Arkansas Insurance Department

PY2026 SERFF

Network Adequacy Data Submission Instructions

Version 3.1

Revision History

Version	Author	Change	Date
1.0	Tonmoy Dasgupta	First release	2/19/2017
1.1	Tonmoy Dasgupta	Appendix 2 added to enable NA data submission earlier than the rest of the data.	4/13/2017
1.2	Tonmoy Dasgupta	School Based Template instructions changed because the PY2018 ECP/NA template cannot be used as in the prior year's process. The directory has been changed into a template.	4/19/2017
1.3	Tonmoy Dasgupta	Appendix 2 updated after observing an issuer's failure to submit	5/4/2017
1.4	Tonmoy Dasgupta	Deferment of process 3.b	5/17/2017
1.5	Tonmoy Dasgupta	Removed school based data submission requirements. Update on process 3.b (no mid-year ECP/NA data submission required). Removal of Appendix 2 (Work-a-round for a problem in PY2018). Beefed up explanation for Network ID template because of frequent errors by issuers new to NA reporting	3/13/2018
1.6	Tonmoy Dasgupta	PY2020 release with version update. No material changes.	12/18/2018
1.7	Tonmoy Dasgupta	1-3) Process 3.a-3 (Added "Other Health Plans…")	8/8/2019
1.8	Tonmoy Dasgupta	PY2021 release with version update. Sampling size for county with no members changed in 2.1	12/16/2019
1.9	Tonmoy Dasgupta	PY2022 release only with version update- no material change.	11/30/2020
2.0	Tonmoy Dasgupta	PY2023 release with version update. Section 1.3 updated to correct anytime submission only for Large Group. Section 1.3.1 SERFF file name change. Section 1.3.3 reference to Rule 106 Section 3-I changed to 3-J with updated Rule.	3/10/2022
2.1	Tonmoy Dasgupta	*AR Network Adequacy Supplemental Template* has been added after it was discovered that the PY2023 CMS-CCIIO ECP/NA template had removed the "Pharmacy" and "Other" categories, preventing Issuers from reporting provider types that Arkansas monitors but CMS does not.	5/2/2022
2.2	Tonmoy Dasgupta	PY2024 release only with version update- no material change.	3/14/2023
2.3	Tonmoy Dasgupta	PY2025 release only with version update- no material change.	12/27/2023
2.4	Tonmoy Dasgupta	Added "AR Network Adequacy Supplemental Template" to section 1-3. Was missing in this section though mentioned later on,	2/29/2024
3.0	Tonmoy Dasgupta	Revised entire document to switch NA review to CCIIO standards starting PY2026	12/4/2024
3.1	Tonmoy Dasgupta	Draft for PY2026 finalized with "Isolated Outlier" provider location review elaborated. No material changes other than clarity in other sections.	4/22/2025

Contents

1. Background:

Arkansas Insurance Department's Network Adequacy (NA) annual review consists of three distinct processes. The purpose of this document is only to expand on data submissions in Process 3 described below. Processes 1 & 2 are summarized for information only.

1) Process 1: In this process the Arkansas Insurance Department (AID) reviews the Provider Types list (*For example, Acute Care Hospitals, Oncologists, OB/GYN etc.)* that will be monitored for Network Adequacy (NA) in the oncoming Plan Year. Starting PY2026, CCIIO Provider Types will be monitored as a minimum to meet CCIIO's NA standards. Thereafter every year AID/Issuers will review the upcoming plan year's *Notice of Benefits and Payment Parameters* (NBPP) and *Letter to Issuers* (LTI) to ensure coverage of CCIIO NA standards, including CCIIO provider types.

   CCIIO provider types and standards will apply as a minimum. Additional provider types may be added or deleted for a Plan Year in subsequent years as per need by AID and these provider types will be referred henceforth in this document as AID Provider Types. AID Provider Types will be decided by AID in collaboration with Arkansas Department of Health (ADH) and the Arkansas Center for Health Improvement (ACHI). Provider Types with their taxonomic definitions is then shared with the industry for comment. Finally, this is published as "*Provider Type Taxonomic Descriptions*" within the webpage http://rhld.insurance.arkansas.gov/Default/NetworkAdequacy . Processes 2 and 3 are dependent on the outcome of this process.

2) Process 2: The essence of this process is to arrive at an industry agreement on provider classification(s) into the provider types discussed in Process 1 above. In this process, AID facilitates the industry maintenance of the Provider-Type-NPI-Pools (PTNPs) data. This data maintenance process occurs twice a year because of the dynamic nature of provider networks. The first round ends early in the year with publication of the *Finalized Provider Type-NPI List* for the on-coming Plan Year in AID's web location http://rhld.insurance.arkansas.gov/Default/NetworkAdequacy . The *Finalized Provider Type-NPI List* is commonly called the "Provider-Type-NPI-Pools" or (PTNPs). Process 3 is dependent on this data artifact.

3) Process 3: This process is essentially data preparation and submission of plan data in SERFF (NA data included) for plan certification and network adequacy review. Issuers prepare and submit NA data followed by AID's review. All data submissions in this process occur within the SERFF application maintained by NAIC. This process starts with release of the *Requirements for Qualified Health Plan Certification* for the oncoming Plan Year (For example 3-2016 Bulletin *"2017 Plan Year Requirements for Qualified Health Plan Certification"* published on March 1, 2016), typically mid-May, and ends with the certification, decertification, or withdrawal of the submitted plans. Starting PY2026, Large Group are required to file their data on May 15th, or if it falls on a weekend, the first following business day.

Network Adequacy data submitters are categorized into three groups because of differing requirements

1) **<u>QHP Plans On Marketplace (Individual and SHOP) & Stand Alone Dental Plans (On-Marketplace and Off-Marketplace-seeking-certification):</u>**

   All NA data artifacts needed by AID from the issuers for this process are listed in the spreadsheet titled *PY <applicable Plan Year in YYYY format> AID QHP SADP Plan Management Submission Requirements BY DATE <due date>* located in the Plan Management General Instructions section within SERFF.

2) **<u>Off-Marketplace Medical Plans:</u>**

   All NA data artifacts needed by AID from the issuers for this process are listed in the spreadsheet titled *PY<applicable Plan Year in YYYY format> AID Off-Marketplace Binder Submission Requirements BY DATE <due date>* available in the Plan Management General Instructions section within SERFF.

3) **<u>Other Health Benefit Plans</u>**

   See definition in Rule 106 Section 3-J.

Beginning PY2026 data requirements are limited to the following 5 NA templates, but only 4 templates (2. through 5.) are needed during data submission deadline in SERFF.

<u>AID authored templates</u>

1. AR NA Justification Template (This is a revamped justification template modelled after CCIIO's NA Justification template that is customized per deficiencies found in the issuers network(s). This template is not needed during initial data submission but later created by AID if CCIIO standard requirements are not met for one or more Provider Type-County combination.)
2. AR Provider-Enrollee Ratio Template

<u>Federal (CCIIO) authored templates</u>

3. Network Adequacy Template (Called the ECP/NA Template in the past)
4. Service Area Template
5. Network ID Template

There is a mid-year review done by AID on certified plans that are in operation. This review does not require new data submissions. AID uses PTNPs and issuers' template data available across two successive plan years to highlight deteriorations in Provider-Type-County combinations.

For those who are visually inclined, all the above processes are explained using a swim lane process diagram in Appendix 1 of this document.

AID's maintains complete details of the NA Regulation program including meeting minutes within its NA home page at: http://rhld.insurance.arkansas.gov/Default/NetworkAdequacy.

2. Process 3 template details:

This section elaborates on Process 3 mentioned in Background Section 1 of this document. This section first dwells on various data aspects and issues before diving into each data template required.

AID will review NA for CCIIO provider types each plan year starting in PY2026. AID's implementation of NA regulation makes use of a combination of Arkansas *and* Federal (CMS/CCIIO) designed templates.

CCIIO's QHP Sample Population file.
Starting PY2026, AID would compute CCIIO's coverage requirements using CCIIO's latest QHP Sample population file against provider locations in the NA template. The QHP population sample file is located in https://www.qhpcertification.cms.gov/QHP/applicationmaterials/Network-Adequacy. Though referred to as the "QHP" Sample Population file, the use of this sample applies to all lines of business covered under Rule 106, including large and small group health plans.

CCIIO NA Standards being implemented.
Starting PY2026, AID will switch to CCIIO's drive distance standards and compute the coverage percentage for every *provider type-County* using (1) the provider locations in the Network Adequacy template, (2) the current Finalized PTNP list for filtering classifications, and (3) the QHP Sample population file published by CCIIO. Details on (1) & (3) are located at https://www.qhpcertification.cms.gov/s/Network%20Adequacy and details for (2) are located at https://rhld.insurance.arkansas.gov/Default/NetworkAdequacy . AID does not require issuers to submit the *AR Specialty Access template* any longer. Consequently, AID does not require issuers to submit "up-front" justifications explaining the shortcomings in the *AR Specialty Access template* at the time of data submission. Justifications would be handled through customized NA justification templates patterned on the CCIIO justification template – details of which are explained later in the document.

Limiting large number of practicing address locations per NPI.
AID intends to keep using CCIIO's Network Adequacy template. CCIIO limits a maximum of 10 different practicing address locations per NPI in their template. Issuers may need to review providers with over 10 practicing locations if any and judiciously choose 10 locations that are most advantageous to the issuer in terms of Network Adequacy coverage. For example, if an issuer finds an NPI has 13 practicing locations in total, with 7 locations in Little Rock, 4 in Conway and 2 in Monticello, it would NOT be advantageous to report all 10 addresses from Little Rock and Conway areas, ignoring the Monticello location.

Need for provider practicing location accuracy.
Accurate provider practicing/facility addresses is crucial in any Network Adequacy regulation program. AID expects health carriers to verify practice addresses at least once every ninety (90) days in accordance with requirements of federal law, and the practice addresses reported to the Department for plan review should reflect the latest round of such verification and correction. AID has traditionally issued objections to an issuer when the Department deduced that there was scope of improvement based on competitor provider data. AID has avoided blanketing issuers with objections irrespective of

the possibility of improvement. Information on the possibility of improvements is unique provider practicing/facility address locations especially for scarce provider types. Such locations reported by some issuers could trigger objections for other issuers with a deficiency in the geographic area. If, however, such practicing addresses reported by an issuer are incorrect, multiple issuers suffer an objection that was based on incorrect location data by a competitor. In recent years, AID has issued deficiency objections to multiple issuers based on competitor provider locations, that were later determined to be incorrect after much back and forth between regulators and issuers.

AID will implement measures to improve address data quality checks starting in PY2026. The process would be part of the early data validation stages, named "Round 0". The Department would select a limited number of provider practicing locations for each issuer to review, instead of asking issuers to review all their reported provider practicing locations. The Department would select certain locations from an issuer data that have the highest probability of generating objections for other issuers. The Department would expect a review of these "isolated outlier" provider locations, because if they are discovered to be inaccurate later in the review, they would have created inefficiencies described in the earlier paragraph.

How has the Department defined "isolated outlier" provider locations/addresses? A provider address for an NPI that is reported by a single issuer in the neighborhood is an "outlier". Furthermore, when such "outlier" addresses are isolated from other NPI's of the same provider type by a certain predetermined distance, irrespective of which issuer reported the next closest NPI, they are called "isolated outliers". There are two independent parameters that qualifies a location as an "isolated outlier" and the Department may tweak these parameters across plan years to limit the number of such addresses to be reviewed by issuers.

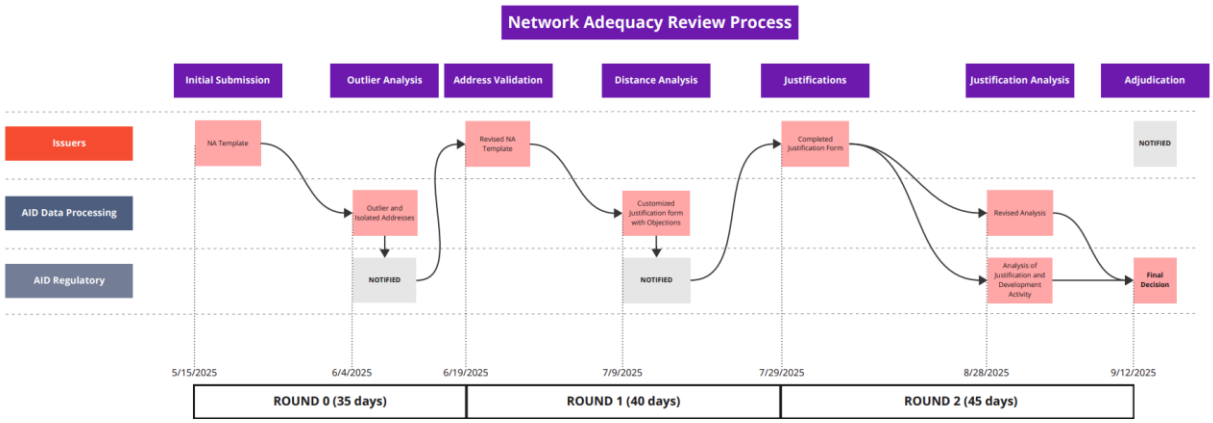
During "Round 0", AID will process NA templates from all issuers with the latest PTNP and generate "Isolated Outlier" locations customized for each issuer listing their isolated outlier locations. AID will ensure that the number of newly reported isolated outliers for a plan year is reasonably limited (less than 3% of all Arkansas addresses reported) to enable a quality review by the issuer in a limited time.

The issuer is expected to review the isolated outlier addresses, and if corrective action is needed on some addresses, make sure that the corrections are done at the source systems. Address corrections in the source systems may mean an update of the NA template is needed. If the NA template is updated, the issuer should resubmit the NA template and inform the compliance officer accordingly.

If an issuer repeatedly fails to exercise diligence and disruptions are repeated for failures to correct inaccurate addresses in such targeted lists, the Department's Market Conduct section will initiate an examination of the issuer's provider data handling processes.

For a detailed explanation isolated outlier provider locations handling between the Department and the issuers please visit https://rhld.insurance.arkansas.gov/downloadables/isolatedproviderexplainer.pdf.

An overview of how the *Isolated Outlier* review in "Round 0" fits into the overall NA review and the interactions between issuers and AID during the timeline of the review is pictorially depicted in the visualization below, where a tentative timeline is shown for PY2026.



The subsequent sub-sections detail all data templates required for AID's NA review towards plan certification.

2.1 Use of the customized *AR Justification Template*:

The customized templates idea for NA justifications has been borrowed from CCIIO and closely mimics their template. AID believes that this feature of the CCIIO workflow is better suited for the nature of required information exchange between regulator and issuer on NA deficiencies.

The justification template is not required during initial data submission starting PY2026. If AID finds deficiencies in the issuers network, the Department will generate a customized NA justification template for the issuer, depending upon the deficiencies.

There is more than one response tab in this template. Only tabs coded with orange need issuer response.

The *Objections* tab within this template lists coverage percentage for every *provider type-County* that falls below the required 90% coverage. The issuer must respond to the objections in this tab.

All issuers with network deficiencies will also be required to provide data in a tab called *Network Development,* providing relevant justification details (that the Department may later verify). In addition to the justification details the issuer would need to respond to the following questions.

SL#	Questions Pertaining to Monitoring and Mitigating Measures for Provider Network Gaps
1	What sources do you use to monitor for new providers entering your service area? (enter all that apply)*
2	How often do you monitor your sources for new providers entering your service area?*
3	Do you hold QHP enrollees of this plan responsible for only in-network cost sharing for out-of-network care received when you do not meet the network adequacy standards for a network/county/specialty combination?*
4	What is the number of QHP enrollee complaints received regarding network adequacy during the prior Plan Year?*
5	What is the total QHP enrolee PMPM covered through the same network(s) during the prior plan year.

Though no response is expected on the *Informational Network Issues* tab, the issuer is expected to use the information within this tab to monitor for new providers on a planned periodic basis. This tab lists all *provider type-County* combinations where the coverage requirement of 90% was not met but the Department has determined that the issuer has the highest possible coverage percentage and cannot improve coverage any further due to the lack of providers in the deficient area. The lack of providers is determined from the collection of data from all issuers.

2.2 AR Provider-Enrollee Ratio Template

The *PY <applicable Plan Year> AR Provider-Enrollee Ratio Template* is located in the Data Specification webpage: http://rhld.insurance.arkansas.gov/Info/Public/Templates. Please read all instructional tabs before using this template.

AID requires QHP and off-exchange medical issuers to furnish provider-enrollee ratios for certain Provider Types at the service area level. If the issuer operates throughout the state, they will need to provide state level data whereas issuers providing service in a limited set of counties would provide data at the combined county level for that set of counties. These ratios display the number of providers for every 1,000 enrollees.

The minimum requirement ratios for the various provider types have been drawn from the 2024 HSD Reference File Updated 10_18_2023 (XLSX) located at Medicare Advantage Applications | CMS as retrieved on 11/22/2024. Ratios for CCIIO Provider Types listed in Medicare Part A have been used. A few CCIIO provider types and facilities do not exist in the AID's data template because they do not exist in the Medicare documentation mentioned earlier. The Provider-Enrollee ratio excel template designed by AID does not ask for information at the level of detail of Medicare Advantage. Rather than requiring data at the county level for every provider type, AID's version asks for the data summarized to *Medicare County Category* levels of the service area covered by the network. For example, AID's template requests Urology provider for every 1000 enrollees (the ratio) summarized at the Large Metro, Metro, Micro, Rural or CEAC Medicare county classification level of all the counties in the Service Area, not at each county level of the service area. The following table lists the various provider-enrollee ratios required for different provider types starting PY2026.

		AID Requirements on Minimum Provider-Enrollee ratios for various Medicare county classifications* (Per 1000 enrollees)				
CriteriaID	Criteria Reference	Large Metro	Metro	Micro	Rural	CEAC
P012	Allergy and Immunology	0.05	0.05	0.04	0.04	0.04
P013	Cardiology	0.27	0.27	0.23	0.23	0.23
P014	Cardiothoracic Surgery	0.01	0.01	0.01	0.01	0.01
P015	Chiropractor	0.10	0.10	0.09	0.09	0.09
P017	Dermatology	0.16	0.16	0.14	0.14	0.14
P019	Endocrinology	0.04	0.04	0.03	0.03	0.03
P020	ENT/Otolaryngology	0.06	0.06	0.05	0.05	0.05
P021	Gastroenterology	0.12	0.12	0.10	0.10	0.10
P022	General Surgery	0.28	0.28	0.24	0.24	0.24
P023	Gynecology, OB/GYN	0.04	0.04	0.03	0.03	0.03
P024	Infectious Diseases	0.03	0.03	0.03	0.03	0.03
P025	Nephrology	0.09	0.09	0.08	0.08	0.08
P026	Neurology	0.12	0.12	0.10	0.10	0.10
P027	Neurosurgery	0.01	0.01	0.01	0.01	0.01
P029	Oncology - Medical, Surgical	0.19	0.19	0.16	0.16	0.16
P030	Oncology - Radiation	0.06	0.06	0.05	0.05	0.05
P031	Ophthalmology	0.24	0.24	0.20	0.20	0.20
P032	Orthopedic Surgery	0.20	0.20	0.17	0.17	0.17
P036	Plastic Surgery	0.01	0.01	0.01	0.01	0.01
P037	Podiatry	0.19	0.19	0.16	0.16	0.16
P038	Primary Care – Adult	1.67	1.67	1.42	1.42	1.42
P039	Primary Care – Pediatric	1.67	1.67	1.42	1.42	1.42
P040	Psychiatry	0.14	0.14	0.12	0.12	0.12
P041	Pulmonology	0.13	0.13	0.11	0.11	0.11
P042	Rheumatology	0.07	0.07	0.06	0.06	0.06
P044	Urology	0.12	0.12	0.10	0.10	0.10
P045	Vascular Surgery	0.02	0.02	0.02	0.02	0.02
F001	Acute Inpatient Hospital Beds	0.12	0.12	0.12	0.12	0.12

Issuers with no enrollees in any county (new issuers entering the state, or existing issuers expanding service areas) may use 0.05% of the non-elderly (under 65 years) county population for all counties that comprise their service area as a base of membership for providing reports and determining the ratios for network providers.

This template provides an opportunity to the issuers to convey justifications if unable to meet the Provider-Enrollee ratios requirements per Medicare county classifications.

2.3 Network Adequacy Template

The *Network Adequacy Template* (NA Template) is a CCIIO template. This document does not provide detailed guidance on how to complete this ECP/NA Template. Please refer to appropriate CMS/CCIIO documentation for details.

This NA Template provides all practicing locations of providers (one row for every practicing location for each NPI). This data is crucial for geo-analysis and other checks within AID's NA program. Among other details, it is important to accurately attribute each NPI as either an individual provider or a facility within this NA Template.

2.5 Service Area Template

The *Service Area Template* is a federal template. AID's implementation of NA requires this template irrespective of whether the plan is in the marketplace or not. This document does not provide detailed guidance on how to complete this Federal template. Please refer to appropriate CMS/CCIIO documentation for details.

This template displays the geographical area the plans within a binder intend to cover. Some plans may service the entire state while some may service limited parts of the state and this template communicates this information.

2.6 Network ID template

The *Network ID Template* is a Federal template. AID requires this template for its implementation of its NA program. **If the issuer reports multiple networks within a binder, besides giving the networks in this template some unique identification (for example: ARN001, ARN002 etc.), the data rows in other templates used for network adequacy must identify the network id the data row belongs to.** Each of the templates have a column for Network ID to accommodate such a situation.

This document does not provide detailed guidance on how to complete this Federal template. Please carefully refer to appropriate CMS/CCIIO documentation for details. AID had observed frequent mistakes by new issuers understanding this particular template and have reported multiple Network IDs when it did not apply. Some issuers in the past had incorrectly reported each constituent contractor used to build their network with a different network id. If an issuer uses multiple contractors to build a network, and that aggregated network is used in all plans within the binder, the issuer needs to report

that as one network with one network id. If the issuer has different networks covering different plans within the binder, the issuer should report the different networks with different network ids. Issuer should refer federal documentation for a complete understanding when multiple network IDs apply.

Appendix 1

This diagram visually explains the processes described in the Background section of this document.