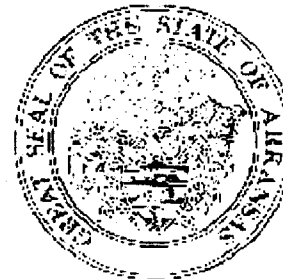


NEWS RELEASE

OFFICE OF GOV. MIKE HUCKABEE
STATE OF ARKANSAS
State Capitol
Little Rock, AR 72201



FOR MORE INFORMATION, CONTACT:
Alice Stewart, Press Secretary
(501) 682-3606 Fax: (501) 682-2614

FOR IMMEDIATE RELEASE

Little Rock--Dec. 20--Gov. Huckabee announced a new plan today to give small business owners and their employees in Arkansas better access to health care coverage. The program is designed to provide a "safety-net" of benefits to workers who currently have no coverage, including those services that people need and use the most.

"This is just what the doctor ordered for the health and well-being of the state's small businesses," Gov. Huckabee said. "We have worked hard to find a solution to growing health care coverage concerns for employers and their employees who cannot afford basic benefits. ARKids First has been a huge success in covering children.

ARHealthNet will now reach many of the uninsured adults."

The new program, called ARHealthNet, will offer affordable medical benefits to working adults who are employed by small businesses that have not been able to offer health care coverage. The program is the result of several years of planning and collaborative effort between DHHS, the Arkansas Health Insurance Roundtable, the Arkansas Center for Health Improvement, and the federal government, with guidance from the Arkansas Insurance Department. While available to all employees of qualified

small businesses, the program will be supported by state Tobacco Settlement funds and federal funds for workers with an annual household income of 200 percent of the Federal Poverty Guideline or less.

“Using federal and state dollars, ARHealthNet helps employers cover the cost of insurance for their lower income employees. In return, employers agree to cover their entire workforce. It’s a great partnership that really stretches our tobacco settlement dollars to meet a pressing need,” DHHS Director John Selig said.

Employers can begin enrolling effective Dec. 20, 2006, with employee benefits beginning in January of 2007.

“ARHealthNet is one of the first true partnerships between state and federal government, businesses and families,” said Joe Thompson, MD PHD, and Arkansas’ Surgeon General. “It’s an innovative strategy for helping solve the problem of uninsurance among low-income workers.”

NovaSys Health is administering the program for the Arkansas Department of Health and Human Services. Employers can contact NovaSys Health via phone at (800) 540-7566, or by going to their web site at www.arhealth.com if they are interested in obtaining information regarding the program.

Basic ARHealthNet Features

- Eligible employers will voluntarily determine whether they will participate in the program. Employers are eligible to participate only if they have not offered group health insurance for the 12 months leading up to their participation.
- Employees (and spouses) of participating employers will be eligible for the program and will be required to enroll unless they provide evidence of other group coverage.
- Individuals covered through the program will receive a benefit package as described below.
- Individuals covered through the program will be required to cost share. Cost sharing will be in the form of deductibles, coinsurance, and/or co-payments with an out-of-pocket maximum.

Basic Benefit Package. Covered employees and spouses will receive the following services in the benefit package:

- Six physician visits per year
 - Seven inpatient hospital days per year (acute care hospital days)
 - Two outpatient hospital services per year
 - Two prescription drugs per month (using a tiered formulary)
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- Coverage is available only when services are provided by contracted providers. There is no coverage for services provided outside the state or from non-network providers, regardless of the emergent/urgent nature of services provided.
 - Benefit limits apply regardless of medical necessity.
 - No exclusions for pre-existing illness or waiting period

COST SHARING

Cost Sharing Category	Cost Sharing Amount
Prescription Drug Copays	\$5 Generic \$15 Brand Formulary \$30 Brand Non Formulary
Annual Deductible on selected services Individual. Family Limit (employee and spouse)	Does not apply to office visits and prescription drugs \$100/year \$200/year
Coinsurance on selected services	15% after deductible
Maximum Out-of-Pocket Expense on selected services Individual	\$1,000/year
Family (employee and spouse)	\$1,500/year
Lifetime Maximum	None