



State of Arkansas
Arkansas Insurance
Department

Arkansas Health Benefits Exchange
Planning Project

Program Integration

Version 2.0

August 17, 2011



Table of Contents

DOCUMENT HISTORY	33
1 INTRODUCTION	44
2 APPROACH	55
2.1 IDENTIFY AGENCIES/ORGANIZATIONS.....	55
2.2 REVIEW OF EXISTING DOCUMENTATION.....	55
2.3 STRUCTURED INTERVIEWS.....	88
2.3.1 <i>Those Selected for Interview</i>	88
2.3.2 <i>The Interviews</i>	99
3 FINDINGS	1111
3.1 ANTICIPATED ROLE/RESPONSIBILITIES WITH ESTABLISHMENT OF THE EXCHANGE	1111
3.2 IMPACT ON EXISTING BUSINESS PROCESSES (RISKS AND ISSUES)	1242
3.3 OPPORTUNITIES FOR RESOURCE SHARING	1515
3.3.1 <i>Assistance with Planning and Implementation</i>	1515
3.3.2 <i>Financial Resources</i>	1616
3.3.3 <i>Financial Liabilities</i>	1717
3.4 IMPACT ON POLICIES, PROCEDURES AND/OR ORGANIZATION.....	1717
3.5 IMPACT ON INTERAGENCY AGREEMENTS.....	1818
3.6 BENEFITS OF HEALTH BENEFITS EXCHANGE.....	1818
3.7 COMMENTS ON THE NAVIGATOR ROLE	2020
3.8 OTHER	2121
4 RECOMMENDATIONS	2222
4.1 OPPORTUNITIES TO INCORPORATE BUSINESS PROCESSES OF OTHERS INTO THE DEVELOPMENT AND OPERATION OF THE EXCHANGE	2222
4.2 MITIGATING RISKS AND ISSUES	2424
4.3 RESOURCE SHARING	2525
4.4 POLICY AND PROCEDURE REVISION/CREATION.....	2525
4.5 NEED TO CHANGE OR CREATE INTERAGENCY AGREEMENTS	2626
5 PROGRAM INTEGRATION PLAN	2727
6 APPENDIX A – INTERVIEWEE CONTACT INFORMATION	2828
7 APPENDIX B – ACA BACKGROUND INFORMATION	3333

Document History

This document is controlled through the Document Management Process. To verify that the document is the latest version, please contact the First Data Team.

Date	Version	Responsible	Reason for Revision
August 16, 2011	1.0	Kathy Grissom/J. P. Peters	Initial Submission
August 17, 2011	2.0	Kathy Grissom	Comments from Cindy Crone

Table 1: Document History

1 Introduction

According to the Exchange Establishment Grant requirements for program integration, states are to demonstrate that coordination has been established with the State Medicaid Agency (which includes the State Children's Health Insurance Program [SCHIP]), state insurance department, and other health and human services programs as needed for the operation of the Exchange. This agency coordination is essential as the State makes decisions on coverage, eligibility, enrollment, health plan certification, outreach and other aspects relating to the operation of the Exchange. The State's decisions will have implications for all these state government agencies as well as other health and human services programs in terms of oversight and regulation of health plans and insurers.

As part of the program integration, states are to assess their current agency capabilities and resources to identify the necessary steps to satisfy these requirements. Some of the activities involved interviews with key governmental agencies and organization leaders, which were identified by the Health Benefits Exchange (HBE) Planning Staff, to ascertain the following with regards to the development and operation of the Exchange:

- Insights into the various functional components of each agency,
- Role and responsibilities,
- Risks and/or issues,
- Assets to leverage,
- Changes to policy, procedures, routine functions of agency,
- Financial/resource impact,
- Benefits of the Exchange in terms of agency/organization and State, and
- Comments on the Navigator role.

This Program Integration Plan describes First Data's approach, activities, findings and recommendations after reviewing available documentation and interviewing selected staff. These activities were designed to gain an understanding of existing programs, systems and processes that will support or be impacted by the operation of the Exchange. Additionally, it is intended to show how the information gathered can be leveraged to design, develop and implement Arkansas's Health Benefits Exchange.

2 Approach

2.1 Identify Agencies/Organizations

Using the list of State agencies identified in the Request for Proposals (RFP) as its base, the HBE Planning Staff expanded the list and broadened the scope beyond State agencies to include a representative of the Governor’s Office, two insurance plans and a university healthcare provider. Those agencies/organizations whose staff participated in the interviews were:

- Arkansas Insurance Department (AID),
- Arkansas Department of Human Services (ADHS),
- Arkansas Office of Health Information Technology (OHIT),
- Arkansas Department of Health (ADH),
- Arkansas Department of Information Services (DIS),
- Arkansas Center for Health Improvement (ACHI),
- Employee Benefits Division (EBD), Arkansas Department of Finance and Administration (DFA),
- State of Arkansas, Office of the Governor,
- Arkansas Blue Cross/Blue Shield,
- Delta Dental of Arkansas, and
- University of Arkansas for Medical Sciences (UAMS).

Findings in Section 3 are listed by agency/organization in the order displayed above.

2.2 Review of Existing Documentation

Prior to and as follow up to the interviews, First Data staff reviewed numerous documents and websites regarding each entity and their organization, programs and regulations. The list below is representative of the information reviewed:

Agency	Document/Website
Arkansas Insurance Department (AID)	http://www.insurance.arkansas.gov http://hbe.arkansas.gov One Year Later: The Benefits of the Affordable Care Act for Arkansas Health Benefits Exchange Survey Planning for the Arkansas Health Benefits Exchange

Agency	Document/Website
	<p>Arkansas Insurance Department 2009 Annual Report Arkansas Insurance Department Organizational Chart (rev. 3/11)</p>
<p>Arkansas Department of Human Services (ADHS)</p>	<p>http://humanservices.arkansas.gov/ Access Arkansas Website https://access.arkansas.gov/Welcome.aspx Medicaid Eligibility Quick Reference Guide Medicaid Application Form SNAP Eligibility and Benefit Information SNAP Quick Reference Guide Arkansas Medicaid Program Overview SFY 2010 Governor Beebe’s Proposal on Transforming Arkansas Medicaid Transforming Arkansas Medicaid Arkansas Health System Reform & Medicaid Transformation “Transforming Arkansas Health Care” Draft Work plan—May 2011 How to use Direct Data Entry to Verifying Eligibility – PPT Presentation HP Arkansas Medicaid Arkansas Department of Human Services Organizational Chart, January 2011 State Medicaid Health Information Technology Plan (SMHP) Arkansas Medicaid Enterprise (rev. March 4, 2011)</p>
<p>Arkansas Office of Health Information Technology (OHIT)</p>	<p>http://ohit.arkansas.gov/Pages/default.aspx Health Information Exchange Council (HIE) HIT Task Force HIE Summary of Strategic and Operational Plans, February 18, 2011 HIE Maps: Broadband and Wireline Access by Arkansas Counties</p>
<p>Arkansas Department of Health (ADH)</p>	<p>www.healthy.arkansas.gov Guide to Program and Services, Fiscal Year 2010 Arkansas Department of Health Annual Report 2008</p>

Agency	Document/Website
	<p>Arkansas Department of Health Brochure – Working hard everyday to make your life better.</p> <p>Statewide Pocket Guide and Fast Facts Brochure</p> <p>Top 10 Health Achievements in the Decade of the 21st Century</p> <p>Arkansas Department of Health Organizational Chart (rev. March 2011)</p>
<p>Arkansas Department of Information Services (DIS)</p>	<p>http://www.dis.arkansas.gov/</p> <p>Enabling Legislation</p> <p>Preparing to Implement HITECH – A State Guide for Electronic Health Information Exchange</p> <p>Arkansas Department of Information Services 2010 Annual Report</p> <p>Arkansas Department of Information Services Quarterly Report to the Legislature Period Ending March 2011</p>
<p>Arkansas Center for Health Improvement (ACHI)</p>	<p>www.achi.net</p> <p>http://www.arhealthnetworks.com/index.php</p> <p>2010 Annual Report – Arkansas Center for Health Improvement</p> <p>Arkansas Center for Health Improvement Organizational Chart</p>
<p>Employee Benefits Division, Arkansas Department of Finance and Administration (EBD)</p>	<p>http://www.dfa.arkansas.gov/offices/employeeBenefits</p> <p>Performance Audit, December 2010</p>
<p>State of Arkansas, Office of the Governor</p>	<p>http://governor.arkansas.gov/</p> <p>http://www.thebenefitbank.com/About</p>
<p>Arkansas Blue Cross/Blue Shield</p>	<p>http://www.arkansasbluecross.com</p>
<p>Delta Dental of Arkansas</p>	<p>https://www.deltadentalar.com</p>
<p>University of Arkansas for Medical Sciences (UAMS)</p>	<p>http://www.uams.edu</p>
<p>Miscellaneous</p>	<p>http://portal.arkansas.gov/Pages/default.aspx</p>

Table 2: Existing Documentation Review

2.3 Structured Interviews

2.3.1 Those Selected for Interview

The HBE Planning Staff contacted each agency/organization to arrange the interviews, asking that the spokesperson reserve one hour for this purpose. One agency (Department of Human Services) asked that two separate interviews be scheduled with different representatives. Others chose to have additional staff participate during their agency/organization's allotted time. A total of twelve interviews were conducted between July 5, 2011 and July 14, 2011. Those interviewed were:

Name of Agency	Interviewee(s)
Arkansas Insurance Department (AID)	Jay Bradford , Commissioner
Arkansas Department of Human Services (ADHS)	Joni Jones , Director, Division of County Operations
Arkansas Department of Human Services (ADHS)	Dawn Jaycox Zekis , Director of Policy and Planning, Office of the Director
Office of Health Information Technology (HIT)	Ray Scott , State Coordinator
Arkansas Department of Health (ADH)	<p>Mary Leath, Deputy Director for Administration (leaving agency on 07/15/11)</p> <p>Randy Lee, Director, Local Public Health Services</p> <p>Glen Baker, Director, Public Health Laboratory</p> <p>Lee Clark, Manager, Reimbursement Services</p>
Arkansas Department of Information Systems (ADIS)	<p>Claire Bailey, Director & Arkansas Chief Technology Officer</p> <p>Kym Patterson, State Chief Security Officer</p>
Arkansas Center for Health Improvement (ACHI)	Joe Thompson , Director and Arkansas Surgeon General
Arkansas Department of Finance and Administration, Employee Benefits Division (EBD)	Jason Lee , Executive Director
State of Arkansas, Office of the Governor	Frank Scott , Deputy Director of Policy

Name of Agency	Interviewee(s)
Arkansas Blue Cross Blue Shield	<p>P. Mark White, President & CEO</p> <p>Cal Kellogg, Sr. Vice President & Chief Strategy Officer</p>
Delta Dental of Arkansas	<p>Ed Choate, President & Chief Executive Officer</p>
University of Arkansas for Medical Sciences (UAMS)	<p>David Miller, Vice Chancellor & Chief Information Officer Information Technology</p>

Table 3: Structured Interviews

Appendix A lists each person interviewed in the order they were interviewed. The Appendix also provides contact information and the name of the person designated by the agency/organization to assist with the development and operations of the Exchange.

2.3.2 The Interviews

All those interviewed were asked the following questions.

1. Please provide a brief overview of your agency/organization and its various functional components.
2. What do you envision as your agency/organization’s role and responsibility with the Health Benefits Exchange?
3. What risks or issues have been identified for your agency/organization with respect to the development and operation of the Health Benefits Exchange?
4. What assets does your agency/organization have that will assist in the development and operation of the Health Benefits Exchange?
5. What significant changes to your agency/organization’s organization, policies, routine functioning do you anticipate when the Health Benefits Exchange is operational?
6. What financial/resource impact do you expect the Health Benefits Exchange to have on your agency/organization?
7. How will the Health Benefits Exchange benefit your agency/organization?
8. How will the Health Benefits Exchange benefit the state of Arkansas?
9. Has your agency/organization designated someone to take the lead in matters related to the development and operation of the Health Benefits Exchange? If so, please provide the name and contact information for that person.

The list of questions and a background document on the Affordable Care Act (ACA) were sent to each interviewee via email prior to the interviews for their review and to facilitate

maximum use of the interview hour. (A copy of the ACA background document is included in Appendix B.)

In addition to the questions listed above, interviewees were asked their opinion on setting up the Navigator program.

All interviews were conducted by two First Data team members, J. P. Peters who was in the room with the interviewee and Kathy Grissom who was on the telephone. In some instances they were joined by additional First Data team members.

3 Findings

At some time during each interview a comment was made about the “unknowns” of how Arkansas will organize and operate their Exchange. In general, respondents see themselves as able to assist in the development of the Exchange but are waiting for additional information and/or direction as well as the formal authorization to establish a state Exchange.

After consultation with the HBE Planning Staff, the First Data Team organized the interview responses into the following areas.

3.1 Anticipated Role/Responsibilities with Establishment of the Exchange

Each interviewee was asked to describe what roles/responsibilities they envisioned for their agency/organization after the Exchange is operational. Their responses are listed below.

- The **Arkansas Insurance Department** will have responsibility for regulating the Exchange, the health insurance plans and the Navigators. However, AID does not see itself in the role of operating the Exchange.
- The **Arkansas Department of Human Services** indicated they should be in “lock step” as a true partner because both the Exchange and ADHS will be using the same enrollment tools, portals and other resources. ADHS identifies as a key role that of the “eligibility doorway” for the expanded adult Medicaid population that will be created by the ACA. Another role ADHS identified is to assist with outreach and education.
- The **Office of Health Information Technology** expects to collaborate on interfaces and interdependencies. The respondent stressed the need to start talking specifics soon so the agency can plan appropriately and in a timely manner. OHIT also expects SHARE to be of significant support to the Exchange.
- The **Arkansas Department of Health** believes their staff should serve as Navigators for the Exchange. Through their case management services, ADH has experience navigating recipients to needed resources.
- The **Arkansas Department of Information Services** anticipates its role will be the same as for many other initiatives – involved in strategic planning and supporting operations. However, they do expect to see demand for their support and services to increase with the establishment of the Exchange.
- In discussions with the **Surgeon General** who is also the director of the **Arkansas Center for Health Improvement**, the roles were carefully delineated as follows:

- ✓ ACHI's role is to support and assist AID with best implementation and wrap around services to ensure all the policy questions are identified and all options considered, especially things that involve AID, ADHS and OHIT.
- ✓ ACHI believes they will serve a "troubleshooting" role for HBE, advising as needed.
- ✓ The Surgeon General's role is to advise the Governor on the best strategy for the state to take regarding the Exchange.
- The only role the **Employee Benefit Division of the Department of Finance and Administration** expects to have is as an administrative consultant to HBE because of their experience with similar Exchange operations.
- The **State of Arkansas, Office of the Governor** will work with business and industry leaders to garner support for the Legislative authorization of the Exchange as well as to educate the public about the benefits of the HBE. Their policy staff will also assist in developing policy for the Exchange.
- The **Arkansas Blue Cross/Blue Shield** indicated their role in the operation of the Exchange is severely limited by ACA to being a producer of products (insurance plans). However, they do see it as their role to be a source of information about the insurance industry in Arkansas during the HBE planning process. As deemed appropriate, they can also assist with outreach and education.
- **Delta Dental of Arkansas** indicated they are working with the various committees and workgroups to assist in the development of the Exchange. Their national corporation is also working with CMS as it clarifies the requirements around the pediatric dental coverage.
- The representative for the **University of Arkansas for Medical Sciences** does not see a role for that organization in the operation of the Exchange. He does believe UAMS can assist individuals to enroll through the HBE and recognizes that UAMS will benefit from HBE as more individuals seeking healthcare services from UAMS will have insurance.

3.2 Impact on Existing Business Processes (Risks and Issues)

Agency/organization responses to the impact on their existing business processes are listed below. Concerns identified by each agency/organization are not prioritized but do represent the current thinking of those interviewed.

- The **Arkansas Insurance Department** does not see any risks to the agency but is very concerned with factors outside their control (e.g., Federal court cases, the presidential election)
- The **Arkansas Department of Human Services** shared as their high level concerns:
 - ✓ Anxiety about the unknowns – Federal regulations as well as how the state will set up the Exchange.
 - ✓ Biggest challenge is funding the new requirements

- ✓ Grey areas where it is unclear who is responsible, e.g., customer service for new adult Medicaid population
- ✓ Making sure to maximize but not jeopardize Federal funding by careful adherence to matching requirements
- ✓ The current lack of a “rules engine”
- ✓ “Churning,” particularly in the new adult Medicaid population
- ✓ Much of the self reported data will be matched to old information which could mean a high number of misses. What is the recourse? Will ADHS need to add staff to verify eligibility; need to add staff for quality assurance (QA) and fraud detection? How often will families be re-evaluated if their circumstances change?
- ✓ Can the state’s IT infrastructure support the increase in users/system needs?
- ✓ If all are to use the same web portal (Medicaid and non-Medicaid), clarification is needed
- The **Office of Health Information Technology** identified as concerns:
 - ✓ Data privacy and security – health information is the new currency in the healthcare market place
 - ✓ Multiple initiatives going on in the state at the same time. Tremendous stress on resources. So much change at one time creates “reform fatigue”.
- The **Arkansas Department of Health** identified the following risks and/or issues.
 - ✓ ADH clinics are “non-traditional” providers – how will they be affected if the non-insured people they currently serve become insured? Will they still come to the clinics or go elsewhere?
 - ✓ “Churning” as individuals go back and forth between insurance and Medicaid
 - ✓ Risk of destabilizing the current medical delivery system. Private providers de-emphasize the value of ADH as a provider.
 - ✓ Concerned that there will not be enough healthcare providers for those with insurance
 - ✓ Concerned that the HBE will not be user friendly, requiring additional staff to assist those seeking to use the system
 - ✓ “Any change is a risk to us”
- The **Arkansas Department of Information Services** –
 - ✓ Risk if the state does not control the data. If the state does not maintain control, it will cost the state.
 - ✓ Increase in the combined workload (volume) across DIS agency could be a risk but DIS has access to additional resources (staff) that should allow them to manage the increase

- ✓ Concern that state executives have bought into the plan for an Exchange but are not communicating adequately with other staff in their agencies to assure their support
- ✓ Unsure how to tie the Exchange data to the Master Person Index
- ✓ Essential that there be a clear timeline for implementation of the Exchange and that all tasks are managed to completion
- ✓ State executives are committed to “One View – One Arkansas” on the web and must make sure this is coordinated with HBE
- There were no risks identified for the **Arkansas Center for Health Improvement** as an agency but some were identified for the state.
 - ✓ ACHI is very concerned about so many major healthcare initiatives for the state being undertaken at the same time
 - ✓ ACHI sees a risk for the state if all options for operation of the Exchange are not fully considered.
 - ✓ There are political risks for the state if the Exchange is not authorized and if the Exchange does not come about in the best way possible for Arkansans.
 - ✓ ACHI sees the Exchange as a financial drain on all state agencies (including ACHI) as in-kind and staff resources are used to assist AID in its development and operation.
- The **Employee Benefit Division of the Department of Finance and Administration** identified as concerns:
 - ✓ Confusion in the insurance market with all the changes
 - ✓ Unfounded perception by the employees EBD serves that they could get better and cheaper insurance if they were allowed to participate in the Exchange
 - ✓ The importance of the Exchange not having the appearance of being owned or controlled by an insurance carrier
- The **State of Arkansas, Office of the Governor’s** respondent stated that the biggest risk is ceding control to the Federal government because Arkansas citizens would have to deal directly with them.
- **Arkansas Blue Cross/Blue Shield** identified the following concerns:
 - ✓ Tremendous amount of unknowns
 - ✓ If the HBE design is not efficient/effective, it will increase cost.
 - ✓ How will health plans on and off the Exchange operate? Will the two markets compliment or compete with each other? Need a balance.
 - ✓ Hard to really predict but may be hard to stay in the black; expect margins to be thinner if they exist at all

- **Delta Dental of Arkansas** identified:
 - ✓ Level and scope of the pediatric dental benefit is unknown and will impact affordability
 - ✓ Concern about how benefit choices be portrayed on the Exchange portal; whether people will be able to choose dental separate from medical
 - ✓ Concerned about forcing families to have split coverage because of the way the dental benefit is offered
 - ✓ Rate review process will be something new for dental insurance
- The **University of Arkansas for Medical Sciences** did not identify any impact on existing business processes.

3.3 Opportunities for Resource Sharing

One purpose of interviewing representatives of these agencies and organizations was to identify resources that could be used to support various functions of the Exchange and thus reduce the cost of creating all new functionality. However, with much of the Exchange functionality not fully defined by CMS and without a finalized governance structure in place for the Arkansas Exchange, it was not possible to identify specific processes or systems that can be used or replicated. Instead, agencies/organizations discussed their willingness to share experience, expertise and staff to help plan and implement the Exchange.

3.3.1 Assistance with Planning and Implementation

- The **Arkansas Insurance Department** has regulation structures in place that will be needed for both qualified health plan (QHP) and Navigator licensing/certification. AID also has a good working relationship with the U. S. Department of Health and Human Services.
- The **Department of Human Services** has tremendous experience/insight in the areas of eligibility and enrollment; the knowledge and systems associated with the ACCESS Arkansas portal. ADHS has experience converting case records from paper to electronic and has recently opened a new processing center that may be of benefit to the HBE. Additionally, ADHS is developing an interactive voice response (IVR) system to answer the most common questions received. It is slated for operation in September 2011 and could provide some lessons learned as HBE develops its call center.
- The **Office of Health Information Technology** has staff that can share “lessons learned” since their initiative is ahead of HBE in terms of development, including ways to do things cheaper and faster. Also, OHIT is developing the Master Person Index that may be their most important asset for HBE.
- The **Arkansas Department of Health** has extensive knowledge of and contacts with communities throughout the state that will be of assistance with HBE outreach and education efforts.

- The **Arkansas Department of Information Services** has strategic and operational expertise on single point of entry portal; customer call centers; state IT architecture; and maximizing mobile functionality (social media). DIS also has access to research and staff augmentation resources that could be used by HBE.
- The **Arkansas Center for Health Improvement** can provide policy expertise during planning and operation of the Exchange. Additionally, ACHI has legislative authority over the All Claims Database which will assist the rate review component of the HBE. When HBE is operational, ACHI can provide data analytics for needed oversight (rate review, etc.) and may be able to assist with public reporting of data.
- The **Employee Benefit Division of the Department of Finance and Administration** will provide access to their operating procedures and staff experienced with their school program which has many similarities to HBE. Additionally, by the end of the year all their technology will be in the public domain.
- The **State of Arkansas, Office of the Governor** will provide their policy advisor to help coordinate and reduce duplication of efforts.
- **Arkansas Blue Cross/Blue Shield** identified several areas where they have knowledge and expertise to share as part of the planning process. These include the local market place (including “land mines” to avoid); actuarial data and knowledge; IT resources; outreach capabilities; electronic data transfer capabilities; and experience with online eligibility.
- **Delta Dental of Arkansas** offered their staff’s knowledge and expertise as well as information from their national corporation and resources to support community outreach and education (funds and contacts)
- The **University of Arkansas for Medical Sciences** will continue their participation on several planning committees.

3.3.2 Financial Resources

A few agencies/organizations identified financial support for the Exchange:

- The **Arkansas Insurance Department** spokesman sees the growth in the number of QHPs as generating enough tax revenue to fund HBE operations. He also sees the need to maximize grants and other funding sources, particularly during the planning and start-up phase.
- The **Arkansas Department of Human Services** pledged to capitalize on every opportunity to draw down Federal funds to assist in development and operation of the Exchange.
- **Delta Dental of Arkansas** indicated that it has funds available to assist with community outreach and education efforts regarding the Exchange.

3.3.3 Financial Liabilities

Two agencies clarified that the services to the HBE after it is operational must be paid for by the HBE.

- The **Office of Information Technology** expects the Exchange to pay for needed services as others do.
- The **Arkansas Department of Information Services** stated that it charges for all services provided. DIS has master service agreements with other state agencies and creates service orders for services provided.

3.4 Impact on Policies, Procedures and/or Organization

In general, the agencies and organization indicated that they needed to wait for CMS clarification/direction as well as final decisions on how the Arkansas Exchange will be developed before fully understanding what changes are needed. However, based on available information, respondents did identify areas where they knew changes would need to be made.

- The **Arkansas Insurance Department** spokesman indicated that the operation of the Exchange could impact their Customer Service activities as it will increase the amount of their business. He anticipated that policy changes will be needed but said it is not yet clear what they are.
- The **Arkansas Department of Human Services** spokespersons stated some redesign of their policies and procedures will be needed to address the new Medicaid population. They anticipate that others will also need modification but cannot define the extent until how the HBE will operate is known. ADHS stated to plan on at least four months to make the needed changes to policies, procedures and corresponding staff training.
- The **Office of Health Information Technology** identified the need for more and different interfaces although the specifics are not yet known. Important to begin defining the specifics as soon as possible to allow sufficient time to prepare and test.
- The **Arkansas Department of Health** identified several changes to be made:
 - ✓ Expand their billing staff in anticipation that more people they serve will have insurance.
 - ✓ Expect to see the Ryan White program (for HIV/AIDS) grow as more people have insurance
 - ✓ Modify policies and procedures to accommodate the changes brought about by HBE but stressed that they do not yet have any specifics on this because of a lack of information

- The **Arkansas Department of Information Services** spokesperson said that the changes their agency will have to make depends on the HBE platform chosen. They also expect that the ongoing work on the portal could change because of HBE.
- The **State of Arkansas, Office of the Governor** must assure interoperability which may require some structural changes
- **Arkansas Blue Cross/Blue Shield** identified several areas to modify:
 - ✓ Policies will change once all requirements are known
 - ✓ Customer service because some things will be handled by HBE and some by QHP but clarification is needed from HBE before making changes
 - ✓ Focus will change from identifying risk up front to identifying risks after enrollment and how best to manage the risk
 - ✓ Change in marketing and sales approach; the need for agents and the cost of their commissions will decrease
- **Delta Dental of Arkansas** anticipates making changes in at least the following areas:
 - ✓ Branding of their product since decisions currently being made by employers will be made by individuals through the HBE
 - ✓ The shift from small group plans to individual buyers will cost the organization more to administer
 - ✓ Expect to have higher advertising costs but that will be offset by the absence of agent commissions
- The **University of Arkansas for Medical Sciences** expects to develop a process that links uninsured individuals seeking services from UAMS with the HBE

3.5 Impact on Interagency Agreements

Across the board agency respondents indicated that modifying or creating interagency agreements can be done as needed in a timely manner. At this point, they have no firm idea of what the needs are in this area and will not until the Exchange's governance model is established and more specifics are known about its organization and operation.

3.6 Benefits of Health Benefits Exchange

- The **Arkansas Insurance Department** represents the interests of the consumer and sees HBE as having significant benefits for consumers by expanding insurance coverage.
- The **Arkansas Department of Human Services** identified a number of benefits:
 - ✓ HBE should help reduce some of the stigma associated with Medicaid

- ✓ Because all citizens are required to have insurance, the indigent care and uncompensated care that providers now experience will be significantly reduced
- ✓ Because of the emphasis on preventative care, access to insurance for all will improve the health care system and overall wellness of Arkansans
- ✓ ADHS will have access to a rules engine
- ✓ Anticipate the HBE will be efficient and will provide meaningful outreach to assure that more people are enrolled and have insurance
- The **Office of Information Technology** listed as benefits:
 - ✓ SHARE will support HBE which will bring more value to SHARE
 - ✓ The HBE may open the door for SHARE to have a role with private insurance
 - ✓ HBE will be a huge benefit for the state; many currently uninsured people will have opportunities that they aren't even aware of
- The **Arkansas Department of Health** notes that the operation of HBE will increase opportunities for preventative healthcare for Arkansans.
- The **Arkansas Department of Information Services** sees HBE as an opportunity to create one-stop shopping creating transparency for the consumers in that they can make comparisons between insurance plans
- The **Arkansas Center for Health Improvement** believes that HBE will support choice for the citizens of the state
- The **Employee Benefit Division of the Department of Finance and Administration** stated that providing citizens with choice is good but also noted that the HBE could broaden the state's insurance pool.
- The **State of Arkansas, Office of the Governor** identified the greatest benefit as creating competition in the insurance market which should lead to reduced cost and increased benefits. He also noted that HBE will provide citizens with one central place to look at benefits.
- **Arkansas Blue Cross/Blue Shield** identified several benefits:
 - ✓ HBE will create a new way to market insurance
 - ✓ Many Arkansans will qualify for subsidies which will increase enrollment
 - ✓ The number of underinsured and uninsured will be reduced
 - ✓ The amount of uncompensated care for providers will be reduced
- **Delta Dental of Arkansas** indicated that:
 - ✓ More people will have access to coverage and health care
 - ✓ HBE will foster a lower cost/more efficient buying process

- The **University of Arkansas for Medical Sciences** stated that HBE will improve health care for the citizens of the state

3.7 Comments on the Navigator Role

- The **Arkansas Insurance Department** is emphatic that Navigators need to be licensed so that AID can monitor their performance and enforce the rules and qualifications for the position
- The **Arkansas Department of Human Services** had several comments on Navigators:
 - ✓ Navigators should assist in navigating the system, not limit their role to assisting with choosing an insurance plan and walk away
 - ✓ Navigators should be a collaboration of public and non-profit
 - ✓ Navigators should be a source of reliable information on many areas not limited to choosing an insurance plan
- The **Office of Health Information Technology** did not comment on Navigators.
- The **Arkansas Department of Health** wants their staff to serve as Navigators.
- The **Arkansas Department of Information Services** did not comment on Navigators.
- The **Arkansas Center for Health Improvement** did not comment on Navigators.
- The **Employee Benefit Division of the Department of Finance and Administration** shared two thoughts:
 - ✓ Navigators should be paid in a grant environment
 - ✓ Anyone but insurance carriers would be the best Navigators
- The **State of Arkansas, Office of the Governor** shared the following:
 - ✓ HBE must hold the Navigator responsible for their actions; get correct information to them and insist that they communicate the information in a fashion that individuals can understand.
 - ✓ Used the Benefit Bank program as an example of what not to do. That program used volunteers and got “volunteer” results.
 - ✓ Monitoring and oversight is essential as is good training for the Navigators.
- **Arkansas Blue Cross/Blue Shield** believes it will be very difficult to find someone with influence but who is independent to be a Navigator. Suggested that church organizations and “all kinds of different folks” be considered.
- **Delta Dental of Arkansas** believes the insurance industry would make the best Navigators
- The **University of Arkansas for Medical Sciences** did not comment on Navigators.

3.8 Other

- The **Arkansas Department of Human Services** indicated that they are involved in a new initiative that may impact the HBE – the Payment Reform Effort being led by the Surgeon General. There may be opportunities for collaboration.
- The **Arkansas Department of Health** is routinely involved in Home Town Health Coalitions throughout the state which could serve as avenues for outreach and education efforts.
- The **Arkansas Center for Health Improvement**
 - ✓ Discussed ARHealthNetwork as it is a program listed on the agency’s website. It is a Medicaid waiver (4 yrs old) administered by NovaSys that provides basic insurance coverage for small businesses (usually 1 to 3 employees). It has been in operation for four years and has approximately 15,000 enrollees. There is rich enrollment experience and utilization information that could help with actuarial steps for HBE. ACHI is preparing to evaluate the program and data may be available for use within 3-6 weeks.
 - ✓ Raised the issue of requiring insurance companies who are in the HBE to cover the entire state versus allowing them to cover only certain areas. There are many factors to consider before making this decision.
- The **Employee Benefit Division of the Department of Finance and Administration** spokesperson stated “There is nothing that is in the Exchange that we can’t do.” He went on to discuss his fear that EBD will be directed to operate it without adequate resources or time to prepare.
- **Arkansas Blue Cross/Blue Shield** believes that Arkansas needs to look at where the state’s insurance market is now and where it needs to go so it can support gradual or incremental change without too much of a shock.
- **Delta Dental of Arkansas** noted that they financially support twenty free dental clinics for adults around the state in underserved areas. This effort is coordinated through ADH’s Office of Oral Health and is another viable outreach avenue.

4 Recommendations

4.1 Opportunities to Incorporate Business Processes of Others into the Development and Operation of the Exchange

A key tenet in the development and operation of the HBE is capitalizing on existing resources and assets to the extent feasible. Based on interviews and documents reviewed, the First Data Team identified the following broad areas where it appears that there is knowledge, experience and replicable processes that would benefit the HBE.

- **Enrollment** – Using the CMS published guidelines for HBE, work intensely with the Department of Human Services, the Employee Benefit Division and Blue Cross/Blue Shield to understand their individual enrollment process, focusing on web based enrollment, to determine what is applicable for the HBE enrollment function. For each, investigate the business rules, the tools, the staff required to support the activity and the volume of enrollees. The goal is to identify the most efficient, effective way to facilitate enrollment through the HBE and to establish linkages to ADHS (Medicaid) and private insurance as appropriate.
- **Eligibility** – Work with the Department of Human Services to identify opportunities to integrate processes, operation and tools between ADHS and HBE. The goal is to create a comprehensive, efficient method of determining/recertifying eligibility for those accessing health insurance through the Exchange.
- **Outreach and Education** – Three agencies/organizations are noted to have the potential to be especially helpful in the area of outreach and education. The Department of Human Services and the Department of Health have a presence in every county in the state. They have regular contact with **many** individuals who will be using the HBE. They also have experience initiating new programs and outreach to identify individuals who would most benefit from their programs. It is important to ask what worked and what did not work as plans are made to share information about HBE. Additionally, Delta Dental of Arkansas has pledged monetary support for outreach and education activities. HBE staff needs to solidify that offer to help fund needed activities.
- **Customer Service** – While all agencies/organizations interviewed have existing customer service functionality, there are three that should be explored in depth because their customers are many of the same demographic that will be contacting the HBE. The Arkansas Insurance Department works with insurance providers and can provide profiles of their concerns. The Department of Human Services and the Department of Health interact on a regular basis with many of the individuals who will be seeking insurance coverage through the HBE. Their experience in this area is vital in determining how best to set up a call center, an interactive voice response (IVR) system, an online assistance system as well as the type and number of staff needed to support this functionality.

One other agency with vital information in this area is the Department of Information Services, which can provide the technological support for needed customer service activities.

- **Master Person Index** – The Office of Health Information Technology is developing a Master Person Index. HBE staff must determine how this tool will benefit their enrollment activities and how best to link to the Index.
- **Insurance Plan Design** – When considering the insurance plans to be offered through the HBE, the best source of unbiased information is the Employee Benefits Division. They are continuously researching the market and seeking out the best coverage for their constituents. Tapping into their experience could save the HBE staff a lot of time and effort.
- **Navigators** – There are two agencies with experience connecting individuals to needed services, the Department of Human Services and the Department of Health. Each noted that some efforts have been more successful than others. Accessing their experience, staff training materials and customer service information will create a good baseline for developing the criteria to be a Navigator, identifying both initial and on-going training needs, and the type of support needed from the HBE.

The Arkansas Insurance Department -feels strongly that individuals serving in the Navigator position should be licensed or certified and monitored to help protect the integrity of the Exchange. [The Arkansas Insurance Department has experience with a voluntary education program for Medicare-eligible seniors--Seniors Health Insurance Information Program \(SHIIP\)-- that assists in making informed decisions about their health care options including the prescription drug plan, provides information about income supports for limited income individuals, and educates the community about health insurance issues.](#)

A final organization to have input into the Navigator role is Blue Cross/Blue Shield of Arkansas as a representative of the insurance industry. Their experience with enrollment and customer service will help provide a certain perspective as to what Navigators may encounter as they assist individuals in accessing insurance coverage.

- **Financing** – The HBE staff is prepared to capitalize on grant funds available from CCIIO. However, there are two other potential funding sources that require early exploration to assure the HBE’s readiness to take advantage of them. The Department of Human Services has pledged to assist in efforts to draw down Federal funds. The HBE staff needs to understand the requirements for each opportunity and also be assured that state matching funds are available. A continuous source of funding identified by the Arkansas Insurance Department is the growth in taxes due to an increase in insurance plan enrollment. For operational budget planning, the HBE staff needs to work with the AID staff to convert these expectations into actual projected revenue.

To determine the extent to which the assets identified in these areas can be of use by HBE, ongoing planning is needed. In order to complete this work and begin developing the

Exchange, the First Data Team recommends that the Arkansas HBE Planning Staff begin staff expansion. We recommend the immediate hiring of three individuals as the core operations staff for the Exchange.

- Under the direction of the HBE Planning Director, the first new staff member's responsibility will be to facilitate overall development of the HBE's operation.
- The two additional individuals will be assigned specific functional areas to coordinate HBE business processes with existing processes/programs and, when necessary develop HBE specific processes to meet the unique functions of the Exchange.

Given the Federal government's aggressive timeline for development of a state Exchange, additional staff dedicated to Exchange implementation and eventual operation must begin work for the HBE establishment as soon as possible.

4.2 Mitigating Risks and Issues

- **Lack of specifics on the Exchange** - When reviewing the risks and issues identified during the agency/organization interviews, many fall under the broad category of "few specifics are known about how the Arkansas Exchange will operate". Without a clear understanding of how Arkansas will establish and operate the HBE, other agencies and organizations cannot begin to plan how they will be affected and how they will work with the HBE. Making these decisions and beginning a planned, logical development of the HBE will result in the alleviation of much anxiety while also allowing the identification of specific issues to be addressed and resolved.
- **Federally mandated timeline for HBE** - Coupled with the need for decisions regarding the formation of the HBE are concerns about the federally mandated implementation timeline and the knowledge that failure to comply will result in ceding control of Arkansas's Exchange to the Federal government. Consensus is that this would not be in the best interest of Arkansans. Therefore, moving forward with decisions and establishment of the HBE in an organized, efficient manner is of paramount importance to all agencies and organizations interviewed.
- **Multiple statewide initiatives** - Another broad area of concern is the multiple statewide initiatives being undertaken concurrently. This is seen as causing a huge resource drain on many state agencies and, in some instances, putting a strain on the state's IT infrastructure. Those interviewed voiced concern that these efforts must be orchestrated, when possible, to support each other. An initial step to doing this would be for the leaders of each initiative to share their tasks and timelines in an effort to identify stress points that could be adjusted without jeopardizing any one initiative. The specific initiatives cited in addition to the Exchange are:
 - ✓ State Health Alliance for Records Exchange (SHARE),
 - ✓ Healthcare Payment Reform, and
 - ✓ MMIS Replacement Project.

- **Churning** - An issue raised by a number of interviewees was the prediction that there will be extensive “churning,” individuals moving back and forth between Medicaid and private insurance plans. Such churning would be detrimental to the individuals whose insurer and coverage could change frequently. It would also increase the administrative burden of ADHS, the HBE and the insurance carriers. When more information is known about the uninsured in Arkansas, this issue needs careful consideration to determine what viable alternative exists to minimize churning and the disruption it will cause.
- **Need to validate self-reported information** - One agency raised the issue of HBE enrollment being based on self-reported information verified electronically against non-current data (income tax returns). The concerns identified are whether additional staff will be needed for verification if the self reporting was not consistent with the tax returns; for additional fraud and abuse monitoring; to become involved when individuals had sudden changes in financial status and needed to change their insurance; or other activities that could require a case worker’s intervention. In the absence of direction from CMS on these areas, it is difficult to anticipate staffing needs, work flow or business rules. These are issues that will need consideration in the plan for staffing and operation of the HBE.
- **Possible negative impact on current medical care** - One agency voiced concern that the projected increase in insured individuals may have a detrimental effect on Arkansas’s current medical delivery system. If more individuals seek medical care, are there enough providers to serve them? The HBE staff may decide that this warrants further study in an effort to confirm or alleviate this concern.
- **Anxiety within the insurance industry** - A concern voiced by a representative of the insurance industry is the fear that so much change (e.g., creation of the Exchange) may create anxiety in the insurance marketplace. To mitigate this, the HBE Planning Staff can begin providing accurate, up-to-date information at the earliest opportunity to insurance carriers, brokers and others associated with the industry. Using the means independent of any insurance carrier, the HBE can establish comprehensive lines of communication with the industry.

4.3 Resource Sharing

Most of the resource sharing identified consisted of staff expertise for planning purposes and is discussed in Section 4.1 above. However, it bears noting that the Employee Benefit Division is currently operating their Teacher Insurance program in a fashion very similar to the Exchange. The leadership of that Division has the most comprehensive knowledge of such an operation and has offered not only their advice but also their policies and procedures to be used as models for those that must be developed for the Exchange.

4.4 Policy and Procedure Revision/Creation

All agencies/organizations agreed that changes would be needed to their policies, procedures and, in some cases, staffing and organization. While some known needs are in

the discussion stage, much of the specific work cannot be done until establishment of the HBE is further along. The timeline for the HBE development needs to take into consideration that some state agencies require at least four months to finalize policy changes.

4.5 Need to Change or Create Interagency Agreements

The agencies interviewed stated that creating or changing interagency agreements is a very easy, quick process and they do not envision any issues. The key, however, is that the governance model chosen for the HBE must have the authority to enter into interagency agreements. In the interim, AID should consider the need for interagency agreements to confirm planning activities for the HBE. This would enable efficient and effective use of federal planning grants for the Department of Human Services, Health Information Exchange and Health Benefits Exchange.

5 Program Integration Plan

In order to capitalize on the knowledge and experience available from these agencies and organizations, Arkansas must decide on their governance model and secure additional dedicated staff to begin establishing the HBE operation. This staff must be authorized to coordinate with other state agencies as they work to meet the Federal standards for HBE. Daily oversight must assure that staff is properly allocated and tasks are completed on time. There must also be an individual or a small group of individuals in place to make decisions in a timely manner to assure that the implementation can progress without roadblocks.

The Operations Plan will contain a comprehensive timeline with specified tasks and known dependencies. The timeline will incorporate all the plans and will include at least these critical dates:

- Level One Grant Applications may be submitted September 30, 2011 or December 30, 2011. It is the intent of Arkansas AID to meet the September 30, 2011 submission date.
- Level Two Grant Applications may be submitted December 30, 2011; March 30, 2012; or June 29, 2012. It is strongly recommended that Arkansas AID meet the March 30, 2012 submission Date
- Open Enrollment in the Exchange for consumers must begin by October 1, 2013.
- Each HBE will be evaluated and a decision made by January, 2013 as to whether or not the State is judged able to fully implement an Exchange by January 2014.
- Fully operational Exchange, January 2014

6 Appendix A – Interviewee Contact Information

Date of Interview	Name of Agency	Interviewee(s)	Lead Contact Person
07/05/11	Arkansas Department of Health www.healthy.arkansas.gov	<p>Mary Leath Deputy Director for Administration (leaving agency on 07/15/11)</p> <p>Randy Lee Director, Local Public Health Services Phone: 501-661-2832 Randy.d.lee@arkansas.gov</p> <p>Glen Baker, MD,FACP Director, Public Health Laboratory Arkansas Department of Health 201 South Monroe Street Little Rock, AR 72205-5425 Phone: 501-350-9070 Fax: 501-661-2972 Glen.baker@arkansas.gov</p> <p>Lee Clark Manager, Reimbursement Services Phone: 501-661-2377 Lee.clark@arkansas.gov</p>	Glen Baker, MD,FACP
07/06/11	Delta Dental of Arkansas www.deltadentalar.com	<p>Ed Choate President & Chief Executive Officer 1513 Country Club Road Sherwood, AR 72120 Phone: 501-922-1600 Wats: 800-462-5410 ext 1600 Fax: 501-992-1601 echoate@deltadentalar.com</p>	Ed Choate & Melissa Massengale Phone: 501-992-1666

Date of Interview	Name of Agency	Interviewee(s)	Lead Contact Person
07/06/11	Arkansas Department of Human Services http://humanservices.arkansas.gov/dco/	Joni Jones Director, Division of County Operations 700 S. Main P. O. Box 1437, Slot S301 Little Rock, AR 72203-1437 Phone: 501-682-8375 Fax: 501-682-8367 joni.jones@arkansas.gov	Linda Greer Assistant Director 700 S. Main P. O. Box 1437, Slot S301 Little Rock, AR 72203-1437 Phone: 501-682-8257 Linda.greer@arkansas.gov
07/07/11	State of Arkansas Office of the Governor http://governor.arkansas.gov/	Frank Scott Deputy Director of Policy Office of the Governor Mike Beebe State Capitol, Suite 124 Little Rock, AR 72201 Phone: 501-683-6462 Fax: 501-682-9499 Frank.scott@governor.arkansas.gov	Same
07/07/11	Arkansas Insurance Department http://insurance.arkansas.gov/	Jay Bradford Commissioner 1200 West Third Street Little Rock, AR 72201-1904 Phone: 501-371-2621	Cynthia Crone, APN Health Insurance Exchange Planning Director 1200 West Third Street Little Rock, AR 72201-1904 Phone: 501-683-3634 Cell: 501-786-9793 Fax: 501-371-2629 Cynthia.crone@arkansas.gov

Date of Interview	Name of Agency	Interviewee(s)	Lead Contact Person
07/07/11	State of Arkansas Department of Finance and Administration, Employee Benefits Division http://dfa.arkansas.gov/offices/employeeBenefits/	Jason Lee Executive Director 501 Woodlane, Suite 500 Little Rock, AR 72201 P. O. Box 15610 Little Rock, AR 72231-5610 Phone: 501-682-5502 1-800-815-1017 Fax: 501-682-1168 jason.lee@dfa.state.ar.us	Same
07/08/11	Arkansas Blue Cross Blue Shield www.arkansasbluecross.com	P. Mark White President & CEO 601 S. Gaines Street P. O. Box 1489 Little Rock, AR 72203-1489 Phone: 501-378-2208 pmwhite@arkbluecross.com Cal Kellogg, Ph.D Sr. Vice President & Chief Strategy Officer 601 S. Gaines Street Little Rock, AR 72201 P. O. Box 2181 Little Rock, AR 72203-2181 Phone: 501-378-3051 celkellogg@bluecross.com	Cal Kellogg
07/11/11	Office of Health Information Technology http://ohit.arkansas.gov/Pages/default.aspx	Ray Scott Coordinator 1401 West Capitol Avenue, Plaza G Little Rock, AR Phone: 501-410-1999 Ray.scott@arkansas.gov	Same Shirley Tyson for technical piece

Date of Interview	Name of Agency	Interviewee(s)	Lead Contact Person
07/11/11	Arkansas Department of Human Services http://humanservices.arkansas.gov/	Dawn Jaycox Zekis Office of the Director, Director of Policy and Planning Donaghey Plaza South 700 Main Street P. O. Box 1437, Mail Slot S201 Little Rock, Arkansas 72203-1437 Phone: 501-683-0173 Fax: 501-682-6836 Cell: 501-231-0653 Dawn.zekis@arkansas.gov	Same Note: alternate number for her – 501-212-8711.
07/12/11	Arkansas Center for Health Improvement (ACHI) www.achi.net	Joe Thompson, MD, MPH Director & Arkansas Surgeon General 1401 W. Capitol Avenue, Suite 300 Little Rock, AR 72201 Phone: 501-526-2244	Joe Thompson (lead for Surgeon General issues)
07/14/11	University of Arkansas for Medical Sciences http://www.uams.edu	David Miller, MHSA, FHIMSS, CHCIO Vice Chancellor & Chief Information Officer Information Technology 4301 W. Markham St., #633-1 Little Rock, AR 72205-7199 Phone: 501-686-7609 Dlmiller2@uams.edu	Same

Date of Interview	Name of Agency	Interviewee(s)	Lead Contact Person
07/14/11	<p>Arkansas Department of Information Systems (DIS) http://www.dis.arkansas.gov/</p> <p>State Technology Council www.STC.arkansas.gov</p>	<p>Claire Bailey Director & Arkansas Chief Technology Officer One Capitol Mall, Third Floor P. O. Box 3155 Little Rock, AR 72203 Phone: 501-682-2701 Cell: 501-416-2381 Fax: 501-682-4960 Claire.bailey@arkansas.gov</p> <p>Kym Patterson State Chief Security Officer (same address as above) Phone: 501-682-4550 Fax: 501-682-9465 Kym.patterson@arkansas.gov</p>	Both

7 Appendix B – ACA Background Information

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
Screening and Eligibility Determination	<ul style="list-style-type: none"> • Eligibility Determinations • Eligibility Verification 	<ul style="list-style-type: none"> • Medicaid eligibility is expanded to individuals with income up to 133% of the poverty line including adults without dependent children • Single application form for all State health subsidy programs • Secure interface for eligibility determination for all such programs based on a single application through data matching • Eligibility determination for Exchange participation, premium tax credits, reduced cost-sharing and individual responsibility exemptions; and applicants' citizenship/ immigration status, income and family size will be verified against Federal records • Individuals determined to be ineligible for assistance are screened for eligibility for enrollment in plans offered through Exchange as well as premium assistance for the purchase of a plan and, enrolled in plan without having to submit additional application • Inform individuals of eligibility requirements for the Medicaid program, the CHIP program, or any applicable State or local public program and if screening of an application by the Exchange determines individual is eligible for any program, enroll individual • Ensure that individuals applying for Medicaid or CHIP but found ineligible are screened for eligibility in Exchange plans • Exchange may contract eligibility determination to the State Medicaid agency for all subsidy programs • A qualified employer is a small employer that elects to make all full-time employees eligible for one or more qualified health plans offered in the small group market
Enrollment Management	<ul style="list-style-type: none"> • Enrollment 	<ul style="list-style-type: none"> • All US citizens and legal residents are required to have coverage • Dependents under the age of 26 can remain on their parents' insurance • State is operating no later than January 1, 2014 a website which allows individual eligible for Medicaid or CHIP and also eligible for premium assistance to compare benefits, premiums, and cost sharing • Secretary will develop standardized format for products to present the percentage of total premium revenue expended on nonclinical costs, eligibility, availability, premium rates, and cost sharing • Information required for enrollment: Name, address, DOB for each individual to be covered by the plan, citizenship status –Including SSN and/or attestations • Enable electronic signature for enrollments and re-enrollments • Enroll through such website, individuals who are identified as being eligible for State plan,

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
		<ul style="list-style-type: none"> waiver, or child health assistance without any further determination by the State Individuals determined to be ineligible for assistance are screened for eligibility for enrollment in plans offered through Exchange as well as premium assistance for the purchase of a plan and, enrolled in plan without having to submit additional application Coordinate, for individuals who are enrolled in the State plan or under a waiver and who are also enrolled in a qualified health plan offered through such an Exchange Start Initial open enrollment period by July1, 2012 If applicant information related to enrollment, premium tax credits and cost-sharing reductions is positively verified, HHS Secretary will notify the Treasury Secretary of the amount of any advance payment to be made State must develop procedures to assure children found ineligible for Medicaid are enrolled in certified qualified health plans
Customer Relationship Management	Post enrollment services including: <ul style="list-style-type: none"> Call centers Ombudsman Consumer Advocacy Programs 	<ul style="list-style-type: none"> Operation of a toll-free hotline to respond to inquiries for assistance Designate an independent office of health insurance consumer assistance or an ombudsman that responds to inquiries and complaints concerning insurance coverage The office of health insurance consumer assistance or health insurance ombudsman must help with complaints and appeals filing, including filing appeals with the internal appeal or grievance process of the group health plan or health insurance issuer involved, and providing information about the external appeal process; collect, track, and quantify problems and inquiries encountered by consumers; educate consumers on their rights and responsibilities with respect to group health plans and health insurance coverage; assist consumers with enrollment in a group health plan or health insurance coverage by providing information, referral, and assistance; and resolve problems with obtaining premium tax credits Establish a program under which to award grants to "Navigators"
Reporting		<ul style="list-style-type: none"> Publish average costs of licensing, regulatory fees and other payments required by the Exchange, as well as administrative costs, moneys lost to waste, and fraud and abuse Implement data-driven fraud detection protocols Maintain accurate accounting of all activities, receipts and expenditures; and an annual report must be submitted Report on quality measures and performance of health plans Conduct enrollee satisfaction surveys for every plan with more than 500 employees Within five years of operations, the Comptroller General will conduct an ongoing study of activities and enrollees. The study will review operations and administration, including complaint data and ability to meet goals. It will include observations, operational or policy

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
		<p>improvement recommendations, the number of doctors not accepting new patients and provider network adequacy, cost and affordability of insurance</p> <ul style="list-style-type: none"> • Qualified health plans must make the same quality reports related to pediatric care that are required of the State Medicaid-CHIP agency
Plan Management	<ul style="list-style-type: none"> • Plan Payments 	<ul style="list-style-type: none"> • Review, approve or deny certification based on coverage transparency, the accurate and timely disclosure of claims policies and procedures; periodic financial disclosures; enrollment and disenrollment data; denied claims; rating practices; cost-sharing and payments with respect to out-of-network (OON) coverage; enrollee and participant rights • Require health plans seeking certification to submit to the Exchange, the Secretary, the State Insurance Commissioner, and to the Public the following: Claims payment policies and practices, periodic financial disclosures, data on enrollment and disenrollment, data on the number of denied claims, data on rating practices, information on cost-sharing and payments with respect to out-of-network coverage, information on enrollee and participant rights • Plan seeking certification must allow individuals to learn the amount of cost-sharing under the plan that the individual is responsible for • Review and approve/deny requests for premium rate increases, and take into account excess premium growth outside the Exchange • Provide for timely acknowledgment, response and status reporting that supports a transparent claims and denial management process • HHS Secretary will notify plan issuers of enrollees who are eligible for cost-sharing reductions, and issuers will reduce cost-sharing under the plan • Exchanges must provide access to at least four levels of coverage • Catastrophic plan only for individuals under 30 • A licensed health insurance insurer must charge the same premium whether the plan is offered via the Exchange, offered directly or through an agent • Director of the Office of Personnel Management shall contract to offer at least 2 multi-State plans through the Exchange
Employer Relations		<ul style="list-style-type: none"> • A qualified employer may provide support for coverage of employees under a qualified health plan by selecting any level of coverage to be made available to employees through an Exchange • A small employer may continue to participate if it ceases to be a small employer because of an increase in the number of employees • Beginning in 2017, each State may allow issuers in the State’s large group market to offer qualified health plans through an Exchange

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
		<ul style="list-style-type: none"> • Transfer to the Secretary of the Treasury, the name and taxpayer identification number of each individual who was an employee but who was determined to be eligible for the premium tax credit because the employer did not provide minimum essential coverage; or the employer provided minimum essential coverage which was determined to either be unaffordable or not provide the required minimum actuarial value • Transfer to the Secretary of the Treasury, the name and taxpayer identification number of each individual who notifies the Exchange that they have changed employers or have ceased coverage • Provide to each employer the name of each employee who ceases coverage under a plan • “Offering employer” is one who offers minimum essential coverage to its employees consisting of coverage through an eligible employer-sponsored plan; and who pays any portion of the costs
Outreach	<ul style="list-style-type: none"> • Consumer Outreach and Education 	<ul style="list-style-type: none"> • States may allow agents and brokers to enroll individuals in any plan on an Exchange in the State, and to assist applications for premium tax credits and/or cost sharing reductions • States may establish rate schedules for broker commissions paid by health plans • Exchanges shall establish grants (out of operational funds) to support health care Exchange "navigators" • Navigators: Individuals and organizations who will help employers, employees, consumers and self-employed individuals understand and enroll in plans via the Exchange • Navigators should be qualified and regulated and may include trade, industry and professional associations, community and consumer-focused non-profits, chambers of commerce, licensed insurance agencies and brokers, etc. • Navigators may not be health plans or receive any considerations from health plans • Consult and coordinate with external stakeholder groups
State and Federal Coordination		<ul style="list-style-type: none"> • Transfer applicant-provided information to HHS Secretary for verification • Data matching program will be primary mechanism for establishing, verifying and updating eligibility • Verification and determination amongst Federal agencies will be completed online, and Secretary will notify Exchange of results; Secretary may delegate some verification responsibility to the Exchange • Exchange must provide to the Secretary of the Treasury and to the taxpayer relating to any Exchange plan, any information provided to the Exchange, including change in circumstances necessary to determine eligibility, and the amount of the premium assistance tax credit; name, address and TIN of the primary insured, and the name and TIN of each individual covered under the policy; total premium, excluding applicable premium

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
		<p>assistance tax credit or cost-sharing reductions; level of coverage provided, and the period of coverage; aggregate amount of any advance payment; information needed to determine if taxpayer received excess advance payment</p> <ul style="list-style-type: none"> • If applicant-provided information related to enrollment, premium tax credits and cost-sharing reductions is positively verified, HHS Secretary will notify the Treasury Secretary of the amount of any advance payment to be made; also, if applicant-provided information relating to exemption from individual responsibility requirement is verified, HHS Secretary will issue a certification of exemption • Exchange must also transfer to the Secretary of Treasury the name and TIN of: Those issued an exemption from the individual mandate; each individual who has an employer but was determined eligible for the premium tax credit; each individual who notifies the Exchange that they have changed employers; each individual who ceases coverage during the year • State may authorize Exchange to contract with an eligible entity to carry out Exchange responsibilities
Financial	<ul style="list-style-type: none"> • Plan Payments • Premium Collection • Cost Allocation • Cost Sharing 	<ul style="list-style-type: none"> • Electronic calculator to determine actual cost of coverage after the application of premium tax credits • Exchange must provide the following information to the Secretary of the Treasury and to the taxpayer: Total premium for the coverage, excluding applicable premium assistance tax credit or cost-sharing reductions • Standard out-of-pocket maximum limit reductions: <ul style="list-style-type: none"> ○ 100%-200% FPL: reduced by 2/3rds ○ 200% -300% FPL: reduced by 1/2 ○ 300% -400% FPL: reduced by 1/3rd • The plan's share of total allowed costs of benefits would be increased to: <ul style="list-style-type: none"> ○ 94% for those 100-150% FPL ○ 87% for those 150-200% FPL ○ 73% for those 200-250% FPL ○ 70% for those 250-400% FPL • Calculation of premium credit should take into consideration premium assistance amounts, coverage months, minimum essential coverage, unaffordable coverage under an employer-sponsored plan, applicable 2nd lowest cost silver plan, adjusted monthly premium for such plan, applicable %,and advance payment of credits • The Secretary of HHS will notify the Exchange and the Secretary of Treasury, and the Secretary of Treasury will make the necessary payments to the insurer, who must reduce the individual's premiums and cost-sharing • States may provide subsidies in addition to the Federal subsidies

Functional Area	Arkansas Defined Business Processes	ACA Legislative Requirements
		<ul style="list-style-type: none"> • If Secretary notifies Exchange that enrollee eligible for premium credit or cost-sharing reduction due to lack of minimum essential coverage through an employer (or unaffordable coverage), the Exchange must notify employer (and employer may be liable for tax) • In the case of an eligible small employer, there shall be a small employer health insurance credit for any taxable year • The aggregate cost of applicable employer-sponsored coverage should be included in W2 • Levels of coverage are defined as <ul style="list-style-type: none"> ○ Bronze: 60% of the full actuarial value the plan ○ Silver: 70% of the full actuarial value the plan ○ Gold: 80% of the full actuarial value the plan ○ Platinum: 90% of the full actuarial value the plan • Health insurance issuers are to consider all enrollees in all health plans offered by the issuer in the individual market (except grandfathered plans) to be members of a single risk pool; Also all enrollees in all health plans offered by the issuer in the small group market (except grandfathered plans) to be members of a single risk pool • The Secretary shall establish and administer a program of risk corridors for calendar years 2014, 2015 and 2016 • Each State shall assess a charge on health plans and health insurance issuers (with respect to health insurance coverage) if the actuarial risk of the enrollees of such plans or coverage for a year is less than the average actuarial risk of all enrollees in all plans or coverage in such State for such year that are not self-insured group health plans • Reward quality through market based incentives • States must ensure the Exchange is self-sustaining by January 1, 2015 • Exchange may charge assessments or user fees to participating health plans, or to otherwise generate funding • Administrative and operational funds cannot be used to fund retreats, promotional giveaways, etc. • Pay for new spending, in part, through spending and coverage cuts in Medicare Advantage • Grants to be made available to States for planning and activities related to establishing an Exchange. Grants may be renewed