



The Governor has now signed into law several pieces of legislation passed by the General Assembly during the 1st Extraordinary Session of 2017.

The session was called to address health care, the state's long term reserve fund, and to make technical corrections.

Act 3 directs the Department of Human Services to request a federal waiver to make changes to Arkansas Works. Arkansas Works uses Medicaid funding to provide health insurance to low-income Arkansans.

One of the changes is to lower the income eligibility from 138% of the Federal Poverty Level (FPL) to 100% FPL.

Those making an amount in between 100% and 138% FPL who do not have affordable employer sponsored insurance available would be directed to the health insurance marketplace. There they are eligible for federal subsidies. Premiums would be capped at 2% of the individual's income.

Arkansas is currently paying 5% of the cost for Arkansas Works. Our share gradually increases to 10% by 2020. The Department of Human Services estimates these changes will save the state between \$67 and \$93 million over the next 5 years.

Act 3 establishes a work requirement for those enrolled in Arkansas Works. This requirement is identical to the work requirement for the Supplemental Nutrition Assistance Program

(SNAP). An exception can be made for those receiving work training or enrolled in classes to obtain their GED.

This legislation also directs DHS and the Department of Workforce Services to study and analyze small employer health insurance coverage in this state. The purpose of the study is to determine how to strengthen employer-sponsored insurance and help small business employers offer more affordable coverage for their employees.

They are to submit their findings to Arkansas Legislative Council and to the Governor before October 1, 2018.

Act 4 provides more legislative oversight to the health insurance marketplace and calls for a study the future of the marketplace.

The other item we addressed was the creation of a long term reserve fund. Act 7 transfers \$105 million from Healthy Century Trust Fund (funded by tobacco settlement proceeds) to a reserve fund.

This was done in an effort to improve the state's bond rating and therefore lower interest rates and reducing cost for projects. The legislation approved requires 2/3 of a vote of either the Arkansas Legislative Council or the Joint Budget Committee before funds can be spent.

Members also approved two technical correction bills during the special session.

Interim committees begin meeting later this month. You can view the calendar and the agendas at www.arkleg.state.ar.us.