

REPORT OF THE
ARKANSAS HEALTH INSURANCE MARKETPLACE (AHIM) LEGISLATIVE
OVERSIGHT SUBCOMMITTEE
of the
Arkansas Legislative Council

October 19, 2018

Senator Bill Sample, Co-Chair

Representative Jim Dotson, Co-Chair

Dear Co-Chairs:

The Arkansas Health Insurance Marketplace (AHIM) Oversight Subcommittee met Thursday, October 18, 2018, in Room 130 of the State Capitol in Little Rock, Arkansas. The subcommittee heard testimony regarding the following items:

- 1) Jessica Beel, Attorney, Bureau of Legislative Research, gave a brief overview of the various reports that are required of the subcommittee in the Arkansas Code. The December 1st report will be submitted to the Arkansas Legislative Council, regarding recommendations for assessments of user fees. The December 15th report will be submitted to the Arkansas Legislative Council of any analysis or findings resulting from subcommittee meetings during the year. Thirdly, there is a report to the General Assembly with a copy sent to the Governor, with no specific due date listed, regarding findings of the subcommittee related to:
 - a) Review of the operations, programs, and finances of the Arkansas Health Insurance Marketplace;
 - b) Study approaches by other states regarding health insurance marketplace structure, design, and operations;
 - c) Providing recommendations concerning the Arkansas Health Insurance Marketplace, for the continued availability of health insurance to Arkansans; and
 - d) Exploring and recommending options for the future efficiency and sustainability of the Arkansas Health Insurance Marketplace.
- 2) Brett Kirkman, Chair, Arkansas Health Insurance Marketplace Board, Mark Meadors, Vice Chair, Arkansas Health Insurance Marketplace Board, and Angela Lowther, Director, Arkansas Health Insurance Marketplace; reported to the subcommittee that they expect the Federal Technology Fee to remain at 3% for Plan Year 2020. The AHIM Board recommended that the AHIM User Fee to be 1.25% above the technology fee; for a total of 4.25% to be applied against all Qualified Health Plans (QHPs) sold in the Marketplace in 2020. This recommendation is subject to the Centers for Medicare and Medicaid Services (CMS) approval. There were questions by members of the subcommittee for raising the AHIM user fee.
- 3) Brett Kirkman, Mark Meadors, and Angela Lowther responded to the Insurance Department's presentation at the Subcommittee meeting in September. They stated that the Arkansas Insurance Department (AID) had mistakenly estimated \$3,000,000 in savings by moving AHIM to the Arkansas Insurance Department.

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- 4) Since the subcommittee still has several unanswered questions about adopting the user fees, the subcommittee requests that the Arkansas Legislative Council (ALC) allow the Arkansas Health Insurance Marketplace Oversight Subcommittee to meet in November to meet the December 1st deadline for the required report as stated in the Arkansas Code.

Respectfully Submitted,

Senator Ronald Caldwell

Representative Deborah Ferguson