

Federal Exchange Partnership Model for Arkansas

Actuarial projections are that 211,000 Arkansans will enroll in private health insurance plans through the Health Benefits Exchange (HBE) and 175,000 additional residents will enroll in the newly expanded Medicaid Program, decreasing our uninsured rate from 20% in 2013 to 10% in 2014.

Recognizing that “insurance is local”, DHHS recently announced a Federal Partnership Model *for States not electing to operate their own Exchange*.

Under the **Federal Partnership Model**, Arkansas could choose to operate (and receive funding for) functions we have traditionally performed and are well-suited for:

- ✓ **Insurance Plan Management** –*critical to consumer protection and cost control*. Plan management functions include insurance plan selection, rating, monitoring and oversight including on-going data analysis for data-driven improvements. *Having public and private payers working together to set plan and care standards and evaluate outcomes aligns with our State’s quality improvement efforts and will help inform both providers and consumers, designing economic incentives for both.*
- ✓ **Consumer Assistance Functions including Outreach and Education and the Arkansas Navigator Program**. *We know a lot about Arkansans and have experience with outreach to our residents—like with AR Kids First where we have been very successful in getting our children covered. The Federal Partnership Model would provide funding to assist in getting more Arkansans enrolled—improving health and stabilizing costs. Consumer assistance also includes complaint/grievance resolution—functions that can best be done in Arkansas for Arkansans.*

Key Points About FFE-Partnership Planning:

- ✓ ***Cooperative Agreement funding sought for planning of Exchange functions that Arkansas is best suited to perform*** (e.g., plan management, consumer assistance, technology needs for Arkansas functions and to connect with federal exchange).
- ✓ There would be **no “pay back requirement”** if Arkansas elects a wholly federal exchange or if parts of the current law are struck down by the Supreme Court.
- ✓ Regardless of the U.S. Supreme Court Decision, use of planning funds would **improve Arkansas systems** at AID (Health Plan Management) and for outreach/education (newer technologies and Arkansas entities).
- ✓ Funds can be used (100% during planning phase) to **assist Arkansas DHS with planning Medicaid interfaces** needed for connection with Federal Enrollment/Eligibility portal. *A totally Federally-operated Exchange is not without costs to AR.*