

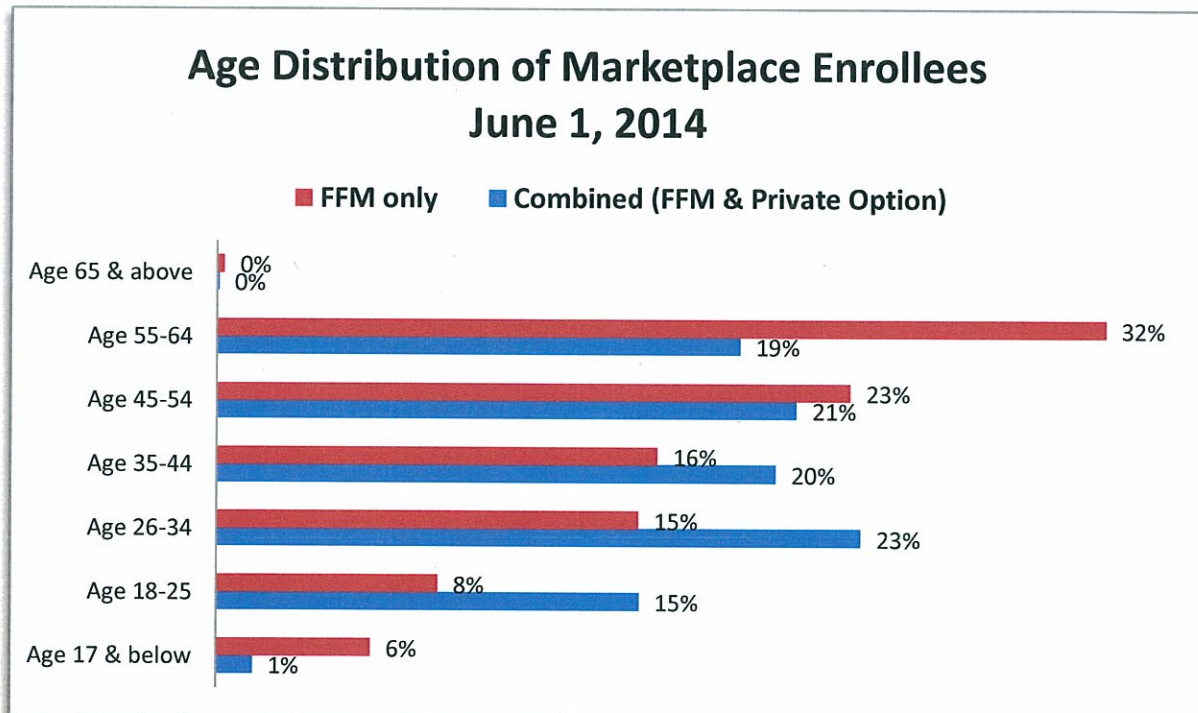
House and Senate Public Health, Welfare and Labor Committee meeting
Arkansas Insurance Department (AID)
Arkansas Health Connector Division (AHCD)
June 26, 2014



Update on the Health Insurance Marketplace in Arkansas

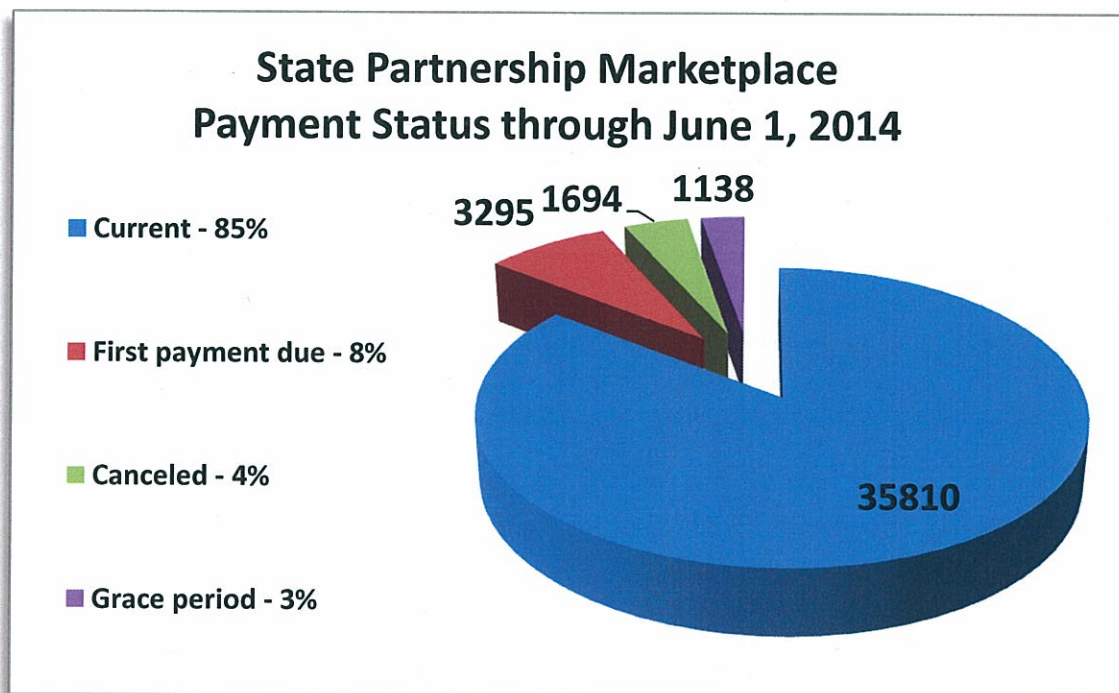
Enrollment

Through June 1, according to issuer reporting to AID, there were 41,937 Arkansans with incomes above 138 percent of the Federal Poverty Level enrolled in plans through the Federally-Facilitated Marketplace (FFM). Of those over 138 percent FPL, 55 percent were female and 45 percent male. A percentage breakdown of FFM enrollees by age is shown below against the same breakdown in the combined (FFM and Private Option) market.



Consumer Payment Status

A vast majority of consumers with incomes greater than 138% of the FPL are current on their premiums as illustrated in the chart below.



Consumer premium costs

Latest data from the U.S. Department of Health and Human Services indicates that the Federally-Facilitated Marketplace, of which Arkansas is a part, has significantly contributed to lower health care premiums for American consumers, especially those in financial need. A report released June 18 shows that the average monthly premium was \$346 for people selecting plans in the Marketplace. When tax credits are factored in, direct out-of-pocket premium costs to consumers fell to \$82 a month on average. For Arkansas consumers selecting a Silver Level Plan, the average Marketplace premium was \$393 a month before tax credits and \$83 a month after tax credits. A news release from HHS along with a link to the entire report on premium costs can be found at <http://www.hhs.gov/news/press/2014pres/06/20140618a.html>

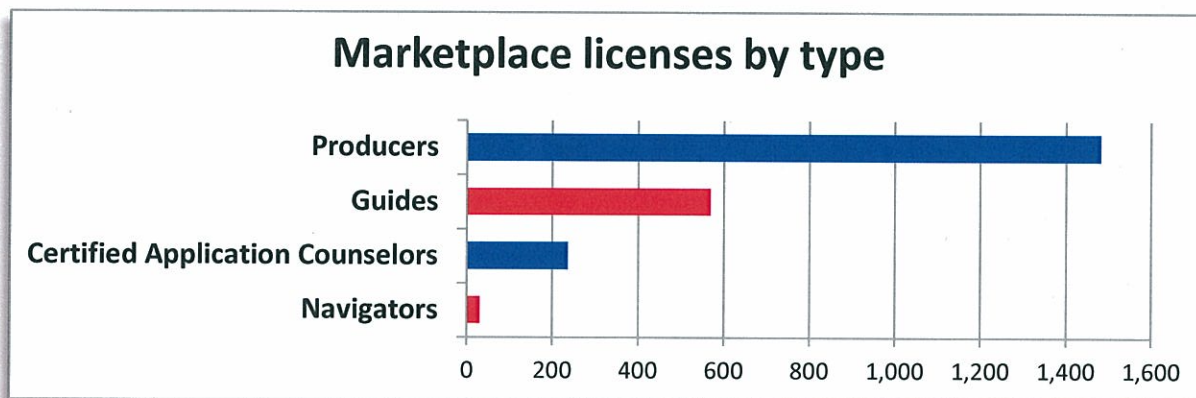
Consumer Assistance

The AHCD Resource Center continues to handle a high volume of calls. In total, between October 1 and June 18, there were 18,311 calls to the Arkansas Health Connector Resource Center. We also continue working to get answers to special inquiries from legislators or other public officials for their constituents. Through the end of May 2014, agencies employing In-Person Assisters (Guides) reported 163,789 encounters assisting individuals with eligibility and/or enrollment activities and conducting 43,553 outreach activities attended by 543,080 individuals. In compliance with Act 276 of 2014, all contracts with Guide organizations providing In-Person Assister activities will end no later than June 30, 2014 and AID will no longer expend federal grant money for Guides.

Licensing

AID licensing of guides, producers, and other Marketplace assisters as required by Act 1439 of 2013 continues. Re-licensure training will be available on-line by the first week in July. All Marketplace Assisters must be re-licensed by September 30, 2014, to provide enrollment assistance during the Open Enrollment period for Plan Year 2015. We are working to expand the number of licensed insurance agents and brokers who also are licensed as Exchange Producers.

Through June 19, 2,325 total Marketplace assister licenses included 1,489 licenses to producers, 575 to guides, 236 to certified application counselors, and 31 to navigators.



Plan Management

The Qualified Health Plan (QHP) application due date for Plan Year 2015 was June 15 for issuers desiring to participate in the Arkansas Marketplace. The comprehensive review process has begun. More companies applied than in the 2014 Marketplace and AID continues discussions with a possible new issuer to the Arkansas Marketplace. Nothing is finalized at this early point in the review process.

Quality Ratings

AID is working in conjunction with vendor PCG and stakeholders, especially those participating on the Consumer Assistance Advisory Committee and the Plan Management Advisory Committee, to help create a quality rating system for health insurance plans to assist consumers as they seek to navigate a system which all agree can be quite imposing for even consumers well-versed in insurance terminology. Timelines and metrics are being developed and stakeholder meetings will continue at AID.

New Rules

Two proposed new rules – Network Adequacy and Primary Care Medical Home — are expected to be released this week by the AID Legal Division for a 30-day comment period.