

**Arkansas Insurance Department (AID)**  
**Health Benefits Exchange Partnership Division (HBEPD)**  
**Monthly Report September 22, 2012 – October 19, 2012**

**General Update**

Administrative highlights during this reporting period included:

- Arkansas HBEPD completed the initial Design Review with CCIIO in Bethesda, MD October 1-2, 2012. CCIIO was very complimentary of the evidence artifacts submitted, both during the Review session and in the Post-Design Review Letter received on Wednesday, October 17, 2012.
- Arkansas's initial essential health benefits (EHB) benchmark was submitted to CCIIO on Monday, September 24, 2012. Next steps include CCIIO's approval of the EHB at which time it will be issued for publication and comment by CCIIO.
- The Arkansas HBEPD received a Notice of Grant Award from CCIIO for our Level One Grant Application (Level One-B) submitted on August 14, 2012. The services and tasks included in the Level One – B grant will begin upon approval by the appropriate legislative committees.
- The proposed sole source contract with Manatt Health Solutions to lead a collaborative study of Insurance Affordability Programs (Medicaid, AR Kids First, Private Qualified Health Plans with tax subsidies offered through the Exchange) integration options in Arkansas was approved by the full Legislative Council on September 28, 2012. The begin date for this contract is now contingent on Miscellaneous Federal Grant (MFG) approval by appropriate legislative committee(s).
- HBEPD met with the website vendor, Information Network of Arkansas (INA), in October and completed the requirements for the website. Development work has started and HBEPD is coordinating between INA and ACHI/Creative Service to ensure the two initiatives are on the same track and that the content is common to both efforts. Plans continue for the website to have a "go live" date of no later than November 30, 2012 and to have the Outreach and Education campaign to kick off shortly after the website implementation.
- ACHI/UAMS has provided two updates to HBEPD Committees on their Outreach/Education/Branding efforts including the feedback received from the public opinion poll and the five focus group sessions conducted around the state. Presentations included creative concepts for commercials and print. The resulting campaign will include television, print, radio and social media activity for multiple months beginning in December of this year. The ACHI/UAMS team is collaborating closely with HBEPD regarding the website development to ensure the timing for implementation stays in sync and on schedule.
- AHBEPD continues discussion with the Arkansas Department of Health (ADH) regarding the approximately six (6) full-time equivalent Regional IPA Specialist contracted positions that are included in our Level One-B Grant funding. IPA Specialists would 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 IPA 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 IPAs. 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.

- External communications during the reporting period included presentations and meetings as follows:
  - DataPath Conference (9/25) (Crone)
  - AMHC Public Forum (9/25; West Memphis) (Cook)
  - Insurance and Commerce Committee of Arkansas Legislature (9/27; Hot Springs) (Bradford; Crone)
  - Arkansas Charitable Clinics Annual Meeting (9/28) (Crone)
  - Medical Society Conference (10/3; Little Rock) (Donaldson)
  - America's Health Insurance Plans (10/5; Washington D.C.) (Crone)
  - AMHC Public Forum (10/4; El Dorado) (Cook)
  - Arkansas Association of Health Underwriters (10/9)(Crone)
  - Tele-Consultation with Idaho Insurance Department (10/9) (Crone, Bradford)
  - Medical Society Conference (10/10; Jonesboro) (Donaldson)
  - Enroll America Webinar - "Help! Providing Consumers the Assistance They Need to Enroll" <http://www.enrollamerica.org/best-practices-institute/webinar-archives> (10/11) (Cook)
  - NW Arkansas (KURM) Radio Talk Show and Rogers-Springdale Chamber of Commerce meeting (10/12) (Bradford, Crone)
  - National Academy for State Health Policy (NASHP); Baltimore (10/16) (Crone)
  - UAMS Students, Faculty, Doctors (10/16) (Donaldson on behalf of Commissioner)
  - Arkansas Extension Homemakers Council – Delta District (10/18; Brinkley) (Cook)
  
- External Communication upcoming events include:
  - 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)
  - Saline County Mass Flu Clinic (10/26) (Cook)
  - Pulaski County Mass Flu Clinic (10/30) (Cook)
  - Asian Pacific Cultural Center Festival (11/3; Little Rock) (Cook)
  - National Association of Patient Advocates Panel (11/14; Washington, DC) (Crone)

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

Grant Reporting to CCIIO - The final report for the Exchange Planning Grant is due by December 29, 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 - The AHBEP Division staff continues to develop the materials required for the Exchange Blueprint Application due from AR no later than November 16, 2012. Submission of this document is required for our state to obtain approval for implementation of Arkansas-operated components of the FFE Partnership Model. Arkansas has received a waiver for approximately 50% of the Exchange Partnership Blueprint Requirements as a result of our Design Review artifacts submitted on September 17, 2012 meeting the necessary requirements.

CCIIO Design Review (Plan Management) – AHBEPD submitted the necessary Plan Management Design Review documentation to CCIIO on Monday, September 17, 2012. The Design Review session with CCIIO and CMS leaders was completed in Bethesda, MD on Monday, October 2, 2012 with AHBEPD representatives and state agency leaders participating in Bethesda as well as remotely from Little Rock through interactive video. CCIIO’s Post-Review Report was received on October 17, 2012 and is currently under review by the HBEPD team to outline next steps. Design Review documentation will be posted to the AID website following the completion of HBEPD’s review of the findings for each of the areas included in the review.

CCIIO Design Review (Consumer Assistance) - AHBEPD submitted the necessary Consumer Assistance Design Review documentation to CCIIO on Monday, September 17, 2012. The Design Review session with CCIIO and CMS leaders was completed in Bethesda, MD on Monday, October 1, 2012 with AHBEPD representatives and state agency leaders participating in Bethesda as well as remotely from Little Rock through interactive video. CCIIO’s Post-Review Report was received on October 17, 2012 and all design artifacts for Consumer Assistance were fully accepted by CCIIO. All Design Review documentation will be posted to the AID website following the completion of HBEPD’s review of the findings for each of the areas included in the review.

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. Successful health insurance markets depend on actuarially-sound premiums, and this simulation will enable States to improve their understanding of new market dynamics through experiential learning. The invitation encourages States to send officials and/or carrier representatives to participate in these simulations. AHBEPD is in the process of identifying a team to participate and, in addition to AID department personnel, has reached out to Medicaid and private carriers.

***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

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

### Steering Committee

October Recommendations to the Steering Committee -The Consumer Assistance Advisory Committee completed recommendations regarding the IPA Payment Options and forwarded to the Steering Committee for October 25<sup>th</sup> consideration. *The Plan Management Advisory Committee* did not have any recommendations to be forwarded for October consideration.

Consumer Assistance Subcommittee - IPA Recruitment - The *IPA Recruitment Subcommittee* met on September 27, 2012, 2:00-3:00pm. The subcommittee discussed the challenges around getting invitees to attend community meetings to discuss the Exchange. Sandra Cook commented that it made more sense for us to strategically be invited to meetings already in place for other purposes to discuss IPA recruitment as well as provide awareness of the Exchange. Sandra has been invited to attend many meetings already and the impact to consumers is much greater due to well attended venues. It was decided that the focus would be to solicit information about what meetings were already happening in communities around the state and ask to be invited to those meetings. Subsequent to the meeting a survey was distributed via Survey Monkey to three large lists of exchange participants. The survey has already yielded several venues for speaking and several more have been identified. The survey will be left open through the first of the year and reminders will be sent periodically to solicit additional feedback. The next meeting of the IPA recruitment sub-committee will be on October 25th at 2:00pm.

Medicaid Integration Subcommittee - The *Medicaid Integration Subcommittee* met on September 27, 2012, 10-11 am and discussed the topics identified below. The meeting was well attended and included staff from AID, Medicaid, DHS County Operations, consumer advocates, and health plan representation.

- End of month coverage extensions for private plans and Medicaid, including time for application approval to avoid gaps in coverage
  - There was much discussion around this topic. Medicaid announced that their intention is to change the current coverage closure dates from being day specific to the end of the month. A state plan amendment will need to be approved by CMS in order for this to be implemented. Currently, Medicaid recipients receive a 10 day closure notice and on the last day of the 10 day notice their coverage ends. A change to end of month closures will allow a longer window from the closure of Medicaid for a consumer to purchase insurance on the exchange. Most Medicaid recipients do not have to apply in person which limits Medicaid's ability to talk to recipients in person about other possible coverage options.

It was acknowledged that there are many Medicaid closure scenarios that need to be identified and mapped and there remain many open questions; for example, how do we deal with appeals to closure and retroactive Medicaid coverage. In addition there may be solutions to gaps such as retroactive Medicaid, or private catastrophic coverage. The group decided it made sense to have a sub group of the committee get together to discuss in more detail and identify more possible scenarios. In addition, it was noted that the upcoming Manatt contract will include a study to provide options for continuity of coverage with a possible Medicaid Expansion. Much of this data will be collected as part of that study and it is anticipated that the "to be" environment could change significantly.

For private plans, premiums in most cases have to be paid in advance. This will be an issue for recipients who do not know their coverage is ending far enough in advance. It

was acknowledged that this is where the IPA program could be helpful to consumers who have the option of purchasing insurance on the exchange, however, the transfer of data between Medicaid and the Exchange cannot occur unless there is written consent from the consumer prior to the transfer of information. In some cases there is also a 90 day waiting period for some plans; although this varies by insurer, when this is the case, it will create a coverage gap.

- Transfers from Medicaid to the Exchange (denials or applications within a DHS office that need to be handed off to an Assister)
  - Discussed that this cannot occur without written consent from the Medicaid recipient. Need to determine how to obtain written consent and develop a process flow for how the IPA connection is made.

The next subcommittee meeting is scheduled for October 25th at 10:00 a.m.

***Key upcoming events –***

- Steering Committee Meeting (October 25, 3:00-5:00pm)
- Consumer Assistance Advisory Committee meeting (November 9, 1:00-4:00 pm – Overview of Outreach and Education plan, Overview of HBE Branding Results, IPA Recruitment Update) and Subcommittee meeting (IPA Recruitment, October 25, 2:00-3:00pm).
- Plan Management Advisory Committee meeting (moved to second Fridays) (November 9, 8:00-11:00 am - Review Draft Plan Management Policies and Procedures Manual)
- CAAC & PMAC Medicaid Integration Subcommittee - (October 25, 10:00 am – 11:30 am).

***Procurement Updates***

In-Person Assister Program IT Services - All three Vendors selected for presentations of their solutions did respond to follow-up questions and AHBEPD staff continues with the vendor selection process for the IPA IT solution. The Division is planning for the selected vendor to start in November and for this development of the selected solution to continue on the necessary timeline for implementation in Spring 2013.

***Key upcoming events –***

- Select IPA IT Vendor, conduct contract negotiations and obtain signed contract to begin work in November.
- Begin RFP preparation for Exchange Evaluation (Level One A) and for In-Person Assister Entities, IPA Training, Outreach/Education to drive consumers to the Exchange October 1, 2013 (Level One B).

***Exchange Staff Update***

Arkansas HBEPD Staff Vacancies - HBEPD continues to have the Administrative Assistant III and Grants/Finance Specialist positions vacant. Additional interviews are scheduled for the Administrative Assistant opening and the Grants/Finance Specialist position has been posted on the state website and advertised in the Arkansas Democrat Gazette on Sunday, October 14, 2012.

Level One (B) New Staff Positions – The HBEPD received preliminary approval from DF&A Office of Personnel Management of appropriate classifications for the eight new positions requested in our Level One B Grant Application. Upon receiving notification of the grant award, the next step will be to present the positions to Legislative Council’s Personnel Committee for approval prior to hiring. This next step will occur in November. In the interim, positions will be posted on the state website to allow for scheduling of applicant interviews that will expedite the hiring process upon legislative approval.

The AHBEPD Bi-weekly Status Meetings were held on September 27<sup>th</sup> and October 12<sup>th</sup> 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.

New Employee Orientation - First Data has worked with HBEPD to complete a New Employee Orientation package for new HBEPD staff. The materials include a handbook and a PowerPoint presentation that work as a supplement to existing AID and OPM policies and procedures for employees to use as a reference.

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* – No students selected the Exchange Partnership as a capstone project. A first year student who is also a law student has expressed interest in working on Consumer Assistance activities.

**Key upcoming events –**

- Fill existing staff vacancies
- 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	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 authority to spend.	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 grant monies allocation	Open
The guidance for the In-Person Assistance (IPA) program will not be received from CMS in a timely	Organizational	Escalate the priorities for obtaining state information needed for IPA design to allow for as much time as	Open

Risk	Category	Response Strategy	Status
fashion, impacting the ability of Arkansas to develop an accurate and viable IPA business model.		possible to focus on aligning with required aspects once guidance is received.  Regular/frequent communications with CCIIO State Representative and others.	
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	Completed Date
Monthly AHBEPD Steering Committee	State	09/27/2012
Consumer Assistance IPA Recruitment Subcommittee	State	09/27/2012
Legislative Council Meeting – Approval of sole source contract with Manatt Health Solutions for study of IPA integration options to promote continuity of coverage between Exchange Plans, Medicaid, and AR Kids First as consumers move among these programs.	State Legislature	09/28/2012
Plan Management Design Review	State and Federal	10/01/2012
Consumer Assistance Design Review	State and Federal	10/02/2012
Plan Management Advisory Committee	State	10/05/2012
Medicaid Integration Subcommittee	State	10/12/2012
Consumer Assistance Advisory Committee	State	10/12/2012

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

Meeting/Milestone	Type	Date
Medicaid Integration Subcommittee	State	10/25/2012

Meeting/Milestone	Type	Date
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
Submit Completed Blueprint and Declaration Letter	State and Federal	11/16/2012