



National Association of Insurance and Financial Advisors

Little Rock, AR

Rep. Charles Collins Task Force Co Chair  
Sen. Cecile Bledsoe Task Force Co Chair

Traditionally and based on current Arkansas Insurance Regulation, Arkansas Licensed and Certified insurance are contracted to the Companies and they represent these companies . These contracts assign agents the responsibility to educate and inform consumers/clients of the business of insurance coverage, help them choose plans that best suited their need. Our most important role is to help consumers understand the required eligibility factors, and assist them in the gathering of these requirements. The Affordable Care Act (including Private Option) has now clouded that agent responsibility, as we do not always have clear access to the systems consumers must use to develop the various aspects of enrollment. While the consumers, can enroll themselves most find the system too complicated. They often ask agents to assist them in their efforts to deal with the website systems required to enroll in Major Medical Coverage, request eligibility for Medicaid/tax credit support for premium that meets the guidelines of acceptable coverage to avoid the fines if not covered.

The insurance carrier insuring many consumers in Arkansas reports that agents sold 51% of on Exchange Plans, 62% of off Exchange Plans, and 46% of Private Option Plans for their company. The same carrier reports 123,000 Private Option enrollments. That means 56,580 consumers reached out for agent help to buy their company plans. Of the 123,000 on Private Option, there were also some consumers who were directly enrolled by DHS. Figures from other carries would, I am sure, show the important roll agents played in their enrollment. While some consumers were auto enrolled, after they were insured they often came to agents for help to understand what coverage was all about and help on various service issues. These persons were helped by agents with the knowledge that they were offering their services without the possibility to be compensated.

Enrollment and service activity for Arkansas' consumers on the Private Option Plan has been plagued and continues to be, to this very day, by endless problems. Discussions with DHS led by Dr. Thompson and the Arkansas Insurance Department's Consumer Assistance Committee related to these major problems in past months continues to have produced no real improvement. The Task Force Consultant report given at the Oct 8 2015 meeting underlined the continued reality that the DHS websites and organization is seriously challenged. Agents are pleased that we have been given an opportunity to be heard at this Task Force meeting. Our goal is to give Legislator a chance to ask agents as they have asked other stakeholder questions related to this very important issue effecting their constituents. (Sen. Rice and Rep. Boyd attended a resent NAIFA meeting that they indicated gave them a better insight into challenging issue agents and consumers face in the enrollment process.) Since agents are providing a major effort in the activity of issues of enrollment, service, redetermination activity, please allow us to be part of a team that develops the Task Force decision for the future of Private Option, and the final report for the Legislature.

For this coming year (2016) agents are asking that they be included in gather detailed information on the many, many challenges agents have and will continue to have as we try to serve the needs of Arkansas Consumers this coming year and for future decisions .We feel our list of suggested solutions will help agents make this coming year interaction with DHS work more smoothly for consumers who are enrolling or renewing. When it often takes literally hours and days to enroll or assist persons in redetermination, it leaves no time for us to do the traditional job of educating people on how to use the coverage that most of them have little knowledge of. There has been much discussion at the Task Force meeting about the continued use of the ER by Private Option enrollee, please consider agents insight on the roll we can play in improving this and other issue of education of coverage . The attachment to this email includes a short list of tangible solutions we offer to some of the problems of concern. We would hope that the Task force would recommend a DHS/agent work group address the issue listed. This work group would support a team effort to solutions that will make 2016 enrollments more effective.

Thank you for the challenging work that you are doing to address the much needed total review of DHS and the Private Option. NAIFA ARKANSAS welcomes the Task Force questions on this important matter. Please do not hesitate to contact 479-650-7549 or email [doloreschitwood@gmail.com](mailto:doloreschitwood@gmail.com). Dolores Chitwood NAIFA ARK Health Legislative Chair  
\*\*\* Kim Pierson Certified Agent , Thank You again for this opportunity to speak with the Task Force.

NAIFA ARK suggest that DHS would be encouraged by the Task Force to meet with a select group of agents to address the concerns and suggested solutions listed below to make upcoming and continued enrollment of Private Option plans more effective. When the final decision is made from Task Force recommendations that agents are allowed to be involved as a partner in enrollment and redetermination guidelines development that will involve agent interaction with consumers and DHS.

#### Concerns and Suggested Solutions:

- 1-Agents have some clients whose insurance was cancelled in July, have provided the requested information, but still have not been reinstated. Could reinstatement happen for those who have provided information but not yet been processed. Those clients who were a part of the large batch of reevaluation should be able to keep their coverage until proven the income is too high. We understand that the information is showing received but they have not yet been evaluated.
- 2-If agents could be notified what verification is needed (like the federal system), we are best equipped to get the needed information as we are in front of the clients. If agents knew what was needed, we could notify the client and help get the information needed. If agents had a way to upload the information it would speed up your process of receiving it, scanning and uploading to the file. Sometimes agents are able to do an insure ark application immediately following an access Arkansas file. This is the way it should work every time.
- 3-If agent were able to link our email or our National Producer Number and give us updates on what is needed, we could communicate that to the client and help clients get items need to complete DHS requirements .
- 4-If Agents were able to log on to a website and check the status (like Medicare.gov) or if that's not possible, a central email address where we could check on an application with a timely response.
- 5-It would help to have more training on how to determine what people qualify for. (For example, custodial parents of AR Kids are automatically enrolled in Traditional Medicaid, why?) Agents are not paid a commission for people on Traditional Medicaid because they do not enroll in a plan, however hours may spent helping clients verify what the client qualifies for. If that is Traditional Medicaid then we are not their agents and do not receive compensation. Maybe agents could be a partner/contract (with a compensation similar to what we do with insurance companies) with DHS to help with this issue
- 6-Better communication about the application ie, what income to report, especially in relation to Social Security, SSI, and SSD. Help us consider special cases such as boyfriend and girlfriend living together with child who receives insurance through the noncustodial parent. Or a noncustodial parent required to have health insurance on the child but the child is not their dependent. What about people who work for 6 months, lose their job and income, and their insurance. How do we report income, current or annual? How do you prove a lack of income? On Marketplace, we have to report the annual income but it seems on the state it is just current income. What do we do with people who husband and wife take care of grandma?
- She is on Medicaid, she lives with them. Do we count her as part of their household and claim her income?
- 7-If agents are unable to verify identity, the 800 number has never been able to help. It has always been necessary for them to go to DHS in person. Some people don't have bank accounts, transportation, phones, time off work and need service, not frustration. These are the working poor, people who work hard many hours and are raising kids and trying to get by.
- 8-Agent NPN should be linked to the individual application so that when they choose a plan, we are the agent of record and receive a commission. Currently we help them file an access Arkansas application and you tell them to sign up for a plan. If they do that on their own, we are out of our commission. The letter you sent should instruct them to contact their agent.