

1 State of Arkansas  
2 91st General Assembly  
3 First Extraordinary Session, 2017  
4

# A Bill

Call Item 5

HOUSE BILL 1004

5 By: Representative Gillam  
6 By: Senator J. Dismang  
7

## For An Act To Be Entitled

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

## Subtitle

19 CONCERNING THE ARKANSAS HEALTH INSURANCE  
20 MARKETPLACE; TO STUDY THE FUTURE  
21 DIRECTION OF THE ARKANSAS HEALTH  
22 INSURANCE MARKETPLACE; AND TO DECLARE AN  
23 EMERGENCY.  
24

25  
26  
27 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
28

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

30 (a) The General Assembly finds that:

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

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

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



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

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

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

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

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

15  
16 SECTION 2. DO NOT CODIFY. TEMPORARY LANGUAGE. Study regarding future  
17 direction for Arkansas Health Insurance Marketplace.

18 (a) The Legislative Council shall:

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

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

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

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

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

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

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

33 (c) The Legislative Council may utilize a subcommittee created under §  
34 23-61-803(q)(5)(A) to conduct the study of the items in subsection (a) of  
35 this section.

36

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

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

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

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

15  
16 SECTION 4. Arkansas Code § 10-3-2701 is repealed.

17 ~~10-3-2701. Arkansas Health Insurance Marketplace Legislative Oversight~~  
18 ~~Committee.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

36

1 SECTION 5. Arkansas Code § 23-61-803 is amended to read as follows:  
2 23-61-803. Arkansas Health Insurance Marketplace.

3 (a) There is created a nonprofit legal entity to be known as the  
4 "Arkansas Health Insurance Marketplace".

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

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

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

11 (B) All laws other than the Freedom of Information Act of  
12 1967, § 25-19-101 et seq., governing state agencies, including without  
13 limitation:

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

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

18 (iii)(a) The Arkansas Administrative Procedure Act,  
19 § 25-15-201 et seq.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 (A) The final rule;

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 term of six (6) years; and

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

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

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

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

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

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

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

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

19 (1) Health benefits administration;

20 (2) Healthcare finance;

21 (3) Health plan purchasing;

22 (4) Healthcare delivery system administration; or

23 (5) Public health or health policy issues related to the small  
24 group and individual markets and the uninsured.

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

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

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

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

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

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

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

5 (B) Employ necessary staff.

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

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

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

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

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

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

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

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

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

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

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

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

13 (2) For purposes of this subsection:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5  
 6            SECTION 6. Arkansas Code § 23-61-804(a)(B), concerning the duties of  
 7 the Arkansas Health Insurance Marketplace, is amended to read as follows:

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

10                            (i) Federal law;

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

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

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

23                    (13) Otherwise comply with a requirement the board determines is  
 24 necessary to obtain or maintain the approval to ~~establish or~~ administer a  
 25 ~~state-based~~ health insurance marketplace.  
 26

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

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

35                    (2) ~~Beginning October 1, 2014, and annually~~ Annually by October  
 36 ~~1 thereafter,~~ the Arkansas Health Insurance Marketplace shall report to the

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

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

20  
 21 SECTION 9. Arkansas Code § 23-61-805, concerning the funding and  
 22 publication of costs of the Arkansas Health Insurance Marketplace, is amended  
 23 to add an additional subsection to read as follows:

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

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

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

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

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

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

1 Legislative Council or the Joint Budget Committee.

2  
 3 SECTION 10. EMERGENCY CLAUSE. It is found and determined by the  
 4 General Assembly of the State of Arkansas that this act requires the transfer  
 5 of oversight from the Arkansas Health Insurance Marketplace Legislative  
 6 Oversight Committee to the Legislative Council and requires the Legislative  
 7 Council to study various aspects of the Arkansas Health Insurance  
 8 Marketplace; that the studies to be conducted by the Legislative Council are  
 9 necessary to determine the future direction of the Arkansas Health Insurance  
 10 Marketplace; and that this act is immediately necessary because the  
 11 Legislative Council needs to be able to begin the oversight and study of the  
 12 Arkansas Health Insurance Marketplace at the earliest possible date.  
 13 Therefore, an emergency is declared to exist, and this act being immediately  
 14 necessary for the preservation of the public peace, health, and safety shall  
 15 become effective on:

16 (1) The date of its approval by the Governor;

17 (2) If the bill is neither approved nor vetoed by the Governor,  
 18 the expiration of the period of time during which the Governor may veto the  
 19 bill; or

20 (3) If the bill is vetoed by the Governor and the veto is  
 21 overridden, the date the last house overrides the veto.

22  
 23  
 24 **APPROVED: 05/04/2017**