

Arkansas Insurance Department (AID)
Health Benefits Exchange Partnership Division (HBEPD)
Monthly Report October 19, 2012 – November 23, 2012

General Update

Administrative highlights during this reporting period include:

- The AHBEP Division staff was prepared to submit Arkansas's Partnership Exchange Blueprint Application on November 16, 2012 when, in response to a Republican governor's request, a last minute letter was sent on November 15, 2012 to the governors of each state by DHHS Secretary Sebelius postponing the Exchange declaration and Blueprint Application submission deadline (November 16, 2012). The timeline for **State-based Exchange (SBE)** Declaration Letters and Blueprint Applications was changed to be no later than December 14, 2012 with the U.S. Department of Health and Human Services (HHS) Secretary still making HHS Approval and Conditional Approval announcements for SBEs on January 1, 2013. The timeline for **State Partnership Exchanges (SPE)** Declaration Letters and Blueprint Applications was changed to be due no later than February 15, 2013 with the HHS Secretary making HHS Approval and Conditional Approval announcements for SPEs on a rolling basis starting January 1, 2013 and continuing through March 2013. The extended deadlines resulted in Governor Beebe's decision to further consult with legislators regarding the current plan for a State Partnership Exchange prior to formally declaring Arkansas's decision to DHHS. Both the submission of Arkansas's Declaration Letter and submission of the Blueprint Application are currently on hold pending further guidance from the Governor's office.
- The required approvals for personnel and Miscellaneous Federal Grant (MFG) spending appropriation of Arkansas HBEPD's Level One – B Establishment Grant Award by the ALC-JBC Personnel and ALC-PEER committees and the full Legislative Council are on the December agendas for consideration [ALC-JBC Personnel 12/11, ALC-PEER 12/13 & ALC Review (Full Committee) 12/21].
- A request for the approval of a one year extension of First Data's contract for Procurement Development, Planning Coordination and Integration, Operations Development, and Overall Project Management Consultation has been submitted for approval by the ALC Review (Contracts) Committee at their December 12, 2012 meeting.
- AHBEPD AID has entered a contract with Manatt Health Solutions to begin a Continuity of Coverage study under the revised scope of work to include fee for services delivery model as under Arkansas's quality and payment transformation project.
- Health Meetings- Facilitated by HBEPD, representatives of health care provider, policy and insurer groups met to discuss definitions of preventative and habilitative services and other issues of continuing service including explanation of benefits, miscodings and telemedicine.

- HBEPD met with the website vendor, Information Network of Arkansas (INA), on November 15, 2012 to review website presentation options and further discuss the map of the website and content headings. INA provided a revised site outline on November 21, 2012 which is currently under review for feedback. Plans have been revised to postpone the deployment of the new website per a final decision on a logo graphic and the development of material for the website. In addition, the website is now expected to deploy prior to the launch of the Phase I Outreach and Education campaign which has been postponed pending the assessment of resource needs in support of the public inquiries the campaign will generate.
- ACHI/UAMS creative staff has worked with HBEPD to finalize the Outreach and Education program name and tag line (Arkansas Health Connector: *Your guide to health insurance*). The logo graphic provided by ACHI/UAMS which was initially accepted by HBEPD is now under further review for additional options. The plans related to the proposed creative concepts for commercials and print have not changed and it is still planned that the resulting campaign will include television, print media, radio and social media activity for multiple months although the start of the campaign has been postponed pending the assessment and resolution of resources needed in support of the public inquiries the campaign will generate.
- AHBEPD provided a draft Memorandum of Understanding and Statement of Work to the Arkansas Department of Health (ADH) regarding the approximately six (6) full-time equivalent Regional Arkansas Health Connector Specialist contracted positions that are included in our Level One-B Grant funding. These Specialists would ideally live in the region being served and, through the ADH's local Home Town Health infrastructure, provide Exchange education specific to needs of the state's 75 counties. Using materials developed by the Outreach/Education contract, and personalizing to local communities as needed, the Regional Specialists would seek speaking engagements within local civic and church entities to educate communities and targeted consumers about the Exchange and connect consumers with certified IPA (Guides). As with other initiatives associated with the Level One – B Grant, finalizing this inter-agency contract is contingent on Miscellaneous Federal Grant appropriation approval by Legislative Council.
- AHBEPD has been invited to participate in a CMS/CCIIO user group that includes states which are pursuing a common software base for their Exchange IT solution. For Arkansas, this equates to the Curam product being procured by DHS for their integrated Medicaid, CHIP and SNAP eligibility and enrollment framework.
- External communications during the reporting period included presentations and meetings as follows:
 - Arkansas Extension Homemakers Council – Ouachita District (10/23; Hot Springs) (Cook)
 - HFMA Sate Conference (10/25) (Crone)
 - Medical Society Conference (10/25; Springdale) (Donaldson)
 - AMHC Public Forum (10/25; Forrest City) (Cook)
 - Pulaski County Mass Flu Clinic (10/30) (Cook)
 - Asian Pacific Cultural Center Festival (11/3; Little Rock) (Cook)
 - Health System Improvement: Building a Healthier Future for All Arkansans AARP (11/02; Bentonville) (Wilson)
 - Consultation with Iowa (11/8) (Crone)

- National Association of Patient Advocates Policy Forum Panel (11/14; Washington, DC) (Crone)
- Consultation with Montana (11/8) (Crone)
- CHCA Board of Directors Meeting Presentation (11/20; Little Rock) (Cook)
- External Communication upcoming events include:
 - George Washington University Policy Discussion (11/28; Washington, DC) (Crone)
 - ACA Presentation (11/29; West Memphis Public Library) (Cook)
 - New Senator Orientation (12/4; Petit Jean) (Bradford & Crone)
 - ASEA Meeting Presentation (12/6; Little Rock) (Cook)
 - Delta Dental Board (12/7; Little Rock) (Crone)

CCIIO/CMS Update

Proposed Rules and Notices for Proposed Rulemaking published 11-20-2012 – There were three sets of proposed rules published on November 20, 2012. AHBEPD is reviewing the materials and plans to provide a summary of the content as it relates to current or future plans of the AHBEPD upon completion of this review. The three sets released included:

- Standards Related to Essential Health Benefits, Actuarial Value, and Accreditation
- Health Insurance Market Reforms
- Incentives for Nondiscriminatory Wellness Programs in Group Health Plans

Grant Reporting to CCIIO - The final report for the Exchange Planning Grant is due by December 26, 2012. The Level One Grant reports are now on a semi-annual schedule with the next reports due January 30, 2013 for July 1, 2012 – December 31, 2012.

Blueprint Application – AHBEPD staff remain prepared to submit the Blueprint Application for a State Partnership Exchange pending guidance from the Governor’s office. In addition, staff are reviewing the impact and drafting responses for the state’s Blueprint Application submittal if a decision is made to pursue a State Based Exchange rather than a State Partnership Exchange. Based on the new deadlines from DHHS and excluding any additional changes to deadlines, Arkansas’s Blueprint Application will be submitted on or before December 14, 2012.

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.

Exchange Simulation Invitation – AHBEPD received an invitation to participate in one of five role-playing Exchange simulations to be held in November and December 2012 to educate States and State stakeholders about the ACA rate-setting environment, premium stabilization mechanisms, and market dynamics. The invitation encouraged States to send officials and/or carrier representatives to participate in these simulations. AHBEPD has assembled a team that includes:

- Mel Anderson, Deputy Commissioner of Finance, Arkansas Insurance Department
- David Dillon, Vice President and Principal (Contracted Actuary for Arkansas Insurance Department), Lewis & Ellis
- Edgar Goral, Director Actuarial Services, QualChoice
- Dan Honey, Deputy Commissioner of Compliance, Arkansas Insurance Department
- Sam Partin, Senior Vice President, Actuarial and Management, Arkansas Blue Cross

This team will be participating in the simulation exercise on December 14, 2012 in Boston, MA. The team will also be joined by observers from our state including: Cynthia Crone, Health Benefits Exchange Partnership Division Director, Arkansas Insurance Department and Haley Keenan-Gray, Advisor, Arkansas Governor's Office. This simulation is described as an opportunity to enable States to improve their understanding of new market dynamics through experiential learning.

Key upcoming events –

- Request Level One (A) grant No Cost Extension for one year
- Various CMS and CCIIO Technical Assistance Webinars on Exchange Development
- Complete required Blueprint documentation for submission to CCIIO
- Exchange Role-Playing Simulation
- Complete final report for Exchange Planning Grant

Advisory Committees/Steering Committee Updates

Advisory Committees –

Plan Management Advisory Committee- The Plan Management Advisory Committee met on Friday November 9, 2012 and was presented with the draft Policies and Procedures manual for Plan Management activities within the Arkansas Insurance Department. The draft policies and procedures are currently under review by the different divisions within the Arkansas Insurance Department that would be affected. There were no recommendations for the Steering Committee from this meeting.

Consumer Assistance Advisory Committee- The Consumer Assistance Advisory Committee met on Friday, November 9, 2012 and discussed performance metrics associated with the payment model that was selected in October for IPA services provided by IPA contract entities. The consensus of the Advisory Committee was to have the key performance indicator based on number of completed enrollments. Subsequent guidance received from CCIIO following the Advisory Committee meeting indicated that payment for IPA services should not be based on completed enrollments. IPA/Navigators are to provide information and assistance to potential enrollees that will not always lead to an enrollment. This topic will be brought back to the CAAC in December for further review and consideration.

Consumer Assistance Subcommittee - IPA Recruitment - Our Navigator/IPA vendor, PCG, is currently performing an analysis of current IPA recruitment planning efforts. Consumer Assistance Specialist Sandra Cook has attended several pre planned events as a result of the survey monkey results. PCG discussed the need to determine the strategic nature of those events and where we will focus our recruitment efforts for the remaining months before the RFP is released. We want assurance that we are reaching all the right populations and potential IPAs identified by the recruitment sub- committee. Analysis is currently underway and is planned to be presented by PCG and discussed further at the next IPA Recruitment

Subcommittee meeting. In addition, the sub-committee identified additional potential IPA contacts specific to disabled individuals for outreach purposes. Lastly, the committee discussed a new development that medical providers were now an identified group allowed by CCIIO for IPA recruitment purposes. It was determined that Sandra Cook would attend and present at the November statewide meeting of the health clinic directors to generate interest in becoming IPA sites. In addition, it was determined that PCG would reach out to representatives of the hospital association to determine interest in hospitals providing the same function.

Medicaid Integration Subcommittee - The subcommittee met on October 25, 2012 and discussed the following:

- Churning – update of the work done after the last meeting regarding presentation of mapping for Medicaid closures.
 - The Sub-Committee reviewed process flows for 3 current coverage gap scenarios prepared by PCG and the Medicaid program to provide the sub-committee a context for thinking through the churning issue.
 - Self reported changes
 - Medicaid Renewals
 - Aging Out of Medicaid
 - The Sub-Committee tabled the discussion of churning resolutions until after the Manatt study because it is expected there could be changes in the delivery model. Some requests for broadening the scope of the Manatt study were made to Medicaid representatives who agreed to take the ideas back and discuss them in a meeting they would be having regarding the scope of work. Contract discussions are continuing.
 - In addition, the issue of undeliverable mail was raised when Medicaid closures were discussed. Mobile technology is being considered as an option to minimize coverage gaps due to undeliverable mail.
 - A question was raised regarding the extension of the Exchange open enrollment period being lengthened to allow consumers more time to enroll, however, the open enrollment period is prescriptive in the Federal regulation.
 - Medicaid was also asked if additional data matches would be occurring when the Exchange is operating from those currently being done. The answer was no further data matches were planned at this time. Current data matches include a vital statistics match and a Corrections match to identify individuals who have been incarcerated.
- The transfer to MAGI income calculations within DHS - when will that happen and how will Medicaid ensure people don't fall through the cracks?
 - Medicaid representatives responded that the MAGI calculations will apply to ARKids First until a determination is made about a possible Medicaid expansion. Currently, the

Medicaid program is planning to apply the MAGI calculation upon annual enrollment dates beginning April 1, 2014.

- Transportation (or lack thereof) for the expanded population –what plans are being made to provide more options for and better access to transportation services covered under Medicaid.
 - It was noted that transportation was a very big access issue for the current Medicaid population. If a Medicaid expansion goes forward, it has not been decided if transportation will be part of the benefit package.
 - For the next meeting, a Medicaid representative was asked to provide an overview of Medicaid transportation and any possible plans for making changes to make transportation services more available.

- Branding: should Medicaid blend its product with the Exchange for external branding and program naming?
 - There is currently a cross agency workgroup reviewing this issue. It is recognized that a stigma exists when using the term Medicaid. The sub-committee has requested an update of their work at the next meeting.

Topics to be discussed at future Medicaid Integration Subcommittee meetings:

- Eligibility - how will AID and Medicaid create a seamless eligibility experience for consumers
- Enrollment – how will AID and Medicaid collaborate on enrollment?
- How does the exchange and Medicaid coordinate on outreach and education activities?
- How will benefits be different
- Coordination of Ratings
- Networks

The next subcommittee meeting is scheduled for November 29th at 10:00 a.m.

Steering Committee

November Recommendations to the Steering Committee - The Consumer Assistance Advisory Committee completed recommendations regarding the IPA Performance Metrics being based on actual enrollments completed by IPAs. Guidance received from CCIIO after the November 9th CAAC meeting provided information that payment to IPA/Navigator contract entities should not be based on completed enrollments as had been recommended by the CAAC. Decision was made to return this topic to the CAAC for further discussion before sending a recommendation to the Steering Committee. The Plan Management Advisory Committee did not have any recommendations to be forwarded for consideration.

The Commissioner did approve the October recommendations from the Steering Committee regarding the IPA entity payment model being a combination of initial start up costs plus performance. As stated above, the specifics of the performance measurements will be discussed further at the December 14, 2012 CAAC meeting.

Key upcoming events –

- Steering Committee Meeting (November 29, 3:00-5:00pm)

- Consumer Assistance Advisory Committee meeting (December 14, 1:00-4:00 pm – Overview of Outreach and Education plan, Overview of HBE Branding Results, IPA Recruitment Update) and Subcommittee meeting (IPA Recruitment, November 29, 2:00-3:00pm).
- Plan Management Advisory Committee meeting (moved to second Fridays) (December 14, 8:00-11:00 am – Methodology for Processing QHP applications for certification)
- CAAC & PMAC Medicaid Integration Subcommittee - (November 29, 10:00 am – 11:30 am).

Procurement Updates

In-Person Assister Program IT Services – During November, AHBEPD solicited a final clarification from the three Vendors regarding more specifics for what requirements would be met based on the price and the timeline included in the follow up responses. The vendors were provided with a table of requirements to use in this response to ensure that AHBEPD could be confident that all three were responding in an identical format to the same list of requirements. The decision was made to request this additional information after comparing the costs included by each vendor and determining the need to be able to more clearly define the difference in the scope of functionality that would be made available from each response. Each vendor has submitted their completed table of requirements and the evaluation of this information is in progress.

Stakeholder Outreach Services – Met with University of Arkansas Partners for Inclusive Communities Director David Deere to discuss need for services to provide quarterly meetings for statewide broadcast and meetings within each of the 75 counties for HBEPD updates to be provided under our Level One-A funding. Drafting of inter-agency Memorandum of Understanding and Statement of Work is in progress

IT Oversight & Management Services – HBEPD’s IT Oversight and Management contracted resource from the Department of Information Systems (DIS), Carder Hawkins, accepted a full-time position with the Arkansas Insurance Department as the Deputy Commissioner of Information Technology. Carder will still be closely involved with HBEPD IT activities in his new position and discussions are in progress with DIS for a new resource to fill this role through the existing inter-agency agreement in place.

Key upcoming events –

- Select IPA IT Vendor, conduct contract negotiations and obtain signed contract for a start date to be determined in December.
- Complete new MOU with Partners for Inclusive Communities
- Fill vacant IT Oversight & Management contractor position through DIS
- Begin RFP preparation for Exchange Evaluation (Level One A) and for In-Person Assister Entities, IPA Training and Phase II Outreach/Education to drive consumers to the Exchange October 1, 2013 (Level One B).

Exchange Staff Update

Arkansas HBEPD Staff Hiring – HBEPD completed the hiring for the previously vacant Administrative Assistant III position. Nichole Weldon was selected for this position and began work on October 31, 2012.

Arkansas HBEPD Staff Vacancies – First and second round interviews were completed for the vacant Grants/Finance Specialist position. The position has been offered to the top candidate and final negotiations are in progress to reach formal acceptance and identify a start date anticipated to be in December.

Level One (B) New Staff Positions – The eight (8) additional HBEPD staff positions were advertised in late October and early November and the applications have been under review for selection of candidates to be interviewed. Interviews are expected to continue in to early December with the hiring for these positions contingent upon receiving the necessary legislative committee approvals in December.

The AHBEPD Bi-weekly Status Meetings were held on October 26th and November 9th and were 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.

Key upcoming events –

- Fill Grants/Finance Specialist vacancy
- Complete interviews for Level One (B) new staff positions
- Await legislative approval of Level One (B) new staff positions
- Await legislative 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	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
Continued cohesiveness between the FFE Partnership, Arkansas DHS and ACHI- related healthcare improvement initiatives (workforce, payment reform, health information technology).	Organizational	<ul style="list-style-type: none"> • Different messages being distributed by different agencies. • Redundancy of work. • Increased workload due to conflicting requirements. 	Regular/frequent communications with key stakeholders and agency leaders to ensure ongoing and consistent information sharing and status updates.	Open
The Federal Funding model coupled with the State of Arkansas spending authorization model creates the need for multiple spending	Organizational	<ul style="list-style-type: none"> • Schedule delays due to lack of funding for operations or services required to meet 	Evaluate impact of CCIIO review process on the release of IT funds from CCIIO	Open

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
approval cycles plus introduces the possibility of available federal funds without the authority to spend.		Partnership responsibilities. <ul style="list-style-type: none"> Reduced enrollment for Arkansans due to lack of assistance and/or lack of information for consumers. 	Develop subsequent Grant requests well in advance of the end of current 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 IPA business model.	Organizational	<ul style="list-style-type: none"> Reduced enrollment for Arkansans due to lack of assistance and/or lack of information for consumers. 	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 and others.	Open

Key Meetings/Milestones Completed

Meeting/Milestone	Type	Completed Date
Medicaid Integration Subcommittee	State	10/25/2012
Consumer Assistance Subcommittee – IPA Recruitment	State	10/25/2012
October Steering Committee Meeting	State	10/25/2012
Plan Management Advisory Committee	State	11/09/2012
Consumer Assistance Advisory Committee	State	11/09/2012

Key Meetings/Milestones Upcoming

Meeting/Milestone	Type	Date
Medicaid Integration Subcommittee	State	11/29/2012
Consumer Assistance Subcommittee – IPA Recruitment	State	11/29/2012
November Steering Committee Meeting	State	11/29/2012
Plan Management Advisory Committee	State	12/14/2012
Consumer Assistance Advisory Committee	State	12/14/2012
Exchange Declaration Letter	Federal	12/14/2012
Blueprint Application Submission	Federal	12/14/2012