

ARKANSAS  
**Health Insurance**  
MARKETPLACE

September 29, 2016

**Legislative Oversight Committee**

State Capitol  
500 Woodlane Street  
Suite 300  
Little Rock, AR 72201-1090

Dear AHIM Legislative Oversight Committee members,

This report is submitted to the Arkansas Health Insurance Marketplace (AHIM) Legislative Oversight Committee on behalf of AHIM as required under AHIM's funding statute, Ark. Code § 23-61-805.

The AHIM Board's recommended user fee for Plan Year 2018 as reported today is based on the expectation that the state will be assessed a federal technology fee of 1.5% in Plan Year 2018 and that the state will maintain the current marketplace model.

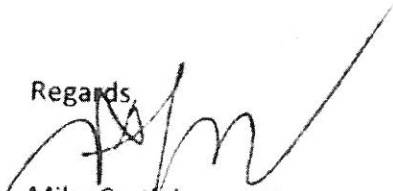
The Board submits the following recommendation to the AHIM Legislative Oversight Committee:

That AHIM assess a user fee of 2% above the federal technology fee in Plan Year 2018.

Upon review and instruction by the Legislative Oversight Committee, AHIM intends to offer a revised recommendation. Should the Board's recommendation be approved by the Legislative Oversight Committee, the Committee will report it to the President Pro Tempore of the Senate and the Speaker of the House by January 1, 2017, as required by the funding statute.

The recommendation filed with the Speaker and the President Pro Tempore is subject to the conditions upon which the recommendation was modeled. Therefore, AHIM intends to update the Legislative Oversight Committee. Should the Speaker and the President Pro Tempore have no objections, AHIM intends to notify the marketplace issuers of the recommended fee for Plan Year 2018 by March 1, 2017.

Regards,

  
Mike Castberry, Chair  
AHIM Board of Directors