

By: Representative Evans

To: Insurance;  
Appropriations

## HOUSE BILL NO. 388

1 AN ACT TO AMEND SECTION 41-95-7, MISSISSIPPI CODE OF 1972, TO  
2 PROVIDE THAT THE MISSISSIPPI HEALTH FINANCE AUTHORITY BOARD SHALL  
3 DEVELOP A PLAN FOR THE PROVISION OF BASIC HEALTH SERVICES TO  
4 PERSONS WITH NO OTHER HEALTH BENEFITS; TO PROVIDE THAT THE BOARD  
5 SHALL INCLUDE IN THE MISSISSIPPI HEALTH CARE PURCHASING POOL ALL  
6 UNINSURED PERSONS WHO APPLY FOR COVERAGE UNDER THE POOL; AND FOR  
7 RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Section 41-95-7, Mississippi Code of 1972, is  
10 amended as follows:

11 41-95-7. (1) The Mississippi Health Finance Authority Board  
12 shall formulate and carry out all policies regarding services  
13 within the jurisdiction of the authority, and shall adopt, modify,  
14 repeal and promulgate necessary rules and regulations after due  
15 notice and hearing and where not otherwise prohibited by federal  
16 or state law. It shall be the duty of the Mississippi Health  
17 Finance Authority to provide, to the fullest extent possible, that  
18 basic health care benefits are available to all Mississippians.  
19 Toward this end, the Mississippi Health Finance Authority Board  
20 shall conduct the following activities:

21 (a) The Mississippi Health Finance Authority shall  
22 conduct such research as is necessary to analyze current  
23 expenditures for health care for Mississippians, patterns of  
24 utilization of health resources, accessibility of providers and  
25 services, as well as other factors including, but not limited to,  
26 the demography and geography of Mississippi, which affect the  
27 quality and cost of health services. Potential savings through  
28 such measures as preventive and primary care, managed care,

29 reduction of cost shifting and group purchasing shall be  
30 identified and analyzed. The Mississippi Health Finance Authority  
31 is authorized to obtain, collect and preserve such information as  
32 determined by the authority to be needed to conduct this research  
33 and carry out all other duties. No health care provider, health  
34 care facility, state agency, insurance company or related entity  
35 may refuse to provide the information required by the authority,  
36 but may charge a reasonable cost for the collection and reporting  
37 of the information. Information received by the authority shall  
38 not be disclosed publicly in such manner as to identify  
39 individuals or specific facilities. Information collected by the  
40 authority that identifies specific individuals or facilities is  
41 exempt from disclosure under the Mississippi Public Records Act.  
42 Information obtained by the Mississippi Health Finance Authority  
43 shall be governed by state and federal laws, and regulations  
44 applicable to the agency from whom information is received.

45 (b) The Mississippi Health Finance Authority shall  
46 determine what basic health services will best serve the needs of  
47 the citizens of the State of Mississippi, and in conjunction with  
48 such determination, shall identify such additional measures as are  
49 desirable to encourage employer participation, promote  
50 competition, contain costs and otherwise increase the availability  
51 of health benefits to Mississippians.

52 (c) In conjunction with paragraph (b) of this  
53 subsection, the board shall develop a plan for the provision of  
54 basic health services to state and local government employees,  
55 teachers, persons currently receiving Medicaid benefits, and \* \* \*  
56 persons with no other health benefits \* \* \* as specifically  
57 provided in subsection (2) of this section. The Mississippi  
58 Health Finance Authority Board, in developing the plan, may  
59 propose graduated levels of participation proportionate to the  
60 participant's level of economic circumstances. This plan should  
61 include realization of savings identified through paragraphs (a)  
62 and (b) of this subsection.

63 (d) If different health plans are proposed, the  
64 Mississippi Health Finance Authority shall require written  
65 disclosure of treatment policies, practice standards or practice

66 parameters, and any restrictions or limits on normal health  
67 services, including, but not limited to physical services,  
68 clinical laboratory tests, hospital and surgical procedures,  
69 prescription drugs and biologics, and radiological examinations,  
70 by each health plan, unless the authority specifically determines  
71 it inadvisable to do so.

72 (e) The Mississippi Health Finance Authority shall  
73 determine what criteria are appropriate for certification of  
74 purchasing alliances, to protect the health and safety of the  
75 beneficiaries of health services provided pursuant to Sections  
76 41-95-1 through 41-95-9.

77 (f) Effective upon approval of the plan by the  
78 Legislature, the Mississippi Health Finance Authority shall  
79 establish procedures for the solicitation of bids and subsequent  
80 purchase of benefits for persons listed in paragraph (c) of this  
81 subsection. In contracting for health benefits, the Mississippi  
82 Health Finance Authority shall require such information gathering,  
83 reports and other measures as are necessary to monitor the  
84 provisions of health benefits and the accounting of all financial  
85 transactions therein. These shall include any data to continue  
86 the research and analysis set forth in paragraph (a) of this  
87 subsection.

88 (2) (a) From and after July 1, 1999, the Mississippi Health  
89 Finance Authority Board shall establish the Mississippi Health  
90 Care Purchasing Pool for the purpose of providing universal access  
91 to the basic benefits plan through a single program funded by the  
92 State of Mississippi and administered by the Mississippi Health  
93 Finance Authority. In offering and administering the purchasing  
94 pool, the board shall not discriminate against individuals or  
95 groups based on age, gender, geographic area, industry and medical  
96 history. The board shall include in the purchasing pool all  
97 employees, retirees and dependents covered by the group health  
98 insurance plans of the following entities:

- 99 (i) The State of Mississippi;
- 100 (ii) The state institutions of higher learning;
- 101 (iii) Employees of school districts and  
102 community/junior college districts as administered by the  
103 Department of Finance and Administration;
- 104 (iv) Any political subdivision or municipality,  
105 including any school district, that chooses to participate in the  
106 pool;
- 107 (v) Such portions of the Medicaid caseload as the  
108 board deems proper. Access to medical care or benefit levels for  
109 Medicaid recipients shall not diminish as a result of  
110 participation or nonparticipation in the pool;
- 111 (vi) All uninsured persons who apply for coverage  
112 under the pool; and
- 113 (vii) Any private entity that chooses to  
114 participate in the pool.

115 On and after July 1, 1995, the board may make the purchasing  
116 pool available to any employer, group, association or trust that  
117 chooses to participate in the pool on behalf of the employees or  
118 members of the group, association or trust.

119 (b) In administering the purchasing pool the authority  
120 may:

- 121 (i) Contract on behalf of participants in the pool  
122 with health care providers, health care facilities and health  
123 insurers for the delivery of health care services, including  
124 agreements securing discounts for regular, bulk payments to  
125 providers and agreements establishing uniform provider  
126 reimbursement;
- 127 (ii) Consolidate administrative functions on  
128 behalf of participants in the pool, including claims, processing,  
129 utilization review, management reporting, benefit management and  
130 bulk purchasing;
- 131 (iii) Create a health care cost and utilization

132 data base for participants in the pool, and evaluate potential  
133 cost savings; and

134                   (iv) Establish incentive programs to encourage  
135 pool participants to use health care services judiciously and to  
136 improve their health status.

137                   (c) On or before December 15 of each year, the  
138 authority shall report to the Legislature on the operation of the  
139 purchasing pool, including the number and types of groups and  
140 group members participating in the pool, the costs of  
141 administering the pool, and the savings attributable to  
142 participating groups from the operation of the pool.

143                   (d) This subsection (2) shall not be implemented unless  
144 (i) the necessary federal waivers have been granted, or (ii) the  
145 Secretary of the federal Department of Health and Human Services  
146 certifies that federal law permits this state to implement this  
147 program, and (iii) the Secretary of the federal Department of  
148 Health and Human Services certifies that full implementation of  
149 waiver programs shall receive federal funding at current  
150 participation rates, and (iv) further amendment to this section by  
151 the Legislature has been enacted and has become law during the  
152 1995 Regular Session or subsequent sessions.

153                   SECTION 2. This act shall take effect and be in force from  
154 and after July 1, 1999.