

**REPORT OF THE**  
**ARKANSAS HEALTH INSURANCE MARKETPLACE LEGISLATIVE**  
**OVERSIGHT SUBCOMMITTEE**  
**of the**  
**Arkansas Legislative Council**

**September 21, 2018**

Senator Bill Sample, Co-Chair

Representative Jim Dotson, Co-Chair

Dear Co-Chairs:

The Arkansas Health Insurance Marketplace (AHIM) Oversight Subcommittee met Tuesday, September 18, 2018, in Committee Room B of the Multi-Agencies Complex (MAC) 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 duties and reports of the Subcommittee.
- 2) Insurance Commissioner, Allen Kerr, told the Subcommittee that the Arkansas Insurance Department could take over the responsibilities of the Arkansas Health Insurance Marketplace (AHIM) and reduce spending by more than \$3.2 million. In addition, the Commissioner said the Insurance Department could lower the fee to insurance companies who purchase policies through the exchange. Commissioner Kerr noted that the Arkansas Insurance Department could provide the same functions at an annual cost of \$505,000 to \$571,500.
- 3) Angela Lowther, Executive Director, Arkansas Health Insurance Marketplace, and Mark Meadors, Vice Chairman, AHIM Board, stated that the savings mentioned by the Insurance Commissioner would be less because the Board has already been cutting expenses. Mr. Meadors stated that the reduced cost would result in less service to consumers.
- 4) Co-Chair Deborah Ferguson stated that she and Co-Chair Ronald Caldwell would request the Fiscal Staff of the Bureau of Legislative Research to review and confirm the fiscal data supplied by AHIM and the Arkansas Insurance Department, to better determine if these cost savings are accurate.

Respectfully Submitted,

Senator Ronald Caldwell, Co-Chair

Representative Deborah Ferguson, Co-Chair