for IPA program operations beyond September 30, 2013 due to the federal limitation of one year grant requests under this funding opportunity announcement (FOA). Other components included additional outreach/education funding for a media campaign focused on enrollment and expected to run beginning early Summer 2013, implementation of Qualified Health Plan (QHP) certification processes to be ready for October 1, 2013 open enrollment, and a collaborative study of Exchange - Medicaid relationships including projected costs of benefit designs, churning, health care provider capacity and service delivery networks in Arkansas. This study is to be conducted during the fall of 2012 to identify the options best suited to Arkansas's health needs with vendor services continuing through September 2013 for implementation of the selected option.
- An interagency contract was drafted and approved for outreach/education/branding work via ACHI/UAMS to inform the public about the FFE-Partnership in Arkansas in a way that can be easily understood by our residents. The first phase of the planned work has been started with a public opinion poll to include polling of an estimated 500 impacted residents.

- Procedural Review meetings were held August 16 -17th with Arkansas Insurance Department Life and Health, Rate Review, Finance, and Consumer Services Divisions for the purpose of drafting procedures for the certification of Qualified Health Plans. The meetings were directed by PCG consultants and were conducted in a question and answer format to determine QHP policy needs based on AID current operations and any gaps that may exist per the QHP requirements. PCG's findings and recommendations will be presented at the September Plan Management Advisory Committee meeting following review by the various divisions within AID impacted by the recommended procedures.
- External communications during the reporting period included presentations and meetings as follows:
  - Presentation at the Arkansas Minority Health Council Public Forum in Stuttgart on July 27<sup>th</sup> (Cook)
  - Presentation at Women's Missionary Society of the Little Rock District Conference of AFME Church in AR on July 28<sup>th</sup> (Cook, Crone)
  - Presentation to Food Service Workers for DeQueen/Mena Educational Services Coop (Cook)
  - Presentation on panel at National Conference of State Legislatures meeting August 8<sup>th</sup> in Chicago (Crone)
  - Exchange Partnership development meetings held with Stephen Copley of Arkansas Interfaith Alliance, Kolena Jones of Arkansas Health Care Foundation, and Tony Garr of Enroll America (Cook, Crone)
  - Public Health Committee of Arkansas Legislature meeting August 15 on Medicaid Expansion; presented on Exchange-Medicaid Expansion interface (Bradford);
  - Rules Committee of Arkansas Legislature meeting August 21 on EHB Rule (Rand, Alexander, Crone)
- External Communication upcoming events include:
  - American Public Human Services Association-IT Solutions Management (ISM) Conference (8/28) (Crone)
  - Arkansas Business Forum on Health Care Reform (9/11) (Bradford)
  - Conway Rotary Club (9/20) (Bradford, Crone)
  - Advanced Communications and Information Technology Committee (9/27) (Crone)
  - Arkansas Charitable Clinics Annual Meeting (9/28) (Cook, Crone)
  - NW Arkansas Radio and Chamber of Commerce meeting (TBD, likely September) (Bradford, Crone)
  - America's Health Insurance Plans (10/5) (Crone)
  - National Academy for State Health Policy (NASHP) (10/16) (Crone)
- Arkansas was named as one of eight states to participate in Medicaid-FFE Enrollment & Eligibility project led by Manatt Health Solutions and to be launched the week of 8/27.
- Arkansas was selected as one of four states for Health Information Technology focus; HBEPD Director named to "team".

## ***CCIIO/CMS Update***

Grant Reporting to CCIIO. AHBEPD submitted reports for the Planning Grant Q7 (April – June, 2012) and the first report due for the Level One Grant which covered February 22- June 30, 2012. There will be one final report for the Planning Grant due by October 30, 2012. The Level One Grant reports are now on a semi-annual schedule with the next report due January 30, 2013 for July 1, 2012 – December 31, 2012.

In-Person Assisters (IPAs). AHBEP Division is continuing to plan for a state-administered In-Person Assister program. We are awaiting additional guidance that CCIIO has advised is forthcoming regarding the scope of services to be provided by the federal Navigator program and the scope of the state IPA programs. We submitted the training standards recommended last month by our Consumer Assistance Advisory Committee to CCIIO and were advised that their review of the training standards “did not result in any red flags”.

Blueprint Application. The revised Blueprint Application from CCIIO was issued on August 14, 2012 and had no major impact on Arkansas’s planned application responses. The AHBEP Division staff continues to develop the materials required for the Exchange Blueprint Application due from AR no later than November 16, 2012 in order for our state to obtain approval for implementation of Arkansas-operated components of the FFE Partnership Model. Arkansas is still on track to submit our Blueprint in late September 2012 in order to qualify for federal review and technical assistance prior to the November 16, 2012 deadline.

CCIIO Design Review (Plan Management). AHBEP Division has scheduled a Design Review for Plan Management in Bethesda, MD on Monday, October 1, 2012.

CCIIO Design Review (Consumer Assistance). AHBEP Division has scheduled a Design Review for Consumer Assistance in Bethesda, MD on Tuesday, October 2, 2012.

CCIIO Plan Management Partnership Regional Meeting. AHBEPD had been scheduled to attend a Plan Management Partnership regional meeting hosted by CCIIO in Dallas, TX on August 22<sup>nd</sup> and 23<sup>rd</sup>. These meetings were intended to coincide with the release of additional federal guidance for Plan Management partnerships. The federal guidance has not been published yet and the Dallas meeting has been postponed with a new date yet to be provided by CCIIO.

CCIIO-Arkansas Leadership Meetings. Weekly meetings continue between AHBEPD staff, our CCIIO Project Officer, Emily Pedneau, and other CCIIO/CMS staff as needed for discussion of new or pending CCIIO questions. The monthly meeting between State Health Leaders and CCIIO-CMS Leaders for August was cancelled due to scheduling conflicts. The next monthly meeting will be scheduled for September 24, 2012.

### ***Key upcoming events –***

- Request Level One (A) grant No Cost Extension for one year
- Plan Management Partnership Regional Meeting – date TBD
- Various CMS and CCIIO Technical Assistance Webinars on Exchange Development

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

### Steering Committee

*EHB Recommendations.* During May, the Steering Committee recommended that the Commissioner select one of the three largest small group plans by enrollment as Arkansas's benchmark plan. The Commissioner has been provided with a summary of the IVF benefit and actuarial data previously requested and is continuing his assessment of the options. He has also been provided with the pediatric dental supplement recommendation as an addition to the EHB recommendation following the July Steering Committee meeting. Selection of Arkansas's initial EHB benchmark is on schedule for the Commissioner to name Arkansas's Benchmark Plan in time for the September 30 submission to CCIIO.

*July Recommendations.* The Steering Committee met on July 26th and accepted both Plan Management (dental supplementation and break-away pricing structure) and Consumer Assistance (IPA Training) recommendations.

*August Recommendations to the Steering Committee.* *The Consumer Assistance Advisory Committee* completed recommendations regarding the IPA Application process and forwarded to the Steering Committee for August 30th consideration. *The Plan Management Advisory Committee* completed recommendations for the Active Purchaser vs. Open Marketplace topic area for all but one topic (Medicaid-Exchange Integration) pending additional recommendations from the Medicaid Integration Subcommittee. The completed recommendations were forwarded to the Steering Committee for August 30th consideration.

*Consumer Assistance Subcommittee - IPA Recruitment.* The In-Person Assister Recruitment subcommittee met on July 26<sup>th</sup> and August 9<sup>th</sup>. A list of potential IPA entities was developed utilizing data from the June 29<sup>th</sup> brainstorming session and the previous subcommittee meeting, as well as information from the Secretary of State's Office. The list was much too extensive (over 1,000 entities) to review at the meeting, therefore the information was e-mailed to committee members to review, add contact information, if known, as well as additional entities. The next meeting is scheduled for August 30, 2012 at 2:00 pm.

*Consumer Assistance Subcommittee - Medicaid Integration.* It has been noted that the Medicaid Integration issue impacts CAAC work and it has been suggested that a CAAC Medicaid Integration subcommittee be established. Invitations have been distributed for participation in an initial subcommittee meeting to be held August 30, 2012 at 11:00 am.

*Plan Management Subcommittee – Medicaid Integration.* The Plan Management Medicaid Integration subcommittee will reconvene on August 30, 2012 at 11:00 am. The issues that overlap with CAAC will be addressed in the last 30 minutes of the meeting with the newly formed Consumer Assistance Medicaid Integration subcommittee. The following topics are on the agenda for discussion:

- End of month coverage for private plans and Medicaid, including time for application approval to avoid gaps in coverage

- Transfers from Medicaid to the Exchange (denials OR applications within a DHS office that need to be handed off to an Assister)
- Movement from the Exchange to Medicaid, children who age out of ARKids and onto either Medicaid or the Exchange – all forms of churning
- Can we get more information about how adults apply AND re-apply for Medicaid coverage today (in person, online, mail, etc.) to help inform the process going forward?
- The transfer to MAGI income calculations within DHS - when will that happen to ensure folks don't fall through the cracks?
- Transportation (or lack thereof) for the expanded population was also discussed.

**Key upcoming events –**

- Steering Committee Meeting (August 30, 3:00-5:00pm)
- Consumer Assistance Advisory Committee meeting (September 14, 1:00-4:00pm – Ongoing Monitoring and Performance Measurement) and Subcommittee meetings (August 30, 11:00am – 12:00pm – Medicaid Integration; August 30, 2:00pm-3:00 pm– IPA Recruitment; additional dates/meetings TBD)
- Plan Management Advisory Committee meetings (September 7, 8:00-11:00 am & September 14, 8:00-9:00 am – QHP Policy Decisions) and Subcommittee meeting (August 30, 11:00am – 12:00pm – Medicaid Integration).

**Procurement Update**

In-Person Assister Program IT Services. The Division is moving forward with procurement for IT services needed to support a state administered In-Person Assister (IPA) program based on the processes and procedures being defined for this program by the CAAC. Further guidance is expected regarding how the federal Navigator program will interact with the state IPA program. Upon receipt of that guidance, AHBEPD will reassess the IT needs to determine any impact to the design. IT Demonstrations are expected to occur in September and to be closely followed by a vendor selection for this development to continue on the necessary timeline for implementation in Spring 2013.

AHBEPD Website. AHBEPD has received estimates from two companies for updates to the current AHBEPD webpage on AID's website to allow for improved navigation functionality and content organization that cannot be accommodated with AID's existing website software tools. These estimates have been reviewed and additional questions were sent to the companies. Follow up meetings with both vendors are currently planned for the week of August 27<sup>th</sup>.

**Key upcoming events –**

- Vendor IT demonstrations for IPA IT Solution
- Define next steps in In-Person Assister (IPA) IT Program vendor selection
- Make final selection for website enhancement services

**Exchange Staff Update**

AHBEPD Staff Vacancies. AHBEPD currently has an Administrative Assistant III position vacant due to the resignation of Julie Ann Chavez who accepted a position with AID's SHIPP program. A hiring freeze

exception was obtained to allow this position to be filled as soon as possible. In addition, Grants/Finance Specialist Will Roark submitted his resignation on August 21, 2012 to be effective Friday, September 7, 2012. Steps have started to fill this position as soon as possible as well.

The AHBEPD Bi-weekly Status Meetings were held on August 2nd and August 23rd and attended by the AHBEPD staff, contracted vendors, and other resources engaged through intra-agency and interagency agreements. Project risks and issues are reviewed during these meetings for pending resolutions or ongoing monitoring as appropriate.

Level One (B) New Staff Positions - Eight new positions (100% federal funding) were requested as part of Arkansas’s Level One B funding request: IPA Contract Lead, 2 IPA Contract Monitors, IPA Training Lead, Communications Specialist, Administrative Assistant II, Insurance Compliance Officer and Division Operations Manager. We will be seeking to fill these positions as soon as spending approval is obtained.

Potential Student Resources

*University of Arkansas Law School.* Arrangements have been made for law student placements at AID during the time of QHP certification next Spring.

*University of Arkansas Clinton School for Public Service.* Opportunities for Capstone project students to assist with planning and implementing both Plan Management and Consumer Assistance Processes have been publicized. Follow up is scheduled for week of August 27<sup>th</sup>.

**Other events staff participated in -**

- Staff attended the UAMS Summer Health Literacy Research Conference (8/13-8/14) (Cook)
- Enroll America webinar (8/22) (Cook)
- Staff (Chrisman, Donaldson) attended NAIC Summer National Meeting sessions related to SERFF and Health Benefit Exchanges in Atlanta (8/11-8/14)

**Key upcoming events –**

- Fill existing staff vacancies
- Prepare and submit documentation for approval of Level One (B) staff positions
- Prepare and submit documentation for approval of Level One (B) Miscellaneous Federal Grant (MFG) appropriation

**Key Risks/Issues**

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

Risk	Category	Response Strategy	Status
The Federal Funding model coupled with the State of Arkansas spending authorization model creates the need for multiple spending approval cycles plus introduces the possibility of available federal funds without the	Organizational	Evaluate impact of CCIIO review process on the release of IT funds from CCIIO  Develop subsequent Grant requests well in advance of the end of current	Open

Risk	Category	Response Strategy	Status
authority to spend.		grant monies allocation	
The guidance for the In-Person Assistance (IPA) program will not be received from CMS in a timely fashion, impacting the ability of Arkansas to develop an accurate and viable business model prior to the grant request deadline.	Organizational	Escalate the priorities for obtaining state information needed for IPA design to allow for as much time as possible to focus on aligning with required aspects once guidance is received.  Regular/frequent communications with CCIIO State Representative	Open
The lack of comprehensive integration and cohesiveness between DHS Medicaid, the FFE Partnership and other ACHI-related healthcare improvement initiatives (workforce, payment reform, health information technology)	Organizational	Regular/frequent communications with key stakeholders and agency leaders to ensure ongoing and consistent information sharing and status updates.	Open

### Key Meetings/Milestones Completed

Meeting/Milestone	Type	Date
Monthly Progress/Consultation Meeting	State and Federal Leadership	07/23/2012
July Steering Committee Meeting	Steering Committee	07/26/2012
Planning Grant Quarterly Report for Q7	Federal	07/30/2012
Level One Grant Report for 2/22/2012-6/30/2012	Federal	07/30/2012
Hearing on Proposed EHB Rule	General Public	07/31/2012
Plan Management Advisory Committee	Advisory Committee	08/03/2012 08/10/2012
Consumer Assistance Advisory Committee	Advisory Committee	08/10/2012
Consumer Assistance Subcommittee		07/26/2012 08/09/2012
Presentation at NCSL in Chicago	Invitation	08/08/2012

Meeting/Milestone	Type	Date
Level One (B) Grant Application Submittal	Federal	08/14/2012
Public Health Committee meeting to address Exchange Issues	Legislative Committee	08/16/2012
Administrative Rules Committee to address EHB Rule	Legislative Committee	08/21/2012

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

Meeting/Milestone	Type	Date
American Public Human Services Association-IT Solutions Management (ISM) Conference	Invitation	08/28/2012
NW Arkansas Radio and Chamber of Commerce (via Representative Hobbs) (TBD, likely September)	Invitation	September
Arkansas Business Forum on Health Care Reform	Invitation	09/11/2012
Conway Rotary Club	Invitation	09/20/2012
Monthly Progress/Consultation Meeting	State and Federal Leadership	09/24/2012
Advanced Communications and Information Technology Committee	Invitation	09/27/2012
Arkansas Charitable Clinics Annual Meeting	Invitation	09/28/2012
Plan Management Design Review	State and Federal	10/01/2012
Consumer Assistance Design Review	State and Federal	10/02/2012
America's Health Insurance Plans	Invitation	10/05/2012
National Academy for State Health Policy (NASHP)	Invitation	10/16/2012