

**Arkansas Affordable Care Act (ACA) - Consumer Assistance Program
CFDA: 93.519**

Project Narrative

Arkansas has a population of ~2.89 million residents, with 1.5 million being rural residents. The poverty rate is 19.7% in rural areas and 15.7% in urban areas. Approximately 17% of Arkansas residents are enrolled in Medicaid and 18% are enrolled in Medicare. Nearly a half million individuals currently living in Arkansas have no health coverage. Of 19-64 year-olds, 25% do not have a third party source of health coverage; for those aged 19-44, 30% are estimated to be uninsured. The ACA presents a long-overdue opportunity for *all* Arkansans to obtain the quality health insurance and health care they need and deserve. This ACA Consumer Assistance Program provides Arkansas with needed resources to expand and enhance consumer health insurance education and protection. *(Service expansions in italics.)*

The Arkansas Insurance Department (AID) has been designated by Governor Mike Beebe to create and host Arkansas' Affordable Care Consumer Assistance Program (ACCAP). The AID will provide infrastructure and support for the ACCAP through its successful Consumer Services Division (CSD). The ACCAP will disseminate health insurance information and address all health insurance inquiries and complaints. The ACCAP will function independently from existing CSD operations, allowing staff to advocate freely and actively for consumers, independent of conflicts that could potentially impede vigorous consumer education and advocacy actions.

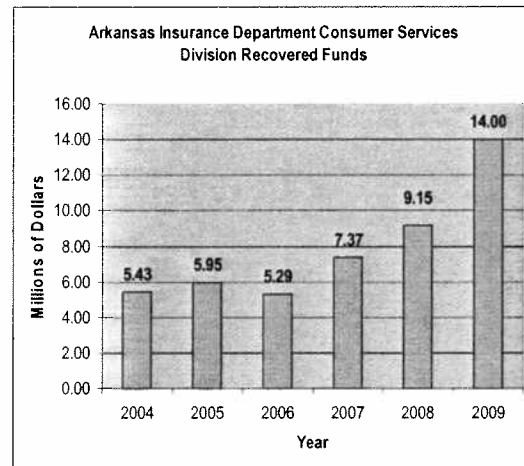
Type of entity and description of the program. The AID is a State Agency that functions independently from other State Agencies and reports to the State Legislative Branch and Governor. The Department is directed by Commissioner Jay Bradford, a recognized consumer advocate. Within AID is the CSD, established in 1978 with a mission to assist consumers with questions or problems relating to insurance coverage, including working to educate consumers on how to shop for insurance products and how to recognize the value of insurance.

The CSD currently advocates on behalf of Arkansas consumers and assists them with complaint filing and inquiries regarding all types of insurance products, insurance plans, insurance companies, and

insurance producers (agents). With leadership and supervision by CSD Administrator Jackie Smith, the 12-member AID CSD staff also provides one-on-one and group information and education through telephone calls, walk-in visits, internet, and at various community meetings, fairs, and expos.

The AID has always advocated vigorously on behalf of consumers and will continue to do so. Last year, consumer complaints and responsive CSD advocacy resulted in the recovery of more than 14 million dollars--all returned to aggrieved consumers. During the past six years, the CSD recovered more than \$47 million dollars for Arkansas consumers.

AID is assigned a liaison at the Governor's Office. The Governor's liaison staff and CSD staff work together to resolve and track consumer issues and



complaints using the following methods: e-mail, telephone, written correspondence, weekly update reports, and annual report. In addition to work with the Governor's Office, the CSD works closely with the following Arkansas agencies to ensure insurance-related consumer protection, education and referral:

- Department of Emergency Management to coordinate assistance following catastrophic events;
- Department of Human Services regarding State Medicaid Insurance Programs such as ARKids First (Children's Program), Medicare Savings Programs (Seniors, Blind, Disabled Program), Disabled Medicaid (non-Medicare), and Medicaid Spend Down;
- Workforce Center through the Governor's Dislocated Worker Task Force to provide educational presentations (COBRA and other insurance options) and materials for dislocated workers;
- Office of the Attorney General Healthcare Bureau to coordinate consumer protection activities and complaint resolution;
- State Medical Board to file complaints regarding providers and quality of care concerns; and

- United States and Arkansas congressional members and legislators to assist with constituent complaint resolution.

The ACCAP office will be established as an organizationally separate unit to process all health insurance inquiries and complaints. To comply with “independent” requirements of the ACA Consumer Assistance Program, formal policies will be developed to address and prevent conflicts of interest in filing appeals for consumers or applications from governmental agencies that may adjudicate appeals. Approximately 30% of current CSD consumer assistance activities involve health insurance. All CSD health insurance questions, complaints, and appeal services will be transferred to the ACCAP. An ACCAP Manager (Project Director) will be employed to direct the ACCAP and grant activities. In order to comply with non-supplantation requirements, two of the six current CSD investigators and one administrative assistant will be reassigned to the ACCAP. Additionally, 35% of the CSD Director’s effort and 25% of her administrative assistant’s time will be devoted to ACCAP development. Due to the expected increase in work volume and responsibilities of the ACCAP, an additional Consumer Protection Specialist and administrative assistant will be employed with grant funds.

The ACCAP will benefit from CSD experience and established partner relationships, but will maintain the autonomy required to advocate vigorously on behalf of consumers. Structurally, ACCAP consumer protection (health insurance) specialists will be separated from the existing CSD. Furthermore, to the extent necessary to ensure autonomy and independence, ACCAP will utilize existing third party External Review Organizations on matters in which ACCAP may be unable to maintain independence, or present an appearance thereof. At present, AID utilizes services of four licensed External Review Organizations.

Consumer advocacy actions of ACCAP will include assisting consumers to understand their rights and duties under the ACA, understand and navigate subsidies for which they are eligible, choose and enroll in appropriate health plans, and prepare and file grievances or appeals with insurance issuers or for outside independent review. Further, the ACCAP will have the responsibility, authority, and capability to collect, analyze, and report objective, accurate, and uncensored data to the Secretary of

DHHS on complaints and their resolution, trends needing to be addressed through regulatory or other improvement actions, and the consumer responsiveness of state agencies with public and private health insurance oversight responsibilities including AID (private and public-private plans), Arkansas Department of Human Services (Medicaid), and Arkansas Department of Finance Administration, which administers the Arkansas State Employee Health Benefit Plan.

AID is committed to continue ACCAP activities when federal funds are exhausted and sustainability funding will be planned as part of this program. Public and private funding sources will be explored.

Scope of program assistance. The AID CSD currently provides a broad range of health-related insurance consumer assistance services to Arkansans including the following:

Private Health Insurance - provides education and assistance about insurers that provide individual health coverage including, but not limited to, short-term, major medical, indemnity, life, cancer, dreaded disease, accident, COBRA, HMO, PPO, long-term disability, short-term disability, dental, and vision.

Group Health Insurance Plans - handles inquiries and complaints related to claims issues for private ERISA plans and nonfederal government plans including claim denial, claim delays, medical necessity, out-of-network vs. in-network cost-sharing, coordination of benefits, and experimental vs. investigative treatments and procedures.

State High-Risk Pools - Arkansas currently has a high-risk pool, the Comprehensive Health Insurance Program (CHIP); CSD explains CHIP plan eligibility, benefits, and premium rates, and distributes plan materials such as packets and applications. CSD refers consumers directly to the CHIP toll-free number and website as needed.

Pre-Existing Condition Insurance Plan (New Federal High-risk) - The existing Arkansas High-risk Pool (see CHIP above) and the New Federal High-risk Pool are both governed by the CHIP Board of Directors and administered by Arkansas Blue Cross Blue Shield. The CSD explains the differences between the two plans relative to plan eligibility, benefits, and premium rates, and distributes plan

materials such as packets and applications. CSD refers consumers directly to the New Federal High-risk Pool toll-free number and website for additional detail.

Public health insurance coverage - CSD provides general information about Arkansas Medicaid for children, adults, pregnant women, seniors, and those who are in the blind and disabled categories. CSD also refers callers to AID's SHIP (Medicare Information Program) or other appropriate agencies or divisions for detailed advice and application assistance.

Handle Appeals and Grievances- CSD explains the appeals process to consumers, including the appeal levels, the costs associated with appeals (if applicable), and timeframes. CSD provides direct contact information to the appeals department for private and public insurers as available.

In addition to the consumer services currently provided by CSD, the ACCAP will: inform consumers and staff of small businesses about the health insurance exchange and consumer options, rights, and duties afforded under the ACA; answer inquiries related to benefits, coverage, costs and processes for accessing health insurance subsidies, and tax credits for which they are eligible; assist with claims and billing issues including preparing and filing appeals and grievances, and directing consumers to the external review process when other actions have failed to satisfactorily resolve consumer claims. Under the ACCAP, consumer satisfaction will be evaluated through quarterly surveys.

Program accomplishments. In 2009, the CSD served 33,262 consumers: 3,164 complaint cases were opened and closed. Of these, 42% of cases opened and 38% of cases closed were health insurance issues. The CSD also processed 299 walk-in (29% health issues) and 19,207 (35% health issues) phone inquiries. Thirty four referrals were received from the Governor's Office and 65 were received from state legislators or members of Congress. Another 4,360 consumers were served via dislocated worker workshops, and 6,133 through business expos, health fairs, or other local events. A breakdown of consumer assistance services follows:

Assisting consumers with enrollment. Currently AID CSD provides information regarding federal and state programs, individual insurance plans, and insurance application processes, including the importance of completing the application correctly. In addition, the CSD supplies information such as

eligibility requirements, rates, and applications in a packet. The packet is available for pick-up at the Little Rock office or may be mailed or e-mailed to the consumer. If the consumer visits the Little Rock office and requests assistance completing an application or other forms, in-person assistance is available. *For the ACCAP, the AID will research and catalogue consumer rights, information about eligibility and subsidies, tax credits and other key elements under the ACA and develop “Know Your Rights,” “Eligibility, Subsidies, and Tax Credits,” “Health Insurance Exchange,” and other fact sheets that will be made available in various print and electronic formats (including on our website) and in English, Spanish, and Braille. Background information will be placed in a resource manual for timely updates and to serve as a quick reference to insure continuity in the event of staff changes.*

Assisting consumers with filing of complaints and appeals. When assisting consumers with filing complaints and appeals with insurance issuers, the CSD requires a signature on a medical release consent form in order to access medical information as necessary to resolve consumer complaints. The CSD also requires the consumer’s signature on the complaint form certifying the accuracy of information relayed in the complaint. Arkansas consumers can file a complaint with the CSD in the following ways:

- Hand-written or typed complaints are submitted by mail or fax. The CSD mails a paper form to the consumer and the consumer completes the form and returns it.
- Telephone complaints are accepted in time sensitive situations. For example, a consumer may be scheduled for surgery the next day pending prior authorization approval. *Under the ACCAP, telephone complaints will also be accepted for those with low literacy or other technology or access barriers.*
- In-person complaints are accepted from walk-ins at the Little Rock office, during health fairs and exhibits, and at disaster recovery centers. *The ACCAP will research, design, and advertise other methods for “local walk-in” access through community-based navigators.*
- Internet complaints are completed and submitted online via the AID Website. The website generates an automatic e-mail with complaint detail sent to the CSD. In addition, consumers may

download and print a complaint form in English or Spanish. The consumer completes the form and returns it by fax or postal mail to AID CSD.

- *Other methods needed by consumers to assist with filing complaints, appeals, or grievances will be explored. These could include secure interactive video communications.*

Through the ACCAP, AID staff will more actively assist consumers with development and submission of grievances and appeals. In addition to direct consumer education and assistance efforts, the ACCAP will make available information to health care providers in order that they may better inform patients of their rights, distribute ACCAP literature, and/or make consumer referrals to the ACCAP.

Consumer education. The CSD provides group education and individual information to consumers based on need. In 2009, the Division helped 19,207 callers and 299 walk-in consumers with information in a variety of categories. These included distinguishing among the various types of insurance products; complaint history and data for a specific insurer or insurance producer; public and private insurer's internal appeal process as well as AID's external review process; and their rights and responsibilities as a consumer. Hundreds of booklets and brochures were distributed describing insurance inquiries, many in Spanish. *The ACCAP will develop and distribute materials that specifically address issues concerning the ACA. Consumer data obtained through the State's Behavioral Risk Factors Surveillance Survey (BRFSS) and consumer involvement in Exchange Planning activities will help inform the ACCAP of consumer issues and education needs.*

In 2009, AID CSD participated in 28 in-person events like business expos, health fairs, and home shows throughout the State of Arkansas, contacting and assisting 6,133 individuals. The purpose of these events is to disseminate information about AID CSD and its services, answer any questions, and provide items with AID CSD logo and contact information to serve as a ready reference for contacting AID with insurance questions or complaints. *The AID CSD will notify the public of the ACA and ACCAP services through print and electronic media (including statewide newspaper and radio advertising) as well as by disseminating brochures during community events. All CSD staff will have general information about health insurance rights and responsibilities and ready access to ACCAP consumer protection specialists.*

In 2009, the CSD also participated in 130 Governor's Dislocated Worker Task Force meetings to provide educational presentations (COBRA and other insurance options) and materials to 4,360 dislocated workers. *ACCAP is prepared to provide statewide dissemination of information about the ACA and consumer rights and processes within the health insurance exchange to Arkansans as needed.*

Data collection, management, and reporting. The CSD collects and tracks complaint data using a Microsoft Access database. CSD administrative support staff have responsibility for entering data when a complaint is submitted and again when the complaint file is closed. The complaint database contains hundreds of tables that store information including the consumer's address, insurance product types, complaint reasons, and disposition (or resolution) codes. The database serves as a tracking and reporting device for the volume of complaints per company, per year, and per type of complaint. The database produces helpful reports and allows for tracking and analysis of trends and performance of staff members. An attachment to this narrative provides aggregated documentation of CSD health insurance related casework for 2009 by type, number, and disposition of cases.

The ACCAP will expand data collection and reporting processes to meet federal reporting requirements. The current AID system can accommodate new data base software to be provided by DHHS. Additionally, ACCAP plans to report complaint and resolution data on the AID website. ACCAP will analyze data to identify trends and inform data-driven performance improvement efforts.

Policy Development. Based on trends in consumer complaints, the CSD recommends to the Insurance Commissioner and the AID Legal Division any needed additions or amendments to state law or regulations. *This will be an important ACCAP function during implementation of health care reform and Arkansas' health insurance exchange. The ACCAP Project Director will coordinate work and share data with the OCIO-funded Premium Rate Review and Exchange Planning efforts.*

Recovered benefits. In 2009, the AID recovered \$14,006,232 on behalf of Arkansas consumers. This recovery amount includes all lines of insurance—life, health, property, and casualty—and for all reasons, including claims handling, underwriting, policyholder service, sales/marketing issues, and other complaints. Ten percent of this amount was comprised of health insurance related matters.

Expertise of consumer assistance program personnel. The CSD staff has more than 64 years' expertise and experience handling consumer inquiries and complaints regarding all public and private insurance products. The Division is composed of the division director, six investigators, and five support staff that educate consumers, review and monitor complaints, and implement a course of action for complaint resolution to ensure compliance with state and federal laws. These responsibilities require consultation with consumers, producers, and insurance companies, as necessary, to gather complaint information; research via the internet and other means including AID Licensing database, CSD Consumer Complaint database, and contacting personnel within AID, other state agencies or State Insurance Departments; and testifying in legal proceedings. The CSD staff also monitors and reports complaint and resolution trends and provides training on state insurance law, federal insurance law for specific programs like COBRA and ERISA plans, customer service, phone etiquette, and complaint procedures. In addition, CSD investigators complete federal National Incident Management System (NIMS) training.

AID CSD seeks a diverse group of employees to provide culturally and linguistically appropriate assistance. The CSD provides high quality customer service to all Arkansans regardless of race, color, age, religion, gender, national origin, familial status, gender identity, disability status, veteran status, genetic information, or sexual orientation. Translation services for hearing impaired or non-English speaking consumers is provided at no cost to the consumer. AID provides educational booklets and complaint forms in English and Spanish *and will insure information is available in Braille or other needed formats. ACCAP will also provide cultural and disability awareness training to ACCAP staff.*

Accessibility. The AID building in Little Rock is ADA accessible and located on a bus line and within easy access of major highways leading to all corners of the state. CSD welcomes walk-ins and calls through regular office hours, Monday through Friday, from 8:00 a.m. to 4:30 p.m. Optional hours of 7:00 a.m. to 5:30 p.m. are available as needed. A toll-free hotline is staffed during regular business hours with voicemail message capability outside regular business hours. Electronic access is available through e-mail: insurance.consumers@arkansas.gov or website: www.insurance.arkansas.gov. *Under the ACCAP, consumer inquiries will be answered within 24 hours; after-hours service needs will be assessed.*

AID CSD utilizes several methods of outreach to the states' vulnerable populations as follows: Communications via a free public service for hearing impaired and speech disabled through Arkansas Relay; participation in an annual two-hour statewide call-in show through a television station; travel to various parts of the state to assist with all insurance questions and concerns; and dissemination of educational information and materials via various community groups, health fairs, business expos, and speaking engagements across the state. *Community and interactive video outreach sessions will be conducted to inform diverse consumer and provider groups about the ACA.*

Process for ensuring privacy and security of personally identifiable information. The AID computer infrastructure consists of an Ethernet and Fiber network upon which resides a Virtual infrastructure where >95% of all department servers run. Industry standard database platforms host data for a mix of laptops, desktops and thin clients. The servers are housed in a central data center which is protected by restricted access and video surveillance. User privileges and access to data are controlled via Active Directory, and are assigned or changed only with top level supervisor approval. AID currently audits changes to database fields (inserts, updates and deletes) and the source of changes. *New software will also address the auditing of data reads.* CSD staff is responsible for data cleaning and accuracy. Internet access is through the AR Department of Information Systems and the AID network is protected by an advanced application level firewall which restricts inbound and outbound traffic. The system is capable of transmitting encrypted data via industry standard methods such as SSL, SFTP, SSH and others. *Data users and support staff will complete web-based HIPAA training/testing on a recurring schedule.* The Information Support Division also conducts routine in-house assessments to mitigate data privacy risks. *AID will enforce penalties as required by State or Federal law for any breach in protecting, disclosing, or purging consumer information.* Policies and processes are in place to prevent data loss and maintain continuity in an emergency. Redundancy of equipment, locations, and personnel functions mitigate disaster risks. Mobile storage resources are encrypted as well as any sensitive database data. Backups are encrypted before being vaulted with a certified vaulting service.