

**Arkansas Insurance Department (AID)**  
**Arkansas Health Benefits Exchange Partnership Division (HBEPD)**  
**Monthly Report – August 24, 2012 –September 21, 2012**

**General Update**

Administrative highlights during this reporting period included:

- Selection of Arkansas’s initial essential health benefit (EHB) benchmark was completed by Commissioner Jay Bradford and published as “Directive 2-2012: Essential Health Benefit Benchmark Plan Selection”. It is available on the AID website at <http://www.insurance.arkansas.gov/Legal%20Dataservices/PCDirectivesYR.htm> and the Arkansas Health Benefits Exchange Partnership Division website at [www.hbe.arkansas.gov](http://www.hbe.arkansas.gov). The EHB benchmark will be submitted to CCIIO on Monday, September 24, 2012.
- The Arkansas HBEPD received a request from CCIIO for additional information regarding some of the services described and funding requested in our Level One Grant Application (Level One-B) submitted on August 14, 2012. During Arkansas’s “budget negotiation” conference call on September 12, 2012, we were able to satisfactorily answer all programmatic and financial concerns. Agreed upon minor revisions were submitted on September 17<sup>th</sup>; our final request is for \$18,595,073. AHBEPD was advised that CCIIO anticipates announcing awards prior to October 1, 2012.
- 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 not “reviewed” at Legislative Review Committee due to the lack of a quorum of Committee members available to vote the contract “reviewed” on September 5<sup>th</sup>. The proposed sole source contract will now go before full Legislative Council for approval on September 28, 2012. Among other items, the study will evaluate Arkansas data to determine projected costs of benefit designs, churning, consumer demand, health care provider capacity and service delivery networks in Arkansas. This study to be conducted during the fall of 2012 will guide data-driven decisions about which option(s) are most likely to effectively advance Arkansas’s health improvement needs. Vendor services would continue through September 2013 toward implementation of the selected option for Arkansas. Options to be evaluated include maintaining the current Medicaid system and various new options for Medicaid to purchase coverage through private insurance plans offered on the Exchange.
- An inter-agency contract was signed for outreach/education/branding work by ACHI/UAMS. Results of a public opinion poll administered to an estimated 500 impacted Arkansans are expected by the end of September. The poll results will be used as a tool in development of the outreach/education/branding approach and messages to best inform Arkansas consumers about the FFE-Partnership in a way that can be easily understood.

- AHBEPD has begun 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 Application. 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.
- UCA completed a Marketplace Study addressing issuers' Exchange-related participation plans and concerns. The full report will be available on our website at [www.hbe.arkansas.gov](http://www.hbe.arkansas.gov) by September 27<sup>th</sup>.
- External communications during the reporting period included presentations and meetings as follows:
  - Natural Wonders Teen Pregnancy Action Group - Rule Changes and Issues Related to ACA (8/24) (Chrisman)
  - American Public Human Services Association-IT Solutions Management (ISM) Conference in Baltimore (8/28) (Crone)
  - Arkansas Minority Health Consortium Forum in Little Rock- 8/28; Stuttgart - 9/11; Pine Bluff – 9/18 (Cook)
  - First United Methodist Church, Steve Copley & Julie Larson - outreach to Hispanics through their immigration health clinics – Little Rock (8/29) (Cook)
  - Harding School of Pharmacy - ACA and how it will affect healthcare and insurance in Arkansas (9/5) (Chrisman, Wilson)
  - NAACP State Convention – Little Rock (9/8)(Cook)
  - Georgetown University interview regarding how AR was choosing EHB (9/11) (Chrisman)
  - Arkansas Business Forum on Health Care Reform (9/11) (Bradford)
  - Arkansas Minority Health Consortium Forum – Stuttgart (9/11) (Cook)
  - Arkansas Minority Health Consortium Forum – Pine Bluff (9/18) (Cook)
  - Power 92 Radio Station 'Ask the Doctor' segment with Dr. Creshelle Nash (9/18) (Cook)
  - Community Action Agencies – Conway (9/19) (Cook)
  - Conway Rotary Club (9/20) (Bradford, Crone)
  - Low Income Advocates Conference – Little Rock (9/21) (Cook)
- Participated in FFE Eligibility and Enrollment Learning Collaborative project meetings on 8/27/12, 9/7/2012 and 9/21/2012. Arkansas is one of eight (8) states invited to participate in the FFE Eligibility and Enrollment Learning Collaborative which is part of an initiative to bring together state and federal partners to address common challenges, pursue innovations in Medicaid program design and operation, and enable timely and effective ACA implementation. Initial focus is on eligibility and enrollment systems, identifying critical coordination and integration points between Medicaid/CHIP and the FFE and strategies to harmonize policies, operations, and systems to ensure a seamless eligibility pathway for consumers. This project is being led by Manatt Health Solutions who is contracted by CCIIO to manage this effort (Crone, Hawkins).

- Arkansas was selected by the National Academy for State Health Policy as one of four states for technical assistance through a Health Information Technology Trailblazer collaborative effort. The other states are Massachusetts, Oregon, and Minnesota; four more states are expected to join in this effort in the near future. The HBEPD Director was named to Arkansas “team”. An initial phone conference was held; an on-site meeting will be held in Arkansas on October 31. The team is currently prioritizing the state’s technical assistance needs.
  
- External Communication upcoming events include:
  - DataPath Conference (9/25) (Crone)
  - Insurance and Commerce Committee of Arkansas Legislature (9/27; Hot Springs) (Bradford; Crone)
  - Arkansas Charitable Clinics Annual Meeting (9/28) (Cook, Crone)
  - America’s Health Insurance Plans (10/5; Washington D.C. (Crone)
  - Underwriters Meeting Panel (10/9)(Crone)
  - NW Arkansas Radio Show and Chamber of Commerce meeting (10/12) (Bradford, Crone)
  - National Academy for State Health Policy (NASHP) (10/16) (Crone)

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

Grant Reporting to CCIIO - The final report for the Exchange Planning Grant is 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.

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 is on track to submit our Blueprint in advance of the November 16, 2012 deadline. AHBEP Division is also requesting automatic approval of Blueprint requirements that are complete and successfully addressed through our Design Review thus eliminating redundancy in the submission of responses. This approval process is an option available from CCIIO based on the close alignment of the Exchange Blueprint requirements and the Design Review 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 will be 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. All Design Review documentation will be posted to the AID website following the completion of CCIIO’s 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 will be in Bethesda, MD on Tuesday, October 2, 2012 with AHBEPD representatives and state agency leaders participating in Bethesda as well as remotely from Little Rock through interactive video. As for Plan Management, Consumer Assistance Design Review documentation will be posted on the AID website following completion of CCIIO’s review.

CCIIO Plan Management Partnership Regional Meeting – This meeting to be held in the Dallas Regional Office has not yet been rescheduled.

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 next monthly meeting between State Health Leaders and CCIIO-CMS Leaders is scheduled for September 24, 2012.

**Key upcoming events –**

- Design Review for Plan Management and Consumer Assistance, October 1-2, 2012
- 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
- Complete required Blueprint documentation for submission to CCIIO
- Complete final report for Exchange Planning Grant.

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

#### Steering Committee

August Recommendations - The Steering Committee's August 30th recommendations – both Plan Management (Active Purchaser vs. Open Marketplace) and Consumer Assistance (IPA Application Process)-- were submitted to the Commissioner as amended from the originally submitted Advisory Committee recommendations. Commissioner Bradford approved the Steering Committee recommendations which will be posted to the HBEPD website the week of September 24, 2012.

September Recommendations to the Steering Committee -The Consumer Assistance Advisory Committee completed recommendations regarding the IPA Application process and forwarded to the Steering Committee for September 27<sup>th</sup> consideration. *The Plan Management Advisory Committee completed* recommendations for the QHP Policy and Procedures for the Arkansas Insurance Department (AID) and forwarded these recommendations to the Steering Committee for September 27<sup>th</sup> consideration.

Consumer Assistance Subcommittee - IPA Recruitment - The In-Person Assister (IPA) Recruitment Subcommittee met on September 13th. Melanie Goodell from UAMS made a presentation regarding risk stratification for the “red counties”—those 22 counties where Arkansans born and living there have a life expectancy rate six (6) to ten (10) times less than the life expectancy of Arkansans who were born and are living in the county with the highest life expectancy. During the meeting there was also discussion regarding the creation of a calendar of recruitment events, i.e. community meetings and/or other events that would be appropriate for members to attend. The next meeting is scheduled for September 27th at 2:00 p.m.

Medicaid Integration Subcommittee - The Plan Management and Consumer Assistance Advisory Committees' Medicaid Integration Subcommittees met together on August 30th. Committee members

decided to combine the two Subcommittees, so there is now one Medicaid Integration Subcommittee. The following topics were discussed:

- End of month coverage extensions 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?

The next subcommittee meeting is scheduled for September 27th at 10:00 a.m.

**Key upcoming events –**

- Steering Committee Meeting (September 27, 3:00-5:00pm)
- Consumer Assistance Advisory Committee meeting (October 12, 1:00-4:00 pm – Reimbursement Options for IPA Entities and Performance) and Subcommittee meetings (Medicaid Integration, September 27, 10:00 – 11:30 am and IPA Recruitment, October 11, 2:00pm-3:00pm - additional dates/meetings TBD); Enroll America Webinar October 11 at 1:30pm EDT.
- Plan Management Advisory Committee meetings (October 5, 8:00-11:00 am and October 12, 8:00-9:00 am and Subcommittee Meeting (September 27, 10:00am – 11:30am – Medicaid Integration).

### **Procurement Updates**

In-Person Assister Program IT Services - AHBEPD staff met with three (3) potential vendors, Public Consulting Group (PCG), CAI, and Connecture, during the week of September 17, 2012 to discuss their proposed IPA IT solutions. Next steps include: follow up questions, vendor selection, contract negotiations and contract execution. The Division is planning for the vendor to start the first week of November and for this development to continue on the necessary timeline for implementation in Spring 2013.

Arkansas HBEPD Website - The Information Network of Arkansas (INA) has been selected by the AHBEPD to provide website development services. Detailed requirements gathering meetings are scheduled for the last week in September and INA has committed to a "go live" date of no later than November 30, 2012.

**Key upcoming events –**

- Select IPA IT Vendor, conduct contract negotiations and obtain signed contract to begin work in November.
- Complete website requirements with INA.
- 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 currently has the Administrative Assistant III and Grants/Finance Specialist positions vacant. Interviews have been completed with qualified applicants for the Administrative Assistant III position with a final decision expected the week of September 24, 2012. The finance specialist position was reclassified and we await a freeze lift in order to advertise that position.

The AHBEPD Bi-weekly Status Meetings were held on August 30<sup>th</sup> and September 13<sup>th</sup> 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 – 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. We plan to advertise expected positions upon Notice of Grant Award as was done for Level One A grant. We will not hire prior to Legislative approval.

### 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 were publicized in July. We have not heard from any students nor the Clinton School of Public Service staff and have been unable to connect with the student placement liaison.

### ***Other events staff participated in -***

- Attended AARP Summit (9/5) (Cook)
- Medicare Training (9/11-9/12) (Cook)
- Attended Bean Hamilton 2012 Executive Forum Meetings (9/18-Little Rock, Crone and 9/19-Rogers, Donaldson)

### ***Key upcoming events –***

- Fill existing staff vacancies
- Prepare and submit documentation for legislative approval of Level One (B) new staff positions
- Prepare and submit documentation for 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 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 and others.	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
Medicaid Integration Subcommittee	State	08/30/2012
August Steering Committee Meeting	State	08/30/2012
September Plan Management Advisory Committee	State	09/07/2012
Consumer Assistance IPA Recruitment Subcommittee	State	09/13/2012
September Consumer Advisory Committee	State	09/14/2012

Meeting/Milestone	Type	Date
Submission of Plan Management and Consumer Assistance Design Review Materials	State and Federal	09/17/2012
Publication of Essential Health Benefits for Arkansas	State	09/21/2012
Submission of Essential Health Benefits to CCIIO through HIOS	State Federal	09/24/2012

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

Meeting/Milestone	Type	Date
Monthly Progress/Consultation Meeting	State and Federal Leadership	09/24/2012
Monthly AHBEPD Steering Committee	State	09/27/2012
Consumer Assistance IPA Recruitment Subcommittee	State	09/27/2012
Legislative Council Meeting – Seek approval of sole source contract with Manatt Health Solutions for study of IPA integration options to promote continuity of coverage between Exchange, 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 10/12/2012
Consumer Assistance Advisory Committee	State	10/12/2012
Submit Completed Blueprint and Declaration Letter	State and Federal	11/16/2012