

Arkansas Insurance Department

NEWS RELEASE

*Allen Kerr
Insurance Commissioner*



FOR IMMEDIATE RELEASE

April 13, 2016

CONTACT: Kenneth Ryan James (ryan.james@arkansas.gov; 501-371-2622)

Kerr Certifies CHIP Cessation; \$8.15M Returned to AR

Insurance pool shutdown result of ACA, Act 713 of 2013

LITTLE ROCK – Arkansas Insurance Commissioner Allen Kerr today released the following statement following his certification that the Arkansas Comprehensive Health Insurance Pool (CHIP) has ceased operations, resulting in the transfer of \$8.15 million to the state’s General Revenue Fund:

“My thanks to the members of the CHIP Board of Directors, who have ceased operations of the pool in a professional manner, and in accordance with Arkansas law.”

Created in 1995, CHIP provided insurance coverage for Arkansans with high-risk conditions who could not obtain cost-effective coverage on the individual market due to pre-existing conditions. In 1997, the Arkansas General Assembly allowed CHIP to become a qualified high risk pool.

Following the passage of the Affordable Care Act, the General Assembly passed Act 713 of 2013, which provided for the orderly cessation of CHIP’s operations after December 31 of that year. According to Act 713, the CHIP board had until March 1, 2016, or a later date, to file a report to the legislature and Insurance Commissioner reflecting the “completion of the requirements” of the law, pending certification by the commissioner. Act 713 also mandates that any excess funds from CHIP after its cessation of operations be transferred to the state general revenue fund.

The signed Certificate of Compliance can be viewed here: <http://insurance.arkansas.gov/CHIP.pdf>.

For more information on the Arkansas Insurance Department, please visit <http://insurance.arkansas.gov>, follow us on Twitter at <http://twitter.com/ARInsuranceDept> and Facebook at <http://www.facebook.com/ArkansasInsuranceDepartment>.