

THE SECRETARY OF HEALTH AND HUMAN SERVICES WASHINGTON, D.C. 20201

JUN 1 5 2015

The Honorable Asa Hutchinson Governor of Arkansas State Capitol Room 250 500 Woodlane Avenue Little Rock, AR 72201

Dear Governor Hutchinson:

I am pleased to inform you that Arkansas has received conditional approval to establish a Statebased Marketplace (SBM). Congratulations on reaching this significant milestone on the path to establishing a SBM for the people of Arkansas.

Conditional approval reflects the progress the Arkansas Health Insurance Marketplace (AHIM) has made and an expectation that AHIM will be ready to provide a broad choice of affordable, quality coverage as a SBM for small businesses in 2016 and for individual consumers in 2017. The Centers for Medicare & Medicaid Services (CMS) has reached this decision based on AHIM's attestations, progress to date, and expected progress across the entire spectrum of Marketplace requirements, and is contingent upon the following conditions:

- 1. Timely demonstration of the ability to perform required Marketplace activities in line with the attestations Arkansas has made in its Marketplace Blueprint Application submission:
- 2. Compliance with federal regulations and completion of expected progress benchmarks by Arkansas.

A progress assessment letter will be sent directly to AHIM's leadership team. We look forward to continuing to collaborate with the State of Arkansas and are committed to providing your team our ongoing support and technical assistance to help the Arkansas SBM succeed.

Sincerely,

Jyliria M. Burwell Sylvia M. Burwell