

Status:

- Over 70% of Arkansas's small businesses (50 or less employees) do not offer health insurance.
- More than 474,000 Arkansans between the ages of 19 and 64 do not have health insurance – primarily because of high premium costs. Of those individuals, approximately 237,125 (50.02%) have household incomes below 200% of the Federal Poverty Level (FPL).

Program:

AR Health Networks is a health plan designed to help qualified small businesses with low-income workers provide an affordable package of health care benefits to their employees. AR Health Networks is available to businesses with 2 to 500 employees who have not offered a group health plan in the past 12 months or longer. The plan is only available to working Arkansans through qualified employers and is not currently available as an individual policy.

Impact:

- As of December 2008, the current enrollment was 5,476, of which 4,851 (88.59%) were subsidized (below 200% of the FPL).

How it Works:

- Premiums for low-income workers with annual earnings at or below 200% of the FPL are subsidized using tobacco settlement funds and existing Medicaid dollars.

AR Health Networks provides a limited package of the most needed and used benefits, including:

- 7 inpatient days per year
- 2 major outpatient services per year, including emergency room and major services performed in the office
- 6 physician office visits per year
- Two prescriptions per month
- Maximum annual benefit of \$100,000
- Renewable each 12 months

All employees enrolled in the plan will receive immediate benefits with no waiting period upon initial enrollment of the group. Benefits will be available to everyone in the group regardless of any pre-existing medical conditions.

Administration/Oversight: NovaSys Health administers the program for the Arkansas Department of Human Services. Funds to support these services will be appropriated by the Arkansas General Assembly to Arkansas Medicaid. Arkansas Medicaid is conducted as a partnership between the state and federal government. The program is overseen by the Arkansas Department of Human Services and the US Centers for Medicare and Medicaid Services.

