

**Reference#1: Using CCIIIO standards to calculate access generate the customized Justification Template in PY2026**

**Question#1: Please offer clarification on the member data being used for the network adequacy reports. Will issuer specific member data be used in addition to CMS standard member population? Or will only issuer member data be utilized?**

Answer#1: We will be using the QHP Sample Population file – not member data. The QHP population file is refreshed annually and tends to hover around 22 to 23K sample points for Arkansas which we deem adequate. All issuers will therefore be measured to the same dataset.

**Reference#2: Using CCIIIO standards to generate the customized Justification Template in PY2026**

**Question#2: Justifications will be required when the difference between the issuer computed coverage and the possible coverage is greater than 1%. Is it possible to adjust this difference to a number greater than 1%?**

Answer#2: No.

The Department debated internally the idea of an allowance being a good idea but eventually abandoned it because some illogical, unfair situations emerged.

We started with the idea that

- 1) Anytime the “ideal network” coverage is at 90% or higher, meeting threshold requirements, we would be forced to issue an objection if a network is less than 90%, even if 89%. The Department knew that there was no way around this.
- 2) But what about the situation where the “ideal network” is less than 90% and a network’s coverage is below the ideal? The Department should surely expect improvement because the threshold has not been met, despite it being impossible to meet the threshold. Would it be reasonable to expect improvement if the ideal network coverage is 88% and a network is at 84%? Surely, some allowance should be provided, the Department reasoned. But during our meetings and deliberations we abandoned the idea of an allowance based on the scenarios that emerged.

The following is quoted from the Departmental meeting notes on the decision made.

++ Begin quote:

## AID RESPONSES TO ISSUER'S NETWORK ADEQUACY QUESTIONS

*If we put a percentage allowance for an objection when the best possible coverage does not meet requirements (90%), then we come across situations like this with a 5% allowance.*

A	B	C	D	E	F	G	H	I
	Provider type	County	actual	possible			If % allowable is	Issuer does not get objected to if achieving
Issuer A	Cardiologist	Lee	89	90	Objection			
Issuer B	Cardiologist	Lee	84	88	No Objection		5	83

*The case above illustrates we are cutting a lot of slack for Issuer B, just because of what the ideal network can achieve. Is it fair to allow 5% allowance if the ideal network cannot achieve the required 90% coverage and give only no allowance % if it can?*

*It was decided to round up the actual % covered and include all cases in the Objections tab if the regulatory threshold is not met within 1 %. With that the situation changes to the following (Issuer C added as another example).*

A	B	C	D	E	F	G	H	I
	Provider type	County	actual	possible			If % allowable is	Issuer does not get objected to if achieving
Issuer A	Cardiologist	Lee	89	90	Objection			
Issuer B	Cardiologist	Lee	84	88	Objection		1	87
Issuer C	Cardiologist	Lee	87	88	Objection			

**++ End quote:**

**Reference#3: Customized Justification Template in PY2026 with CCIO standards**

**Question#3: Will a justification still be required if the difference is greater than 1% and the issuer already has all possible providers in a geographic area in-network?**

**Answer#3: An objection will never show up for the situation described.**

*The Department will aggregate all NPIs reported in the NA templates and all their locations, filtered by the PTNP to build the “ideal network”. Our algorithms make it impossible for a network to show improvement needed if a network has all possible providers **\*and their practicing locations\*** reported to the Department in a particular plan year. If you disagree with the locations others have reported, the Justification template provides a drop down response to state “Issuer disagrees with provider location reported by other issuers” in the “Issuer’s Response” field of the Justification template. An objection will not be generated unless there are providers in the ideal network that are not in the issuer’s network.*

**Reference#4: Review of “Isolated Outlier locations” before Network Adequacy assessment starting in PY2026**

**Question#4: The proposed timeline requires address research and resolution to be completed in 3-4 weeks. Depending on the volume of address research required, it is unlikely an issuer can meet this deadline. Can this time frame be adjusted?**

*Answer4: An adjustment will eat into the other important phases of the network adequacy review, with a deadline for the Department’s disposition on the network by mid-September.*

*We understand fully well about the potential difficulty with allowing 3-4 weeks for review. The crucial part was the volume of addresses you may be faced with. That is why we are shortly going to share with you (No later than the first week of April) the Isolated Outlier lists that was found using the PY2025 submissions. The Department feels that though the list may be dated (belonging to PY2025), most of the locations will remain the same in your source systems, and therefore issuers may benefit from the time available. Please be sure to read the Overview tab in the list we will provide and the webpage explainer referred therein <https://rhld.insurance.arkansas.gov/downloadables/isolatedproviderexplainer.pdf>*