

EXHIBIT D-1

House and Senate Public Health, Welfare, and Labor Committees
Arkansas Insurance Department (AID)
Arkansas Health Connector Division (AHC)
June 27, 2013



Update on planning efforts for open enrollment
starting October 1, 2013, for coverage effective January 1, 2014.

Outreach and Education

- The Outreach and Education campaign is in high gear. Tonight, June 27 at 7pm, we invite you to watch a one-hour informational program on the Arkansas Educational Telecommunications Network (AETN) to educate Arkansans about the new Marketplace. The goal is to inform consumers who need health insurance about their upcoming options and also let business leaders know how the Marketplace will affect them.
 - Participants in the AETN program include Gov. Mike Beebe, Surgeon General Joe Thompson, Insurance Commissioner Jay Bradford, Insurance Deputy Commissioner Cynthia Crone, AID Arkansas Health Connector (AHC) Agent and Broker Specialist, Bruce Donaldson, and Arkansas District Director of the U.S. Small Business Administration, Linda Nelson.
 - AID staff will be manning the AETN phone bank to take calls from Arkansans with questions about the Marketplace.
- The new website for the Arkansas Health Connector went live today, June 27. We invite you to visit ARHealthConnector.org
- AID and MHP hosted training Tuesday, June 25th, for our Speakers Bureau which includes about 60 community-minded individuals who will speak to groups across the state to educate people about the Marketplace starting in July.

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- Informational inserts appear in this week's *Arkansas Business* and *Arkansas Times*, among other publications.
- We will reach out to small businesses in Arkansas with help from the Arkansas Small Business and Technology Development Center at the University of Arkansas at Little Rock.

Qualified Health Plans

- June 30 is the deadline for issuers to apply to offer a Qualified Health Plan (QHP) in the Health Insurance Marketplace. So far, five companies have provided Letters of Intent to the Commissioner regarding the Service Areas in which they plan to do business. Those letters came from medical carriers: Arkansas Blue Cross Blue Shield, NovaSys/Celtic Insurance Company, National Blue Cross Blue Shield multi-state plan, QualChoice of Arkansas, and United Security Life and Health Insurance.
- AID will vet each QHP proposal by reviewing the applicant's compliance with QHP certification criteria developed in Arkansas and the company's financial status and business plan.
- June 30 is also the deadline for AID to receive applications from providers of Stand-Alone Dental plans. We have received letters of intent to offer dental plans from five companies: Arkansas Blue Cross Blue Shield, Best Life and Health, Delta Dental, Dentegra, and Guardian.
- By July 31, the Commissioner must recommend approved Qualified Health Plans and dental plans to the federal government for inclusion in the Health Insurance Marketplace.

Implementation Review

- Several AHC staff met on June 19 with staff from the U.S. Department of Health and Human Services (HHS) for Arkansas's Implementation Review in Bethesda, MD. This involved a two-way briefing with key personnel from HHS, including the Center for Consumer Information and Insurance Oversight (CCIIO), about the progress of the AHC toward open enrollment on October 1, 2013. AHC staff also shared issues and concerns with HHS and expressed appreciation for their willingness to listen and their thoughtful collaboration on the project.
- The reviewers were complimentary of Arkansas's progress and we expect a report from them in the near future. An operations review will be required in the fall.

Guides

- The AHC has to date finalized contracts with 25 entities to provide In-Person Assisters (also known as IPAs or guides). Agreements with the Arkansas Department of Health and the Arkansas Minority Health Commission are pending.

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- Training of guides started this week. The training for the guides will be conducted throughout the state at 22 two-year colleges and one four-year college. The Arkansas Association of Two-Year Colleges and the Arkansas Department of Higher Education have been instrumental in this training. Two weeks of Train the Trainer courses were held to prepare instructors to teach prospective guides. UAMS College of Public Health coordinated a review of training modules for health literacy and cultural/linguistic appropriateness.
- Our goal is to have 535 guides working throughout the state. We currently have 500 positions allocated to the 28 vendors. The Health Department will employ 235 FTE guides in 100% federally funded extra help positions--by far the largest number of guides for one IPA entity. Each of the 75 counties will be covered.
- According to HHS, Exchange Establishment grants can't be used to support Medicaid functions, such as enrollment efforts or information technology. Specifically, the application for Marketplace grants states on page 34 that among "prohibited use of grant funds" are expenses "to improve systems or processes solely related to Medicaid/CHIP ..." Therefore, AID Marketplace grant money was unable to be tapped for guides to reach out to the population eligible for Private Option plans. Federal Medicaid dollars could help fund these additional guides provided the state also provides (match) funding. Based on legislative opposition to any state dollars being used for Marketplace functions, The Arkansas Department of Human Services has declined to pursue initial plans to provide the state share for an additional 100 guides to assist with enrollment in the Private Option.

Security

- Marketplace servers and networks are under comprehensive controls and processes mandated by HHS specifications, which include federal statutory confidentiality protections.
- When a consumer applies for insurance, a secure Internet connection is established in the same manner of on-line banking transactions.
- Guides are being trained on confidentiality and privacy of consumer data. Enrollment in a Marketplace does not necessitate the storage of any personal information in Guide computers.

Consumer Protection

- AHC staff reached out to the Arkansas Attorney General's office about how to best protect the interests of consumers as many will be shopping for health insurance for the first time. The Consumer Protection Division at the AG's office has indicated it will collaborate on public service announcements to best inform the people to keep watchful of plans that could be fraudulent. The AID Consumer Services and Fraud Divisions will also continue their strong consumer protection roles.

ORGANIZATION	NUMBER OF IPA GUIDES AWARDED	COUNTIIES TO BE SERVED
Arkansas Dept of Health	234	All
Arkansas Guide Organization	6	Boone, Carroll, Madison, Marion
Arkansas Health Care Foundation	4	Jefferson, Hot Spring, Pulaski, Faulkner
Arkansas Minority Health Commission	10	Ouachita, Sevier, Union, Desha, Phillips, St Francis, Crittenden, Pulaski
Arkansas Voices for the Children Left Behind	1	Pulaski
Better Community Development, Inc.	4	Pulaski
Central Arkansas Volunteers in Medicine d/b/a Harmony Health Clinic	5	Pulaski
Central Arkansas Library	8	Jefferson, Faulkner, Lonoke, Pulaski, Saline
CHOCROSS, LLC	7	Lee, Monroe, Crittenden, and Cross
Community Health Centers of Arkansas, Inc.	35	Benton, Carroll, Clark, Cleveland, Crawford, Crittenden, Drew, Greene, Hempstead, Lawrence, Lincoln, Logan, Marion, Montgomery, Newton, Ouachita, Phillips, Poinsett, Polk, Pulaski, Randolph, Searcy, Sebastian, Sevier, Union, Van Buren, Washington
Covenant Medical Benefits, Inc.	22	Clay, Craighead, Cross, Greene, Jackson, Mississippi, Lawrence, Poinsett, Randolph, Sharp
East Arkansas Enterprise Community (EAEC), Inc.	6	St Francis
Economic Opportunity Agency of Washington County, Inc. (EOA)	7	Washington
Friendship Community Care, Inc	4	Boone, Pope, Washington, Stone
Future Builders, Inc.	11	Jefferson, Faulkner, Lonoke, Pulaski, Saline
Harbor House, Inc.	3	Crawford, Sebastian, Polk
HealthCare Initiatives, Inc	48	Benton, Boone, Carroll, Crawford, Franklin, Jefferson, Johnson, Logan, Newton, Pope, Pulaski, Sebastian, Washington, Yell

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Hope, Restoration & Wellness Learning Center	1	Pulaski
IN Affordable Housing, Inc.	9	Conway, Yell, White, Faulkner, Garland, Grant, Lonoke, Pulaski
Mental Health Council of Arkansas	16	Miller, Sevier, Union, Cleburne, Craighead, Independence, White, Pulaski, Benton, Washington, Boone, Crawford, Sebastian
Options for Life Services, LLC	11	Columbia, Dallas, Hempstead, Howard, Lafayette, Little River, Miller, Nevada, Union, Bradley, Jefferson
Quapaw House, Inc.	1	Garland
Southeast Arkansas Behavioral Healthcare System, Inc.	3	Arkansas, Jefferson, Grant
The Hispanic Women's Organization of Arkansas	10	Benton, Washington
The Living & Affected Corporation	7	Jefferson, Sebastian, Faulkner, Garland, Pulaski, Saline
Tri-County Rural Health	23	Arkansas, Ashley, Chicot, Desha, Drew, Jefferson, Lee, Lincoln, Mississippi, Phillips, Crittenden
Women's Council on African American Affairs, Inc.	4	Pulaski