



STATE OF ARKANSAS
MIKE BEEBE
GOVERNOR

August 2, 2013

The Honorable Kathleen Sebelius
Secretary of the U.S. Department of Health and Human Services
330 Independence Avenue, S.W., Room 4257
Washington, DC 20201

Dear Madam Secretary:

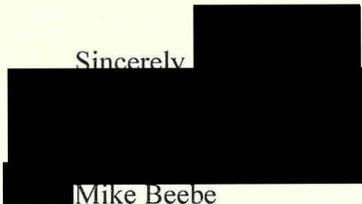
On behalf of the citizens of Arkansas, I am pleased to submit to the U.S. Department of Health and Human Services (DHHS) the enclosed Section 1115 Demonstration Waiver application. Authorized by provisions in the Arkansas Health Care Independence Act of 2013, the demonstration will allow the use of premium assistance to purchase qualified health plan (QHP) coverage through the Health Insurance Marketplace.

The waiver application aligns with and builds upon the concept proposed in our February 2013 meeting and in the memo sent in March of 2013. The waiver application also reflects additional input from state legislators, public comments, and cooperative consultation with federal officials over the last several months. In conjunction with this waiver, we will be submitting State Plan Amendments to secure federal funding for the expansion group, including those individuals who have complex medical conditions and/or are medically frail and who will receive coverage through our traditional program.

In addition to improving provider access, reducing disruption across the continuum of coverage upon income fluctuation, and furthering quality improvement, our vision is to provide truly integrated coverage for low-income Arkansans. The demonstration will leverage the efficiencies of the private market to enhance continuity, access, and quality for beneficiaries and is expected to drive more competitive premium pricing for all individuals purchasing through the Marketplace by adding approximately 225,000 eligible individuals. Most important, the demonstration incorporates delivery-system improvement initiatives that have already received federal support, thereby augmenting the ability to achieve desired outcomes.

We appreciate the assistance your department has offered and look forward to your continued support as we implement the premium assistance model and other innovative approaches outlined in the Arkansas Health Care Independence Act.

Sincerely,


Mike Beebe

Ccs: Marilyn Tavenner, Administrator for the Center for Medicare & Medicaid Services
Cindy Mann, Director of the Center for Medicaid and CHIP Services

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