

Arkansas Insurance Department (AID)
Health Benefits Exchange Partnership Division (HBEPD)
Monthly Report December 18, 2012 – January 18, 2013

General Update

Administrative highlights during this reporting period include:

- Final approval for the Level One-B Miscellaneous Federal Grant (MFG) appropriations was received from the Arkansas Legislative Council on December 21, 2012 thus allowing HBEPD to proceed with activities planned in the Level One – B Establishment grant approved by DHHS on September 27, 2012.
- Based on Steering Committee December recommendations and the Commissioner’s approval of those recommendations, HBEPD formally submitted three (3) updates to DHHS for revisions to Arkansas’s previously submitted Essential Health Benefits

1. Habilitative Services -

“As outlined in the proposed 45 CFR 156.100 (f), if a state’s base-benchmark plan for essential health benefits does not include coverage for habilitative services, the state may determine which services are included in that category. After completing our Stakeholder Engagement cycle for review and agreement on this topic, the following definition for habilitative services has been approved and should become a part of Arkansas’s EHB package.

“Habilitative Services are services provided in order for a person to attain and maintain a skill or function that was never learned or acquired and is due to a disabling condition.”

The Arkansas Insurance Department (AID) Health Benefits Exchange Partnership Division (HBEPD) will continue to develop criteria by which AID will evaluate the EHB habilitative services coverage. At a minimum, criteria will be at parity with EHB rehabilitative services coverage. The HBEPD established Stakeholder Engagement Model process will be followed to assess and recommend habilitative services coverage, i.e.- the Plan Management Advisory Committee will recommend to the Steering Committee criteria for consideration at the January 24, 2013 Steering Committee meeting and the Steering Committee will recommend evaluation criteria to the Commissioner. It is intended that, when approved by the Commissioner, these recommendations will become a part of the criteria to be used by AID in the assessment of QHPs and that the establishment and publication of these criteria by January 31, 2013 will allow Issuers time needed to develop any products they intend to submit for the Exchange.”

2. Pediatric Services – Age Limit

“Within CMS 9980-P Section 2 Subpart B (c), HHS notes ‘while we recommend coverage of pediatric services up to age 19, states have the flexibility to extend pediatric coverage beyond the proposed 19 year age limit.’ Currently, coverage under the State’s CHIP program for most services is limited to children up to age 19. As the CHIP option was chosen to supplement both pediatric dental and vision, the State has chosen to align with federal guidance and adopt ‘up to age 19’ as the benchmark for pediatric services.”

3. Pediatric Vision

“Prior guidance indicated that a base-benchmark plan lacking the category of pediatric vision could only be supplemented by the Federal Employees Dental and Vision Insurance Program (FEDVIP) vision plan with the largest enrollment. Proposed 45 CFR 156.100 (b) (3), as released on November 21, 2012, expanded this option to state that a base-benchmark plan lacking the category of pediatric vision services must be supplemented by either FEDVIP vision plan with the largest enrollment or the benefits available under the state’s separate Children’s Health Insurance Program (CHIP) plan.

The State’s Plan Management Advisory Committee reviewed a comparison of these two supplement options and discussed the implications of each. Given that the expected difference in cost between the two options was relatively low, the Committee recommended adoption of the state’s CHIP vision plan in order to support continuity of care for children as they transition between CHIP and qualified health plan (QHP) eligibility categories. The Arkansas Health Insurance Exchange Steering Committee voted to adopt this recommendation, which includes the following services.”

Services	Description	Limitations
Diagnostic	Eye Exam	1X per year, \$10 copayment
	Surgical Evaluation	Limited to specific diagnoses
Glasses/Lenses	Eye Wear	1X per year, \$10 copayment
	Lenses	Plastic or polycarbonate only
	Eye Glass Repair	Limited to those originally purchased through this program
	Lost/Broken	1X within benefit period, each additional pair req. prior authorization
	Contact Lenses	Covered only if medically necessary, prior authorization
Other	Eye Prosthesis	Prior authorization required
	Polishing Services	Prior authorization required

- HBEPD completed the selection of the graphic for the branding of the Arkansas Health Connector program.



Next steps include the development of material for the website and the deployment of the website which is currently estimated for late February, early March 2013.

- ACHI/UAMS Creative Services has been provided with the selected logo artwork and has started the development of materials for approval. Plans for the deployment of this initial Outreach & Education campaign remain on hold pending the creation of the infrastructure and addition of resources needed in support of the public inquiries the campaign will generate.
- Preliminary planning has begun for the Arkansas Health Connector Resource Center. This service will provide Arkansas consumers, brokers, health providers or issuers with support when they have questions, need access to In Person Assister Guides, or would like to schedule speaking engagements. The initial influx of communications to this center is expected to be generated as a result of the Phase I Outreach and Education campaign introducing Arkansans to the Arkansas Health Connector Program in advance of the Phase II "Get Enrolled" Outreach and Education Campaign scheduled for deployment closer to open enrollment. The AHEBPD plans to operate the Resource Center through a two-part interagency agreement work with the Arkansas Department of Health (ADH) to provide these services utilizing existing ADH infrastructure that fits the needs for Resource Center service model. The second part of the interagency agreement with ADH will be the integration of Exchange and ACA education services within ADH's Home Town Health infrastructure that is already in place to respond to the needs of the state's 75 counties
- HBEPD's vendor, Manatt, who is conducting a study for Continuity of Coverage in Arkansas, will be onsite February 6- 8, 2013 to meet with internal leadership team and a smaller stakeholder group comprised of consumers, health care industry leaders and policy makers. The Manatt team's onsite time will also include a presentation to the Plan Management Advisory Committee at the committee's next scheduled meeting on Friday, February 8, 2013 at 8:00 am.

- External communications during the reporting period included presentations and meetings as follows:
 - Arkansas Agricultural Aviation Association- ACA Presentation(1/14; Little Rock) (Donaldson)
 - Rotary Club Presentation (1/17; Fordyce) (Cook & Donaldson)

CCIIO/CMS Update

Conditional Approval for Arkansas Partnership Exchange Received – HBEPD received notification of Conditional Approval for an Arkansas Partnership Exchange in Arkansas in a letter dated December 31, 2012 from DHHS Centers for Medicare and Medicaid (CMS) Acting Director Marilyn Tavenner. Conditional Approval is granted based on a state not having completed all Blueprint Activity requirements but providing a work plan for completing the pending requirements and being operationally ready for the initial open enrollment period. Arkansas will remain in a Conditional Approval status as CMS monitors Arkansas’s completion of milestones leading to the completion of Blueprint Activities and full implementation of partnership operations in Arkansas

Memorandum of Understanding – HBEPD continues to work with CMS on finalizing the Memorandums of Understanding (MOU) between the Arkansas Insurance Department and CMS for Plan Management and Consumer Assistance responsibilities under the Exchange Partnership model . HBEPD is working toward a February 15, 2013 completion date for both MOUs with several rounds of review scheduled over the next 3-4 weeks.

Proposed Rules and Guidance Published in Reporting Period –

- January 14, 2013 - Proposed Rule - Medicaid, Children’s Health Insurance Programs, and Exchanges: Essential Health Benefits in Alternative Benefit Plans, Eligibility Notices, Fair Hearing and Appeal Processes for Medicaid and Exchange Eligibility Appeals and Other Provisions Related to Eligibility and Enrollment for Exchanges, Medicaid and CHIP, and Medicaid Premiums and Cost Sharing http://www.ofr.gov/OFRUpload/OFRData/2013-00659_PI.pdf
- January 3, 2013 - Guidance on the State Partnership Exchange <http://cciio.cms.gov/resources/files/partnership-guidance-01-03-2013.pdf>
- January 15, 2013 - Instructions for the Proposed HHS Risk Adjustment Model & Technical Details on the Proposed HHS Risk Adjustment Model http://cciio.cms.gov/resources/files/ra_instructions_proposed_1_2013.pdf

No Cost Extension Request for Level One (A) Establishment Grant – HBEPD received notification of CMS approval for a No Cost Extension of our Level One (A) Establishment grant. The extension is for one year covering the time period of February 22, 2013 – February 21, 2014. This extension allows HBEPD to continue activities planned within the grant that have not yet been completed due to delayed state approval of the federal appropriations and delayed federal guidance impacting scheduled activities and contracts included in the grant. The request is for an extension of time only and does not include any additional funding request for the activities documented within the Level One (A) work plan.

Grant Reporting to CCIIO - The final report for the Exchange Planning Grant was submitted on December 21, 2012. Reports for the Level One – A and Level One – B grants will be submitted by January 30, 2013.

CCIIO-Arkansas Leadership Meetings - Weekly meetings continue between HBEPD staff, our CCIIO Project Officer, Emily Pedneau, and other CCIIO/CMS staff as needed for discussion of new or pending CCIIO questions.

Key upcoming events -

- Various CMS and CCIIO Technical Assistance Webinars on Exchange Development
- Complete Semi-Annual Report for Level One -A & Level One -B Establishment Grants
- Complete Memorandum of Understanding (MOU) for Plan Management and Consumer Assistance Responsibilities

Advisory Committees/Steering Committee Updates

Advisory Committees

Plan Management Advisory Committee – The December meeting of the Steering Committee requested that the PMAC schedule time in January to further review considerations impacting recommendations regarding the scope of services to become a part of the EHB for habilitative services. The Plan Management Advisory Committee met two times as of January 18th and has third meeting scheduled for January 24, 2013 as every effort is made to address habilitative services in Arkansas’s EHB package.

January 11 PMAC meeting- The PMAC committee revisited the issue of defining the scope of habilitative service benefits to be offered as part of essential health benefits provided under the Arkansas Exchange. PCG presented a report on options for defining the scope of benefits and options for defining parity in habilitative services to inform the conversation, presented concrete options, and facilitated discussion surrounding those options. The discussion that took place at the January 11 meeting did not result in any motions being made but based on the discussion, the committee supported inclusion of “developmental services” and “durable medical equipment”.

January 18 PMAC meeting –The committee continue the conversation from January 11th meeting about the cost impact of habilitative services and the options for habilitative services provider types. The committee still did not feel they had enough information to propose a recommendation and a sub-group was formed and tasked with providing As a result, the committee did not have enough information to come to consensus.

Consumer Assistance Advisory Committee - The Consumer Assistance Advisory Committee meeting for January was cancelled due to no policy decisions pending their approval. The co-chairs did meet with HBEPD and PCG to discuss upcoming plans for the committee.

Consumer Assistance Subcommittee - IPA Recruitment - The Consumer Assistance Subcommittee for IPA Recruitment was cancelled.

Steering Committee

The Steering Committee met on Thursday, December 20, 2012 and accepted the Plan Management Advisory Committee's December recommendations regarding the updates to the State's EHB package that are detailed in the General Update section of this report that begins on page 1. The Steering Committee requested further assessment to be conducted in January by the PMAC regarding a recommendation for the scope of services for habilitative services.

The Consumer Assistance Advisory Committee did not have any January recommendations to be forwarded for consideration.

The Plan Management Advisory Committee did not have any January recommendations to be forwarded for consideration by the Steering Committee as of the time this report was written.

Commissioner

The same recommendations accepted by the Steering Committee on December 20, 2012 were subsequently approved by the Commissioner before HBEPD submitted these recommendations to CMS on December 21, 2012 as updates to Arkansas's EHB package.

There are no recommendations pending review or approval by the Commissioner at this time.

Key upcoming events –

- Steering Committee Meeting (January 24, 2013, 3:00-5:00pm)
- Consumer Assistance Advisory Committee meeting (February 8, 2013 1:00-4:00 pm)
- Plan Management Advisory Committee meeting (February 8, 8:00-11:00 am – Continuity of Coverage Presentation & Plan Management Topic Area - Oversight and Monitoring)

Procurement Updates

In-Person Assister Program IT Services –HBEPD has selected CAI as the vendor for the IPA IT solution. Notifications were sent to all vendors that responded to the opportunity in the second week of January. An initial meeting was held with CAI on January 15, 2013 and a draft schedule and contract is expected from CAI no later than January 29, 2013. The solution as identified will provide HBEPD with application functionality for the management of the IPA Entity contracts as well learning management system functionality for the maintenance and tracking of training and certifications. Implementation is to be phased beginning in June of this year.

In-Person Assister (IPA) Contract Entities – The development of a RFP for IPA services is still in progress with the latest draft due from PCG by Friday, January 25, 2013. The final version of this RFP is expected to result in multiple contracts for IPA services around the State. Publication of this RFP currently remains scheduled for February 1, 2013.

Key upcoming events –

- Selected IPA IT Vendor, CAI, to begin work the first of February.
- Complete new MOU with Partners for Inclusive Communities

- Begin RFP preparation for Exchange Evaluation (Level One A), 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 – Two (2) of the eight (8) new positions approved in HBEPD’s Level One – B grant have been filled by existing HBEPD staff. Administrative Analyst III Tangelia Clary-Marshall was selected to fill the new HBEPD Operations Manager position and Consumer Assistance Specialist, Sandra Cook, was selected for the new IPA Contract Manager position. In addition to these internal selections, three resources new to HBEPD have also been hired in the in the most recent reporting period. Seth Blomeley started on Monday, January 14, 2013 in the position of Exchange Partnership Research & Policy Specialist. Terri Clark also began work at HBEPD on Monday, January 14, 2013 in the position of Exchange Partnership Communications Specialist. Heather Haywood accepted HBEPD’s Exchange Partnership Public Information Manager position and is scheduled to begin on Tuesday, January 22, 2013.

The five remaining vacancies include 2 Contract Monitors, IPA Education Lead, QHP Compliance Officer and IPA Administrative Analyst. Current plans are to have the hiring for these positions finalized within the next reporting period. In support of this effort, HBEPD is diligently working to coordinate the allotment of office space within AID for the additional HBEPD staff while also procuring the necessary equipment for these staff members.

The HBEPD Bi-weekly Status Meeting - A meeting was held on January 10, 2013 and was attended by the HBEPD 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 –

- Complete interviews for remaining Level One (B) new staff positions
- Complete space renovations for new staff

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
Lack of continued cohesiveness between the FFE Partnership, Arkansas DHS and ACHI-related healthcare improvement initiatives (workforce, payment reform, health	Organizational	<ul style="list-style-type: none"> • Different messages being distributed by different agencies. • Redundancy of work. • Increased workload due to 	Regular/frequent communications with key stakeholders and agency leaders to ensure ongoing and consistent information sharing and status updates.	Open

Risk	Risk Category	Possible Outcome if Risk Occurs	Risk Response Strategy	Risk Status
information technology).		conflicting requirements.		
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	<ul style="list-style-type: none"> Schedule delays due to lack of funding for operations or services required to meet Partnership responsibilities. 	<ul style="list-style-type: none"> 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 Navigator 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. 	<ul style="list-style-type: none"> 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
December Steering Committee Meeting	State	12/20/2012
Plan Management Advisory Committee #1	State	01/11/2013
Plan Management Advisory Committee #2	State	01/18/2013
Conditional Approval Received for Partnership Exchange	Federal	12/31/2012

Key Meetings/Milestones Upcoming

Meeting/Milestone	Type	Date
Plan Management Advisory Committee #3	State	01/24/2013
January Steering Committee Meeting	State	01/24/2013
Plan Management Advisory Committee	State	02/08/2013
Consumer Assistance Advisory Committee	State	02/08/2013