



## UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

**APR 29 2019**

The Director

The Honorable Ron Johnson  
Chairman  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
340 Dirksen Senate Office Building  
Washington, DC 20510

Dear Mr. Chairman:

I am writing to provide an update on the Multi-State Plan (MSP) Program, established pursuant to Section 1334 of the Affordable Care Act (P.L. 111-148). Under the MSP Program, the Office of Personnel Management (OPM) is charged with certifying MSP options to be offered on the Exchanges.

Currently, Arkansas Blue Cross Blue Shield (BCBS) is the only health insurance issuer participating in the MSP Program. In 2019, Arkansas BCBS offers two MSP options on the individual market. As of December 31, 2018, approximately 47,000 Arkansans are enrolled in an MSP option. Just over one thousand of those individuals enrolled through the Exchange; the rest are enrolled through the Medicaid premium assistance demonstration, Arkansas Works. OPM appreciates Arkansas BCBS's partnership and participation in the Program since its inception.

Section 1334 envisioned that MSP options would eventually be available on the Exchange in each State. However, beginning in 2016, issuer interest in participating in the MSP Program declined considerably, despite OPM's efforts to encourage participation.

As we look toward the future, OPM has determined we are unable to achieve the statutory goals and objectives of the Program, as outlined in Section 1334(e)(4) of the Affordable Care Act. Therefore, after careful consideration and thorough analysis, OPM has determined the prudent course of action is to suspend MSP Program operations, beginning with the 2020 plan year.

Upon notification of Congress, OPM will communicate immediately to Arkansas BCBS that we are unable to accept an application from them for participation in the MSP Program for 2020. OPM is committed to working with Arkansas BCBS, the Centers for Medicare & Medicaid Services (CMS), and the appropriate State agencies through this transition.

It is important to note that individuals who are currently enrolled in an MSP option will be able to maintain this coverage until the end of the calendar year. These enrollees will be notified later this year that their current plan will not be available in 2020, and they will receive information on the choices available to them for coverage next year.

A majority of the OPM staff currently working on the MSP Program will be realigned to support OPM's core mission, to include serving our 2.1 million Federal civilian employees, while providing any necessary support to Program closeout activities. Please be assured, OPM will continue to perform external review of denied claims as required by regulation and contract. Because individuals must exhaust internal appeals with the issuer before requesting external review, these activities may continue for approximately two years after Program suspension and should be mostly complete by the end of Fiscal Year 2021.

In addition, on Friday, May 3 from 3:00-4:00 pm (EST) the Deputy Director of Healthcare and Insurance at OPM, Laurie Bodenheimer and members of her staff, will be conducting a conference call to address any questions you, or your staff, may have on this issue. The conference call number is (866) 459-7560 and the passcode is 62228304.

We are available to discuss this matter with you further and answer any immediate questions you may have. Please feel free to contact Jonathan Blyth, Director, Congressional, Legislative, and Intergovernmental Affairs, at (202) 606-1300.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Margaret M. Weichert', is written over a light blue horizontal line.

Margaret M. Weichert  
Acting Director