

ARKANSAS GENERAL ASSEMBLY

Senator David Sanders
Senate Chair



Representative Stephen Magie
House Chair

SENATE AND HOUSE HEALTH INSURANCE MARKETPLACE LEGISLATIVE OVERSIGHT COMMITTEE

December 11, 2015

Senator Jonathan Dismang
President Pro Tempore
Arkansas State Senate
State Capitol
Little Rock, Arkansas 72201

RE: Report from the Arkansas Health Insurance Marketplace Legislative Oversight Committee

Dear Senator Dismang:

In accordance with the provisions of Act 1500 of 2013, the Arkansas Health Insurance Marketplace Legislative Oversight Committee offers this report of its findings for the year 2015. The Arkansas Health Insurance Marketplace Legislative Oversight Committee met on May 20, June 29, September 15, and October 22, 2015 for a total of four (4) times.

At the May 20, 2015 meeting, the Arkansas Health Insurance Marketplace (AHIM) Board provided an update on the activities of the Health Insurance Marketplace Board of Directors. Cheryl Gardner, Executive Director, Arkansas Health Insurance Marketplace, told the Oversight Committee that the Marketplace Board had recently received a \$99.9 million grant from the federal government to operate over the next two years, as well as to establish and launch the Small Business Health Insurance Exchange in Arkansas. The committee also heard from The Public Consulting Group (PCG), a consulting firm under contract with the AHIM Board of Directors, about the possibility of the state requesting a 1332 Waiver from the Centers for Medicare and Medicaid Services (CMS).

At the June 29, 2015 meeting, the AHIM Board provided another update on the activities of the AHIM Board of Directors; and included an update on the progress of establishing the Small Business Health Options Program (SHOP) Exchange. Ms. Gardner also gave the committee an update on the King v. Burwell Case pending before the U.S. Supreme Court, and the possible implications for the state.

At the September 15, 2015 meeting, the AHIM Board provided an update on the activities of AHIM Board of Directors on the developing progress that will establish the Small Business Health Options Program (SHOP) Exchange. In addition, Ms. Gardner discussed the status of the individual marketplace information technology request for qualifications.

At the October 22, 2015 meeting, Chris Parker, Chair (newly appointed), Arkansas Health Insurance Marketplace Board of Directors and Ms. Gardner, presented the proposed initial assessment or user fee of 3% for all Arkansas Qualified Health Plans (QHPs). This 3% user fee was recommended by the AHIM Board of Directors to replace the current 3.5% fee charged by the federal government. A motion was made to accept the Board's recommendation, and the motion was affirmed by the Oversight Committee.

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The Arkansas Health Insurance Marketplace Legislative Oversight Committee respectfully submits this report of the findings of this committee for 2015.

Sincerely,

David Sanders

Senator David Sanders

Stephen Magie

Representative Stephen Magie

DS:SM:PP:jw

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