



Media Release

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For Immediate Release

November 5, 2013

Completed Enrollment in Private Health Insurance through Arkansas Private Option Nears 50,000

Nearly 50,000 Arkansans have selected or been assigned a private health insurance plan through the “private option,” marking the last step in the enrollment process, the Arkansas Department of Human Services (DHS) announced today.

“Arkansas is the first state in the country to use Medicaid funding to purchase insurance plans that are also available in the private marketplace,” said Dr. Andy Allison, director of Arkansas Medicaid. “This approach will foster competition among carriers and provide health care to many people in our state for the first time.”

The private option was established through the Health Care Independence Act of 2013, signed into law by Gov. Mike Beebe on April 23 and is now authorized via a federal waiver. It allows the state to use federal Medicaid funding to pay the private health insurance premiums of eligible individuals whose annual income is no more than 138% of the federal poverty level (about \$15,850 for an individual). People who meet those income criteria can apply online at the state’s website, Access.Arkansas.gov; by paper or over the phone.

If no manual verifications are needed, people determined eligible will be able to move to a second web portal created especially for the private option by Hewlett-Packard where people can complete the enrollment process. That process includes answering a health questionnaire and then shopping for a plan. To date, 15,086 individuals have completed the questionnaire. Of those, 4,311 have been found to have exceptional health needs that are best served by traditional Medicaid and 8,746 have selected plans.

Those selections served as the starting point for the market analysis used to determine automated assignments made to health plans today for the remaining 2,029 people who had answered the questionnaire but did not pick a plan, along with an additional 38,376 people who had been determined eligible. A total of 49,151 Arkansans have now been enrolled. Enrollees who have been auto-assigned a plan will have up to 30 days to change their plans by visiting the state’s private option web portal, insureark.org, to complete a health care needs questionnaire and select their own health plan.

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Auto assignments are designed to provide minimum enrollment in health plans to encourage carriers to enter the private insurance market in Arkansas. The assignments are made to carriers that have not otherwise achieved at least a minimum market share in each region. These minimum thresholds vary with the number of competing carriers: 33% minimum market share in regions with just two insurance companies offering plans on the Marketplace; 25% in regions with three carriers; and 20% in regions with four. This year, the number of competing insurance companies varies by region.

Allison described Tuesday's auto-assignments as the first step in a transition to market in which DHS and the Arkansas Insurance Department expect to take advantage of increased competition in the health insurance market by emphasizing both quality and pricing in future private option purchasing decisions.