

State of Arkansas  
91st General Assembly  
First Extraordinary Session, 2017

# A Bill

Call Item 5  
SENATE BILL 4

By: Senator J. Dismang  
By: Representative Gillam

## For An Act To Be Entitled

AN ACT CONCERNING THE ARKANSAS HEALTH INSURANCE MARKETPLACE; TO PROHIBIT DEVELOPMENT OF TECHNOLOGY FOR A STATE-BASED PLATFORM FOR THE INDIVIDUAL HEALTH INSURANCE MARKETPLACE; TO PROVIDE OVERSIGHT OF THE ARKANSAS HEALTH INSURANCE MARKETPLACE TO THE LEGISLATIVE COUNCIL; TO STUDY THE FUTURE DIRECTION OF THE ARKANSAS HEALTH INSURANCE MARKETPLACE; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

## Subtitle

CONCERNING THE ARKANSAS HEALTH INSURANCE MARKETPLACE; TO STUDY THE FUTURE DIRECTION OF THE ARKANSAS HEALTH INSURANCE MARKETPLACE; AND TO DECLARE AN EMERGENCY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. DO NOT CODIFY. Legislative findings and intent.

(a) The General Assembly finds that:

(1) Since the enactment of Acts 2013, No. 1500, several changes regarding the health insurance marketplaces have occurred on a federal level that have modified the operation of the health insurance marketplaces;

(2) The federal government is expected to propose additional changes regarding the health insurance marketplaces in the next year; and

(3) Due to the ongoing changes at the federal level regarding



health insurance, prohibiting development of technology for a state-based platform for the individual health insurance marketplace and reviewing the direction of the Arkansas Health Insurance Marketplace would be beneficial to the State of Arkansas for the future efficiency, sustainability, and transparency of the Arkansas Health Insurance Marketplace.

(b) It is the intent of the General Assembly through this act to:

(1) Prohibit development of technology for a state-based platform for the individual health insurance marketplace;

(2) Impose certain reporting requirements on the Arkansas Health Insurance Marketplace to ensure that the Governor and the General Assembly are better informed about the Arkansas Health Insurance Marketplace; and

(3) Transfer oversight of the Arkansas Health Insurance Marketplace from the Arkansas Health Insurance Marketplace Legislative Oversight Committee to the Legislative Council.

SECTION 2. DO NOT CODIFY. TEMPORARY LANGUAGE. Study regarding future direction for Arkansas Health Insurance Marketplace.

(a) The Legislative Council shall:

(1) Review the operations, programs, and finances of the Arkansas Health Insurance Marketplace;

(2) Study approaches by other states regarding health insurance marketplace structure, design, and operations;

(3) Provide recommendations concerning the Arkansas Health Insurance Marketplace for the continued availability of health insurance to Arkansans; and

(4) Explore and recommend options for the future efficiency and sustainability of the Arkansas Health Insurance Marketplace.

(b)(1)(A) The Legislative Council shall report on the findings of the items listed in subsection (a) of this section to the General Assembly.

(B) A copy of the report shall be sent to the Governor.

(2) The report shall include without limitation recommendations for legislation.

(c) The Legislative Council may utilize a subcommittee created under § 23-61-803(q)(5)(A) to conduct the study of the items in subsection (a) of this section.

SECTION 3. Uncodified Section 3 of Acts 2013, No. 1500, is amended to read as follows:

SECTION 3. NOT TO BE CODIFIED. ~~(a)(1)~~ The health insurance marketplace developed through a Federally-facilitated Exchange Partnership model shall ~~transfer to~~ be under the control of the Arkansas Health Insurance Marketplace ~~on July 1, 2015, if the Board of Directors of the Arkansas Health Insurance Marketplace determines that the establishment of a state-based marketplace is approved by the United States Department of Health and Human Services on or before July 1, 2015.~~

~~(2) The board may extend the date of transfer under subdivision (a)(1) of this section.~~

~~(b) The board shall participate in the Federally-facilitated Exchange Partnership to assist in planning the transition to a state-based health insurance marketplace.~~

SECTION 4. Arkansas Code § 10-3-2701 is repealed.

~~10-3-2701. Arkansas Health Insurance Marketplace Legislative Oversight Committee.~~

~~(a) The Arkansas Health Insurance Marketplace Legislative Oversight Committee is established.~~

~~(b)(1) The Arkansas Health Insurance Marketplace Legislative Oversight Committee shall consist of the following members of the General Assembly appointed as follows:~~

~~(A) Six (6) members of the House of Representatives shall be appointed to the Arkansas Health Insurance Marketplace Legislative Oversight Committee by the Speaker of the House of Representatives; and~~

~~(B) Six (6) members of the Senate shall be appointed to the Arkansas Health Insurance Marketplace Legislative Oversight Committee by the President Pro Tempore of the Senate.~~

~~(2) In making appointments, each appointing officer shall select members who have appropriate experience and knowledge of the issues to be examined by the Arkansas Health Insurance Marketplace Legislative Oversight Committee and may consider racial, gender, and geographical diversity among the membership.~~

~~(c)(1) The Arkansas Health Insurance Marketplace Legislative Oversight Committee shall study matters pertaining to the Arkansas Health Insurance~~

~~Marketplace Act, § 23-61-801 et seq., as the Arkansas Health Insurance Marketplace Legislative Oversight Committee considers necessary to fulfill its mandate.~~

~~(2) The Arkansas Health Insurance Marketplace Legislative Oversight Committee may request reports from the Arkansas Health Insurance Marketplace pertaining to the operations, programs, or finances of the Arkansas Health Insurance Marketplace as it deems necessary.~~

~~(d) Annually by December 15, the Arkansas Health Insurance Marketplace Legislative Oversight Committee shall provide to the General Assembly any analysis or findings resulting from its activities under this section that the Arkansas Health Insurance Marketplace Legislative Oversight Committee deems relevant.~~

~~(e)(1) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Arkansas Health Insurance Marketplace Legislative Oversight Committee.~~

~~(2) The Arkansas Health Insurance Marketplace Legislative Oversight Committee shall meet at least quarterly upon the joint call of the cochairs of the Arkansas Health Insurance Marketplace Legislative Oversight Committee.~~

~~(3) A majority of the Arkansas Health Insurance Marketplace Legislative Oversight Committee constitutes a quorum.~~

~~(4) No action may be taken by the Arkansas Health Insurance Marketplace Legislative Oversight Committee except by a majority vote at a meeting at which a quorum is present.~~

~~(f) Members of the Arkansas Health Insurance Marketplace Legislative Oversight Committee are entitled to per diem and mileage reimbursement at the same rate authorized by law for attendance at meetings of interim committees of the General Assembly and shall be paid from the same source.~~

~~(g)(1) With the consent of both the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the Arkansas Health Insurance Marketplace Legislative Oversight Committee may meet during a session of the General Assembly to perform its duties under this section.~~

~~(2) This subsection does not limit the authority of the Arkansas Health Insurance Marketplace Legislative Oversight Committee to meet during a recess as authorized by § 10-2-223 or § 10-3-211.~~

SECTION 5. Arkansas Code § 23-61-803 is amended to read as follows:  
 23-61-803. Arkansas Health Insurance Marketplace.

(a) There is created a nonprofit legal entity to be known as the  
 “Arkansas Health Insurance Marketplace”.

(b)(1) The Arkansas Health Insurance Marketplace is created as a  
 political subdivision, instrumentality, and body politic of the State of  
 Arkansas and, as such, is not a state agency.

(2) Except to the extent provided by this subchapter, the  
 Arkansas Health Insurance Marketplace is exempt from:

(A) All state, county, and local taxes; and

(B) All laws other than the Freedom of Information Act of  
 1967, § 25-19-101 et seq., governing state agencies, including without  
 limitation:

(i) The Arkansas Procurement Law, § 19-11-201 et  
 seq.;

(ii) The Uniform Classification and Compensation  
 Act, § 21-5-201 et seq.; and

(iii)(a) The Arkansas Administrative Procedure Act,  
 § 25-15-201 et seq.

(b) The Arkansas Health Insurance Marketplace  
 shall adopt policies, procedures, and rules to implement its obligations  
 under this subchapter.

(3)(A) Prior to the adoption, amendment, or repeal of any  
 policy, procedure, or rule, the Arkansas Health Insurance Marketplace shall:

(i)(a) Give at least thirty (30) days’ notice of its  
 intended action. The thirty-day period shall begin on the first day of the  
 publication of notice.

(b) The notice shall include a statement of  
 the terms or substance of the intended action or a description of the  
 subjects and issues involved and the time, the place where, and the manner in  
 which interested persons may present their views on the intended action or  
 the subjects and issues involved.

(c) The notice shall be mailed to any person  
 specified by law and to all persons who have requested advance notice of  
 rule-making proceedings.

(d)(1) Unless otherwise provided by law, the

notice shall be published in a newspaper of general daily circulation for three (3) consecutive days and, when appropriate, in those trade, industry, or professional publications that the Arkansas Health Insurance Marketplace may select.

(2) The notice shall be published by the Secretary of State on the ~~Internet~~ internet for thirty (30) days in accordance with § 25-15-218; and

(ii)(a) Afford all interested persons at least thirty (30) days to submit written data, views, or arguments, orally or in writing. The thirty-day period shall begin on the first day of the publication of notice under subdivision (b)(3)(A)(i)(a) of this section.

(b) Opportunity for oral hearing shall be granted if requested by twenty-five (25) persons, by a governmental subdivision or agency, or by an association having no fewer than twenty-five (25) members.

(c) The Arkansas Health Insurance Marketplace shall fully consider all written and oral submissions concerning the proposed rule before finalizing the language of the proposed rule and filing the proposed rule as required by subdivision (b)(3)(E) of this section.

(d) Upon the adoption, amendment, or repeal of a policy, procedure, or rule, the Arkansas Health Insurance Marketplace, if requested to do so by an interested person either prior to adoption, amendment, or repeal or within thirty (30) days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, amendment, or repeal, incorporating therein its reasons for overruling the considerations urged against its adoption, amendment, or repeal; ~~and~~

~~(iii) Comply with § 25-15-301 et seq. [repealed].~~

(B) The thirty-day periods for giving public notice under subdivision (b)(3)(A)(i)(a) of this section and for receiving written data, views, or arguments, orally or in writing, under subdivision (b)(3)(A)(ii)(a) of this section shall run concurrently.

(C)(i) If the Arkansas Health Insurance Marketplace finds that imminent peril to the public health, safety, or welfare or compliance with federal laws or regulations requires adoption of a policy, procedure, or rule upon less than thirty (30) days' notice and states in writing its reasons for that finding, it may proceed without prior notice or hearing, or

upon any abbreviated notice and hearing that it may choose, to adopt an emergency rule.

(ii) The rule may be effective for no longer than one hundred twenty (120) days.

(iii) If, after the expiration of the effective period of an emergency rule, the Arkansas Health Insurance Marketplace wishes to adopt a successive emergency rule that is identical or substantially similar to the expired emergency rule, the Arkansas Health Insurance Marketplace shall not adopt the successive emergency rule earlier than thirty (30) days after the expiration of the emergency rule.

(D)(i) The Arkansas Health Insurance Marketplace shall file with the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council, the Secretary of State, the Arkansas State Library, and the Bureau of Legislative Research a copy of each policy, procedure, or rule adopted by it and a statement of financial impact for the rule.

(ii) The Secretary of State shall keep a copy of each policy, procedure, or rule filed under subdivision (b)(3)(D)(i) of this section in the permanent register required under § 25-15-204(e)(2).

(iii)(a) The scope of the financial impact statement shall be determined by the Arkansas Health Insurance Marketplace but, at a minimum, shall include the estimated cost of complying with the policy, procedure, or rule and the estimated cost for the Arkansas Health Insurance Marketplace to implement the policy, procedure, or rule.

(b) If the Arkansas Health Insurance Marketplace has reason to believe that the development of a financial impact statement will be so speculative as to be cost prohibitive, the Arkansas Health Insurance Marketplace shall submit a statement and explanation to that effect.

(c) If the purpose of an Arkansas Health Insurance Marketplace policy, procedure, or rule is to implement a federal rule or regulation, the financial impact statement shall be limited to any incremental additional cost of the state policy, procedure, or rule, as opposed to the federal rule or regulation.

(E)(i)(a) Each policy, procedure, or rule adopted by the Arkansas Health Insurance Marketplace is effective thirty (30) days after the

filing of the final policy, procedure, or rule unless a later date is specified by law or in the rule itself.

(b) A final rule shall not be filed until the thirty-day public comment period required under subdivision (b)(3)(A)(ii)(a) of this section has expired.

(c)(1) After the expiration of the thirty-day public comment period and before the effective date of the rule, the Arkansas Health Insurance Marketplace shall take appropriate measures to make the final rule known to the persons who may be affected by the rule.

(2) Appropriate measures shall include without limitation posting the following information on the ~~Arkansas Health Insurance Marketplace's~~ website of the Arkansas Health Insurance Marketplace:

(A) The final rule;

(B) Copies of all written comments submitted to the Arkansas Health Insurance Marketplace regarding the rule;

(C) A summary of all written and oral comments submitted to the Arkansas Health Insurance Marketplace regarding the rule and the ~~Arkansas Health Insurance Marketplace's~~ response of the Arkansas Health Insurance Marketplace to those comments; and

(D) The proposed effective date of the final rule.

(ii)(a) However, an emergency rule may become effective immediately upon filing or at a stated time less than thirty (30) days after filing if the Arkansas Health Insurance Marketplace finds that this effective date is necessary because of imminent peril to the public health, safety, or welfare.

(b) The ~~Arkansas Health Insurance Marketplace's~~ finding of the Arkansas Health Insurance Marketplace and a brief statement of the reasons for the finding shall be filed with the rule.

(c) The Arkansas Health Insurance Marketplace shall take appropriate measures to make emergency rules known to the persons who may be affected by the emergency rules.

(F) The ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council shall review the proposed revised or amended policy, procedure, or rule and, if it is believed that the rule or regulation is contrary to legislative intent, shall file a statement thereof

with the ~~Legislative Council~~ Arkansas Health Insurance Marketplace.

(c) The Arkansas Health Insurance Marketplace shall operate subject to the supervision and control of the Board of Directors of the Arkansas Health Insurance Marketplace. The board shall consist of the following members to be appointed on or before July 1, 2013:

(1)(A) Three (3) members appointed by the Governor.

(B) One (1) member appointed by the Governor shall be a representative of insurance agents or brokers licensed to sell health insurance in the State of Arkansas.

(C) Two (2) members appointed by the Governor shall be consumer representatives;

(2)(A) Three (3) members appointed by the President Pro Tempore of the Senate.

(B) One (1) of the members appointed by the President Pro Tempore of the Senate shall be a representative of a health insurer.

(C) One (1) of the members appointed by the President Pro Tempore of the Senate shall be a representative of small employers;

(3)(A) Three (3) members appointed by the Speaker of the House of Representatives.

(B) One (1) of the members appointed by the Speaker of the House of Representatives shall be a representative of a health insurer.

(C) One (1) member appointed by the Speaker of the House of Representatives shall be a member of a health-related profession licensed in the State of Arkansas;

(4) The Insurance Commissioner or his or her designee as an ex officio nonvoting member; and

(5) The Director of the Department of Human Services or his or her designee as an ex officio nonvoting member.

(d)(1) Members appointed by the Governor serve at the pleasure of the Governor.

(2)(A) The initial members appointed by the President Pro Tempore of the Senate under subdivision (c)(2) of this section shall serve terms as follows:

(i) One (1) initial member shall be appointed to a term of four (4) years;

(ii) One (1) initial member shall be appointed to a

term of six (6) years; and

(iii) One (1) initial member shall be appointed to a term of eight (8) years.

(B) A member subsequently appointed to the board under subdivision (c)(2) of this section shall serve a term of six (6) years.

(3)(A) The initial members appointed by the Speaker of the House of Representatives under subdivision (c)(3) of this section shall serve terms as follows:

(i) One (1) initial member shall be appointed to a term of four (4) years;

(ii) One (1) initial member shall be appointed to a term of six (6) years; and

(iii) One (1) initial member shall be appointed to a term of eight (8) years.

(B) A member subsequently appointed to the board under subdivision (c)(3) of this section shall serve a term of six (6) years.

(e) The appointing authorities under this section shall ensure that a majority of the voting members of the board have relevant experience in:

- (1) Health benefits administration;
- (2) Healthcare finance;
- (3) Health plan purchasing;
- (4) Healthcare delivery system administration; or
- (5) Public health or health policy issues related to the small group and individual markets and the uninsured.

(f) The board shall select one (1) of its members as chair.

(g)(1) Subject to review by the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council, the board may authorize by a majority vote of the total membership of the board cast during its first regularly scheduled meeting of each calendar year:

(A) Payment to its members of a stipend per day not to exceed one hundred dollars (\$100) for each meeting attended or for any day while performing substantive business of the board; and

(B) Reimbursement of actual expenses while performing substantive business of the board.

(2) Members of the board shall receive no other compensation, expense reimbursement, or in-lieu-of payments.

(h)(1) The board shall hire the Executive Director of the Arkansas Health Insurance Marketplace to:

(A) Plan and administer the Arkansas Health Insurance Marketplace; and

(B) Employ necessary staff.

(2) The board may plan and administer the Arkansas Health Insurance Marketplace and employ necessary staff on an interim basis until the executive director is hired.

(3) The employees of the Arkansas Health Insurance Marketplace are not eligible to participate in the Arkansas Public Employees' Retirement System under § 24-4-101 et seq.

(i)(1) Neither the board nor its employees shall be liable for any obligations of the Arkansas Health Insurance Marketplace.

(2) The board may provide in its bylaws or rules for indemnification of and legal representation for the board members and board employees.

(j)(1) The board shall adopt articles, bylaws, and operating rules in accordance with this subchapter ~~within ninety (90) days after the appointment of the board.~~

(2) The articles, bylaws, and operating rules shall be reviewed by the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council.

(k) The board shall keep an accurate accounting of all activities, receipts, and expenditures on behalf of the Arkansas Health Insurance Marketplace and report to the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council as requested by the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council.

(l)(1)(A) On and after July 1, 2015, the board shall have the authority to apply for and expend on behalf of the Arkansas Health Insurance Marketplace any state, federal, or private grant funds available to assist with the implementation and operation of the Arkansas Health Insurance Marketplace.

(B) Before July 1, 2015, the board shall coordinate with the commissioner the application for state, federal, or private grant funds to plan, implement, and operate the Arkansas Health Insurance Marketplace.

(2)(A) Before July 1, 2015, the commissioner may apply for any state, federal, or private grant funds available to assist with the implementation and operation of the Arkansas Health Insurance Marketplace.

(B) If the commissioner applies for and receives any state, federal, or private grant funds available to assist with the implementation and operation of the Arkansas Health Insurance Marketplace, the commissioner shall enter into a memorandum of understanding with the Arkansas Health Insurance Marketplace concerning the use and expenditure of the grant funds.

(m)(1) The board may contract with eligible entities to assist with the planning, implementation, and operation of the Arkansas Health Insurance Marketplace.

(2) For purposes of this subsection:

(A) An eligible entity includes without limitation an entity that has experience in individual and small group health insurance, benefit administration, or other experience relevant to the responsibilities to be assumed by the entity; and

(B) A health insurer or an affiliate of a health insurer is not an eligible entity.

(3) In contracting with an eligible entity under subdivision (m)(1) of this section, the board shall give preference to eligible entities that have relevant experience.

(4)(A) The board shall establish a competitive bidding process for awarding contracts under this subchapter to an eligible entity.

(B) The competitive bidding process for awarding contracts under this subchapter to an eligible entity shall be reviewed by the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council.

(n) The board may enter into information-sharing agreements with federal and state agencies and other state marketplaces to carry out its responsibilities under this subchapter, provided such agreements:

(1) Include adequate protections with respect to the confidentiality of the information to be shared; and

(2) Comply with all applicable state and federal laws and regulations.

(o) As a condition of participating in the Arkansas Health Insurance

Marketplace, a health insurer shall pay the assessments, submit the reports, and provide the information required by the board or the commissioner to implement this subchapter.

(p) The board and any eligible entity under subdivision (m)(1) of this section shall provide claims and other plan and enrollment data to the Department of Human Services and the commissioner upon request to:

(1) Facilitate compliance with reporting requirements under state and federal law; and

(2) Assess the performance of the ~~Health Care Independence Program established by the Health Care Independence Act of 2013, § 20-77-2401 et seq., if enacted,~~ Arkansas Works Program established by the Arkansas Works Act of 2016, § 23-61-1001 et seq., including without limitation the program's quality, cost, and consumer access.

(q)(1) The Legislative Council may study matters pertaining to this subchapter that the Legislative Council considers necessary to fulfill its mandate under this subchapter.

(2) The Legislative Council may request reports from the Arkansas Health Insurance Marketplace pertaining to the operations, programs, or finances of the Arkansas Health Insurance Marketplace as it deems necessary.

(3) Annually by December 15, the Legislative Council shall provide to the General Assembly any analysis or findings resulting from its activities under this section that the Legislative Council deems relevant.

(4)(A) During a regular, fiscal, or extraordinary session of the General Assembly, the Joint Budget Committee shall perform the functions assigned to the Legislative Council under this subchapter.

(B) This subsection does not limit the authority of the Legislative Council and its subcommittees to meet during a recess as authorized by § 10-2-223 or § 10-3-211.

(5) The Legislative Council and the Joint Budget Committee may:

(A) Establish or utilize one (1) or more subcommittees to assist in its duties under this subchapter;

(B) Assign information filed with the Legislative Council under this subchapter to one (1) or more subcommittees of the Legislative Council or the Joint Budget Committee, including without limitation a subcommittee created under subdivision (q)(5)(A) of this section; and

(C) Delegate their duties under this subchapter to one (1) or more subcommittees of the Legislative Council or the Joint Budget Committee, subject to the final review and approval of the Legislative Council or the Joint Budget Committee.

SECTION 6. Arkansas Code § 23-61-804(a)(B), concerning the duties of the Arkansas Health Insurance Marketplace, is amended to read as follows:

(B) The procedures and criteria shall comply with applicable:

(i) Federal law;

(ii) Federal waivers obtained by the state to implement the ~~Health Care Independence Program established by the Health Care Independence Act of 2013, § 20-77-2401 et seq., if enacted~~ Arkansas Works Program established by the Arkansas Works Act of 2016, § 23-61-1001 et seq.; and

(iii) Rules promulgated by the State Insurance Department and the Department of Human Services under the ~~Health Care Independence Act of 2013, § 20-77-2401 et seq., if enacted~~ Arkansas Works Program established by the Arkansas Works Act of 2016, § 23-61-1001 et seq.;

SECTION 7. Arkansas Code § 23-61-804(13), concerning the duties of the Arkansas Health Insurance Marketplace, is amended to read as follows:

(13) Otherwise comply with a requirement the board determines is necessary to obtain or maintain the approval to ~~establish or~~ administer a ~~state-based~~ health insurance marketplace.

SECTION 8. Arkansas Code § 23-61-805(a), concerning the funding of the Arkansas Health Insurance Marketplace, is amended to read as follows:

(a)(1) The General Assembly shall establish a reasonable initial assessment or user fee and reasonable increases or decreases in the amount of future assessments or user fees and penalties and interest charges for nonpayment of an assessment or user fee charged to participating health insurers for the efficient operation of the Arkansas Health Insurance Marketplace.

(2) ~~Beginning October 1, 2014, and annually~~ Annually by October 1 ~~thereafter~~, the Arkansas Health Insurance Marketplace shall report to the

~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~  
Legislative Council in the manner and format that the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council requires the ~~Arkansas Health Insurance Marketplace's~~ recommendations of the Arkansas Health Insurance Marketplace for the initial assessment or user fee and increases or decreases in the amount of future assessments or user fees and penalties and interest charges for nonpayment of an assessment or user fee charged to participating health insurers.

(3) ~~Beginning January 1, 2015, and annually by January 1 thereafter~~ Annually by December 1, the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee~~ Legislative Council shall review the recommendations of the Arkansas Health Insurance Marketplace under subdivision (a)(1) of this section and report to the President Pro Tempore of the Senate and the Speaker of the House of Representatives the ~~Arkansas Health Insurance Marketplace Legislative Oversight Committee's~~ recommendations of the Legislative Council for the initial assessment or user fee and future increases or decreases in the amount of assessments or user fees and penalties and interest charges for nonpayment of an assessment or user fee charged to participating health insurers.

SECTION 9. Arkansas Code § 23-61-805, concerning the funding and publication of costs of the Arkansas Health Insurance Marketplace, is amended to add an additional subsection to read as follows:

(e)(1) Annually, the Arkansas Health Insurance Marketplace shall report the following information to the Legislative Council:

(A) The total amount of assessment fees or user fees collected;

(B) The administrative costs and expenditure of the Arkansas Health Insurance Marketplace, including without limitation salaries of employees, supply costs, building rental costs, and technology costs;

(C) The amount of any other funds received by the Arkansas Health Insurance Marketplace; and

(D) Other budgetary or financial matters relating to the Arkansas Health Insurance Marketplace.

(2) The Arkansas Health Insurance Marketplace shall disclose and provide additional budgetary or financial information upon the request of the

Legislative Council or the Joint Budget Committee.

SECTION 10. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that this act requires the transfer of oversight from the Arkansas Health Insurance Marketplace Legislative Oversight Committee to the Legislative Council and requires the Legislative Council to study various aspects of the Arkansas Health Insurance Marketplace; that the studies to be conducted by the Legislative Council are necessary to determine the future direction of the Arkansas Health Insurance Marketplace; and that this act is immediately necessary because the Legislative Council needs to be able to begin the oversight and study of the Arkansas Health Insurance Marketplace at the earliest possible date. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on:

- (1) The date of its approval by the Governor;
- (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or
- (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.