

By: Senator(s) Clarke, Nunnelee, Harden

To: Public Health and Welfare; Appropriations

SENATE BILL NO. 2645
(As Passed the Senate)

1 AN ACT TO BRING FORWARD SECTIONS 41-86-5, 41-86-9, 41-86-11,
2 41-86-13 AND 41-86-15, MISSISSIPPI CODE OF 1972, RELATING TO THE
3 MISSISSIPPI CHILDREN'S HEALTH INSURANCE PROGRAM (C.H.I.P.); TO
4 REPEAL SECTIONS 41-86-7, 41-86-17, 41-86-19 AND 41-86-21,
5 MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR AN INITIAL STATE CHILD
6 HEALTH PLAN AND ADVISORY BOARD; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 41-86-5, Mississippi Code of 1972, is
9 brought forward as follows:

10 41-86-5. As used in Sections 41-86-5 through 41-86-17, the
11 following definitions shall have the meanings ascribed in this
12 section, unless the context indicates otherwise:

13 (a) "Act" means the Mississippi Children's Health Care
14 Act.

15 (b) "Administering agency" means the agency designated
16 by the Mississippi Children's Health Insurance Program Commission
17 to administer the program.

18 (c) "Board" means the State and Public School Employees
19 Health Insurance Management Board created under Section 25-15-303.

20 (d) "Child" means an individual who is under nineteen
21 (19) years of age who is not eligible for Medicaid benefits and is
22 not covered by other health insurance.

23 (e) "Commission" means the Mississippi Children's
24 Health Insurance Program Commission created by Section 41-86-7.

25 (f) "Covered benefits" means the types of health care
26 benefits and services provided to eligible recipients
27 under the Children's Health Care Program.



28 (g) "Division" means the Division of Medicaid in the
29 Office of the Governor.

30 (h) "Low-income child" means a child whose family
31 income does not exceed two hundred percent (200%) of the poverty
32 level for a family of the size involved.

33 (i) "Plan" means the State Child Health Plan.

34 (j) "Program" means the Children's Health Care Program
35 established by Sections 41-86-5 through 41-86-17.

36 (k) "Recipient" means a person who is eligible for
37 assistance under the program.

38 (l) "State Child Health Plan" means the permanent plan
39 that sets forth the manner and means by which the State of
40 Mississippi will provide health care assistance to eligible
41 uninsured, low-income children consistent with the provisions of
42 Title XXI of the federal Social Security Act, as amended.

43 **SECTION 2.** Section 41-86-9, Mississippi Code of 1972, is
44 brought forward as follows:

45 41-86-9. (1) A Mississippi Children's Health Insurance
46 Program Commission is created to develop and adopt the permanent
47 State Child Health Plan. The commission shall be composed of the
48 following members:

49 (a) The Executive Director of the Division of Medicaid;

50 (b) The Executive Director of the State Department of
51 Health;

52 (c) The Mississippi Commissioner of Insurance;

53 (d) Two (2) members to be appointed by the Lieutenant
54 Governor, one (1) of whom shall be a nurse practitioner who
55 provides health care services to children, and one (1) of whom
56 shall be a person with experience in administering or working with
57 plans for reimbursement or payment of health care expenses;

58 (e) Two (2) members to be appointed by the Speaker of
59 the House of Representatives, one (1) of whom shall be a physician
60 who provides health care services to children, and one (1) of whom



61 shall be a person with experience in administering or working with
62 plans for reimbursement or payment of health care expenses; and

63 (f) Two (2) members to be appointed by the Governor,
64 one (1) of whom shall be a physician who provides health care
65 services to children, and who shall serve as chairman of the
66 commission, and one (1) of whom shall be a person with experience
67 in administering or working with plans for reimbursement or
68 payment of health care expenses.

69 In making appointments to the commission, the appointing
70 authorities shall reflect the gender and racial composition of the
71 state.

72 Not later than May 1, 1998, the Governor, the Lieutenant
73 Governor and the Speaker shall appoint the members of the
74 commission. After the members are appointed, the commission shall
75 meet on a date designated by the chairman of the commission in
76 Jackson, Mississippi, to organize the commission and establish
77 rules for transacting its business and keeping records. A
78 majority of the members of the commission shall constitute a
79 quorum at all commission meetings. An affirmative vote of a
80 majority of the members shall be required in the adoption of
81 rules, resolutions and reports. All members of the commission
82 shall be notified in writing of all regular and special meetings
83 of the commission, which notices shall be mailed at least five (5)
84 days before the dates of the meetings. The commission may
85 establish any subcommittees that it deems desirable to study and
86 report to the commission with respect to any matter that is within
87 the scope of the commission.

88 The Division of Medicaid shall provide clerical and
89 administrative support for the Children's Health Insurance Program
90 Commission. In carrying out the provisions of this section, the
91 commission may utilize the services, facilities and personnel of
92 all departments, agencies, offices and institutions of the state.
93 In particular, the commission shall consult with the Division of



94 Medicaid, the Office of Insurance of the Department of Finance and
95 Administration, the State Department of Health and the Mississippi
96 Department of Insurance, and those agencies shall cooperate with
97 the commission and provide the commission with any information and
98 other assistance requested by the commission. The commission may
99 consult and seek advice from various groups in the state in order
100 to understand the effect of any existing laws or any changes in
101 law being considered by the commission. For attending meetings of
102 the commission, each member who is not a state official shall be
103 paid per diem compensation in the amount authorized by Section
104 25-3-69 and each member shall receive expense reimbursement as
105 authorized by Section 25-3-41. All expenses incurred by and on
106 behalf of the commission shall be paid from any funds appropriated
107 or otherwise made available for the purpose of this program, and
108 from any grants or contributions made to the commission for its
109 purpose. The commission shall be dissolved on August 1, 1998.

110 (2) The Children's Health Insurance Program Commission shall
111 develop the State Child Health Plan, which shall set forth the
112 manner and means by which the State of Mississippi will provide
113 health care assistance to eligible uninsured, low-income children
114 under the Children's Health Care Program. The commission shall
115 consider all options in developing the plan. The plan must be
116 consistent with and meet the applicable requirements of Title XXI
117 of the federal Social Security Act, as amended, and shall include:

118 (a) A designation of the agency of the state that will
119 be the administering agency for the program, which shall be either
120 the Division of Medicaid or the State and Public School Employees
121 Health Insurance Management Board created under Section 25-15-303;

122 (b) Whether the administering agency will have the
123 authority provided under Section 41-86-11(4);

124 (c) A description of the covered benefits and the
125 eligibility standards for recipients;



126 (d) The method by which health care benefits and
127 services provided under the program will be coordinated with other
128 sources of health benefits coverage for children; and

129 (e) Methods used to assure the quality and
130 appropriateness of care and access to covered benefits.

131 (3) The Division of Medicaid shall submit the permanent plan
132 adopted by the commission to the United States Secretary of Health
133 and Human Services for approval on or before August 1, 1998.

134 (4) After the permanent plan has been developed and
135 approved, the Children's Health Care Program shall be implemented
136 and administered by the administering agency designated by the
137 commission.

138 **SECTION 3.** Section 41-86-11, Mississippi Code of 1972, is
139 brought forward as follows:

140 41-86-11. (1) The administering agency shall adopt, in
141 accordance with Section 25-43-1 et seq., rules and regulations for
142 the implementation of the program, and for the coordination of the
143 program with the state's other medical assistance programs.

144 (2) If the Division of Medicaid is designated as the
145 administering agency for the program, the division shall have all
146 of the authority set forth in Section 43-13-101 et seq.

147 (3) The administering agency shall make reports to the
148 federal government and to the Legislature on the providing of
149 benefits to those children under the program.

150 (4) (a) If the commission provides that the administering
151 agency will have such authority, the administering agency shall
152 execute a contract or contracts to provide the health care
153 coverage and services under the program, after first receiving
154 bids. The contract or contracts may be executed with one or more
155 corporations or associations authorized to do business in
156 Mississippi. All of the coverage and services to be provided
157 under the program may be included in one or more similar
158 contracts, or the coverage and services may be classified into



159 different types with each type included under one or more similar
160 contracts issued by the same or different corporations or
161 associations.

162 (b) The administering agency shall execute a contract
163 or contracts with one or more corporations or associations that
164 have submitted the best and most cost-effective bids, or shall
165 reject all bids. If the administering agency rejects all bids, it
166 shall notify all bidders of the rejection and shall actively
167 solicit new bids.

168 **SECTION 4.** Section 41-86-13, Mississippi Code of 1972, is
169 brought forward as follows:

170 41-86-13. (1) The Division of Medicaid shall receive state
171 appropriations for the program and federal matching funds under
172 the State Children's Health Insurance Program established by Title
173 XXI of the federal Social Security Act, as amended, and the
174 division shall provide those funds to the administering agency for
175 the administration of the program. The Legislature shall include
176 those funds as a line item in the appropriation to the Division of
177 Medicaid.

178 (2) The program is subject to the availability of state
179 funds specifically appropriated by the Legislature for the purpose
180 of the program and federal matching funds under the State
181 Children's Health Insurance Program established by Title XXI of
182 the federal Social Security Act, as amended. The division may
183 limit enrollment as necessary to ensure that the costs of the
184 program do not exceed the total amount of state and federal funds
185 appropriated by the Legislature for that purpose.

186 **SECTION 5.** Section 41-86-15, Mississippi Code of 1972, is
187 brought forward as follows:

188 41-86-15. (1) Persons eligible to receive covered benefits
189 under Sections 41-86-5 through 41-86-17 shall be low-income
190 children who meet the eligibility standards set forth in the plan.
191 Any person who is eligible for benefits under the Mississippi



192 Medicaid Law, Section 43-13-101 et seq., shall not be eligible to
193 receive benefits under Sections 41-86-5 through 41-86-17. A
194 person who is without insurance coverage at the time of
195 application for the program and who meets the other eligibility
196 criteria in the plan shall be eligible to receive covered benefits
197 under the program, if federal approval is obtained to allow
198 eligibility with no waiting period of being without insurance
199 coverage. If federal approval is not obtained for the preceding
200 provision, the Division of Medicaid shall seek federal approval to
201 allow eligibility after the shortest waiting period of being
202 without insurance coverage for which approval can be obtained.
203 After federal approval is obtained to allow eligibility after a
204 certain waiting period of being without insurance coverage, a
205 person who has been without insurance coverage for the approved
206 waiting period and who meets the other eligibility criteria in the
207 plan shall be eligible to receive covered benefits under the
208 program. If the plan includes any waiting period of being without
209 insurance coverage before eligibility, the State and School
210 Employees Health Insurance Management Board shall adopt
211 regulations to provide exceptions to the waiting period for
212 families who have lost insurance coverage for good cause or
213 through no fault of their own.

214 (2) The eligibility of children for covered benefits under
215 the program shall be determined annually by the same agency or
216 entity that determines eligibility under Section 43-13-115(9) and
217 shall cover twelve (12) continuous months under the program.

218 **SECTION 6.** Sections 41-86-7, 41-86-17, 41-86-19 and
219 41-86-21, Mississippi Code of 1972, which provide for an initial
220 State Child Health Plan and Advisory Board, are hereby repealed.

221 **SECTION 7.** This act shall take effect and be in force from
222 and after July 1, 2008, and shall stand repealed on June 30, 2008.

