

Arkansas Rate Review Grants Award List

Cycle I Grant Application Summary

Arkansas Grantee: Arkansas Insurance Department

Award Date: August 16, 2010

Award Amount: \$1,000,000

- **Pursue Additional Legislative Authority:** Arkansas currently has prior approval over individual market rates. Arkansas will seek authority to review small group rates.
- **Improve the Review Process:** Currently Arkansas conducts prospective review of individual coverage and intervenes for health insurance premium increases above 10 percent. The State will work with consultants to develop a more thorough review process for filings.
- **Increase Transparency and Accessibility:** At present, the State publishes approval and disapproval of health insurance premiums on its website and requires 30 days public notice for increases in health insurance premiums prior to implementation – but no details are published. Arkansas has proposed to create and staff a consumer-driven advisory council to improve transparency and communications to all stakeholders. The State will also expand its website and create a health insurance premium review center for consumers and issuers.
- **Develop and Upgrade Technology:** Arkansas will enhance technology and programmatic infrastructure to effectively collect, analyze, track and report health insurance rate filings and establish a data center to compile and publish fee schedule information.

Cycle II Grant Application Summary

Arkansas Grantee: Arkansas Insurance Department

Award Date: September 20, 2011

Total Award: \$3,874,098

Baseline Award: \$3,000,000

Workload Award Amount: \$274,098

Performance Award Amount: \$600,000

- **Expand scope of rate review:** Arkansas will develop processes and procedures to fully implement Bulletins 6-2011 and 7-2011 which provide prior approval authority over the individual and small group markets. Arkansas will add rigor and structure to the current Arkansas Insurance Department rate review process and will track and analyze the Medical Loss Ratio filings to determine the impact of rebates on rates.
- **Improve rate filing requirements:** Arkansas will require issuers to publicly justify increases. These justifications will be consumer friendly and displayed on the Arkansas Insurance Department website.
- **Improve transparency and consumer interfaces:** Arkansas will post on its website details regarding all individual and small group rate filings, including plain language summaries. The State will provide a notice and comment period to consumers for all rate filings. Arkansas will further bolster outreach to consumers through a media center for consumer education, a user-friendly rate review website and brochure for consumers, and a Consumer Advisory Council to improve transparency and communication.
- **Hire new staff:** Arkansas will create 3 new positions with Cycle II grant funding; these positions are in addition to the 3 new positions created with Cycle I resources.
- **Improve IT:** Arkansas will develop a new rate review website for consumers and will develop and upgrade existing technology to streamline data sharing in order for the State to meet reporting requirements.

Cycle III Grant Application Summary

Arkansas Grantee: Arkansas Insurance Department

Award Date: September 23, 2013

Total Award: \$3,134,794

Baseline Award: \$2,000,000

Workload Award Amount: \$734,794

Performance Award Amount: \$400,000

- **Improve the Rate Review Process:** With Cycle II funding, Arkansas created the Insurance Rate Analysis and Tracking Engine (iRATE) system to streamline the rate review process. This software system is available to all states and territories at no cost. With Cycle III funding, Arkansas will continue to develop iRATE by incorporating automated transparency, plan management, and Medical Loss Ratio analysis functionality.
- **Improve Rate Review Transparency:** To better connect with consumers, Arkansas will use social media to disseminate rate review information. Arkansas will also upgrade the state's rate review website so that it is compatible with mobile devices. In addition, Arkansas will develop an online rate calculator to help consumers make better-informed health insurance decisions for their families. Arkansas will develop a Spanish translation feature for their website and provide educational videos, pamphlets and booklets in both English and Spanish.

Establish New Data Systems and Enhance Pricing Transparency: With Cycle III funding, Arkansas will create an All Payers Claims Database (APCD), a database that systematically collects medical claims data from public and private payers. Arkansas will develop a data release policy to support the release and use of the APCD data. The collection, analysis, and release of this data will help consumers, businesses, and researchers to better understand variation in health care pricing, utilization, and quality.

Cycle IV Grant Application Summary

Arkansas Grantee: Arkansas Insurance Department

Award Date: September 19, 2014

Total Award: \$1,179,000

- **Establish or Improve Data Collection:** Arkansas will begin collecting claims data from commercial carriers and the state's Medicaid program, and will add provider-specific information to the website.
- **Expand and Improve Data Analysis:** Arkansas plans to use an analytic research team of claims analysts, statisticians, and health insurance consultants to develop reports and datasets required for medical pricing transparency. It will have a validation and review process for providers and carriers named in reports. The data will be fully vetted before public release, ensuring that the data is strong, credible, and uses highly transparent methodologies and processes.
- **Data Dissemination and Transparency:** Arkansas will focus on providing accurate and credible information about the consumer's cost for common procedures and office visits through consumer-friendly mobile applications and website tools. The Data Center will include a public website, enabling public access to average procedure costs by state region, population-based costs, utilization by geographic area, and risk-adjusted population costs.