

MINUTES

ARKANSAS HEALTH INSURANCE MARKETPLACE BOARD OF DIRECTORS
U of A System, B. Alan Sugg Board Room
2404 North University Avenue, Little Rock, Arkansas
Wednesday, October 2, 2013

The Arkansas Health Insurance Marketplace (AHIM) Board of Directors met Wednesday, October 2, 2013, at 8:30 a.m., at the University of Arkansas System, B. Alan Sugg Board Room in Little Rock, Arkansas.

Board members present: Ms. Sherrill Wise, Chairman; Mr. Steve Faris, Vice Chairman; Mr. Fred Bean, Mr. Mike Castleberry, Ms. Cynthia Crone (for Jay Bradford), Mr. John Denery, Mr. Jerry D. Jones, Mr. Chris Parker, Mr. John Selig, and Ms. Annabelle Imber Tuck.

Legislators attending: Representative Mark Biviano

Ms. Wise called the meeting to order.

CONSIDERATION TO ADOPT SEPTEMBER 20, 2013, MEETING MINUTES [EXHIBIT C]

Ms. Tuck and Ms. Crone had corrections to the September 20, 2013, minutes. The changes will be made, and the minutes will be presented at the next meeting for consideration.

PROPOSED PERMANENT OPERATING RULES [EXHIBIT D1]

Ms. Jessica Middleton-Kurylo, Attorney, Bureau of Legislative Research (BLR) stated there is a technical correction to the operating rules to reflect the intent of the Board that the succession of officers take effect regarding officers elected after July 1, 2014.

Ms. Middleton-Kurylo read pages 10-11 of the Operating Rules concerning the factors the Board shall consider when developing a rule, policy, or procedure. The Board discussed each factor and noted that the AHIM is required to promulgate the Operating Rules under Act 1500, that the Operating Rules are necessary to perform the basic operations of the AHIM, that the Operating Rules incorporate by reference the Freedom of Information Act and certain provisions of the Arkansas Nonprofit Act of 1993, and that the proposed Operating Rules are identical to the Emergency Operating Rules, except for the previously discussed technical correction.

FINANCIAL IMPACT STATEMENT [EXHIBIT D2]

Ms. Middleton-Kurylo presented the Financial Impact Statement and advised the Board that the statement reflected no costs to implement or comply with the proposed Operating Rules. There were no questions.

Mr. Jerry Jones made a motion to adopt the financial impact statement. The motion was seconded by Mr. Fred Bean, and without objection, the motion carried.

NOTICE OF RULE-MAKING [HANDOUT 1]

Ms. Middleton-Kurylo stated Act 1500 requires that a Notice of Rule-Making be published concerning the Operating Rules. The Notice of Rule-Making will be published on the AHIM website for thirty (30) days, in the Arkansas Democrat Gazette or another paper of general circulation for three (3) consecutive days, and on the Secretary of State's website.

Ms. Middleton-Kurylo stated Act 1500 only mandates a public hearing is held if requested by 25 or more persons, by a governmental subdivision or agency, or by an association having no fewer than 25 members. However, Act 1500 does require the AHIM Board receive oral comments on the rule. Ms. Middleton-

Kurylo suggested the Board select a date for the public hearing that is within the 30-day's notice period at one of the Board's regularly scheduled meetings.

Ms. Wise stated the Board will hold the public hearing at the October 30, 2013 meeting.

Ms. Middleton-Kurylo stated the rules have to be available at a physical address, and Ms. Crone said the physical address will be Arkansas Insurance Department's (AID) address.

Ms. Middleton-Kurylo stated there should be a contact person for rules requests. Ms. Crone said the AID will answer requests for copies of the rule, and Ms. Crone will provide Ms. Middleton-Kurylo with the name of the contact person.

Ms. Middleton-Kurylo stated the cost to publish the Notice of Rule-Making in the newspaper is \$1.25 per line. The estimated total cost to publish the Notice of Rule-Making for three consecutive days, in the daily edition, is approximately \$135. Ms. Wise stated she will cover this expense, and will request reimbursement at a later date when the Board receives funding. Ms. Middleton-Kurylo asked the Board for a date preference to publish the notice for the public hearing. Ms. Wise will provide the information to Ms. Middleton-Kurylo.

UPDATE ON ARKANSAS HEALTH INSURANCE MARKETPLACE WEBSITE

Mr. Jim Schratz, Chief Information Officer, BLR, presented a view of the Board's future website, (www.arhim.arkansas.gov). He anticipates the website going live by the end of the week. The Board suggested the "flat line" image in the header background be removed and replaced with an image that promotes a healthy image.

GRANT COMMITTEE UPDATE

Mr. Chris Parker, Chair, stated the Grant Committee met on Wednesday, September 25, 2013, at 1:00 p.m., Arkansas Insurance Department, 1200 W. Third Street, Suite 201, Little Rock, Arkansas. Mr. David Sodergren, Project Management Director, First Data, will advise the committee on requesting federal grants and discussed the November 15 deadline for AHIM to apply for federal grants. Ms. Sandra Harlow from Denver, Colorado, who has worked for First Data for approximately 15 years, will be assisting the committee. Her primary focus has been on exchange issues in California, Colorado and Illinois. She will meet with the AHIM Board of Directors at its October 9, 2013, meeting.

The Grant committee will meet October 8, 2013, at 1:15 p.m. at the AID, and every Tuesday thereafter until the application is complete.

Ms. Wise advised that after the grant is approved, there has to be an official appropriation request in order for the funds to be spent at the Board's discretion. According to Mr. Matthew Miller, Assistant Director for Legal Services, BLR, the request would go through the Arkansas Peer Review Committee of the Arkansas Legislative Council. Ms. Crone stated that if all funds are appropriated, AID would sub-contract with the Board.

SEARCH COMMITTEE UPDATE

Mr. Faris reported that the Search Committee will meet 30 minutes upon adjournment of today's Board meeting. The Committee will discuss funding to pay for an announcement, a possible timeframe for sending out the announcement, and maybe hiring an interim director.

INTERIM FUNDING

Ms. Wise asked if there is a way for the Board to utilize some of AID's resources so that an interim director could be provided. Ms. Crone said the Board could do this through a consulting contract until it hires a permanent director. She will provide information on AID's consulting contracts, noting First Data's capabilities.

DISCUSSION ON ARKANSAS HEALTH CONNECTOR [HANDOUTS 2, 3, & 4]

Ms. Crone discussed at length the grant and budgeting process for the federal partnership. Regarding the October 1 interest in the marketplace website, Ms. Crone reported, the Clinton School of Public Service partnered with AID to host a "get enrolled event". This event provided information regarding the Arkansas Health Insurance Marketplace and offered enrollment assistance to interested individuals. By 6:00 p.m., yesterday, there were over 20,000 hits made to the Arkansas Health connector website that included 10,000 new visitors. Ms. Crone stressed the importance of individuals enrolling by December 15th for coverage to begin January 1.

Mr. Selig stated that after contacting existing low-income Medicaid clients, by mail, approximately 60,000 individuals requested to be enrolled, noting the majority of them will be enrolled in the "private option plan".

Ms. Crone provided a handout showing many scenarios of the Individual Market Qualified Health Plans (QHP). She noted there are seventy-one medical QHP's participating in the Arkansas Marketplace in the individual market. The handout also included information on:

- Service area coverage
- Examples of premium rates
- Premium rates and plan cost sharing

Tobacco use can increase a rate by 20%, depending on the issuer and the plan.

NEXT MEETING

The Board will meet Wednesday, October 9, 2013, at 8:30 a.m. at U of A System's B. Alan Sugg Board Room.

In addition to scheduled October meetings, the Board will meet Wednesday, November 6, 2013, at 8:30 a.m. at the AID.

With no further business, the meeting adjourned at 10:35 a.m.