

By: Senator(s) Clarke, Burton, Dearing,
Hopson, Horhn, Jackson (11th)

To: Insurance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2554

1 AN ACT TO CREATE THE HEALTH INSURANCE EXCHANGE STUDY
2 COMMITTEE TO CONDUCT A STUDY OF THE HEALTH INSURANCE EXCHANGE AS
3 PASSED BY CONGRESS AND TO MAKE IMPLEMENTATION RECOMMENDATIONS; TO
4 PROVIDE FOR THE MEMBERSHIP OF THE STUDY COMMITTEE AND ITS POWERS
5 AND DUTIES; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) There is hereby created the Health Insurance
8 Exchange Study Committee, which shall be composed of twelve (12)
9 members as follows:

10 (a) Two (2) members who represent insurer companies,
11 appointed by the Governor;

12 (b) Two (2) health insurance underwriters named by the
13 Mississippi Health Underwriters Association;

14 (c) One (1) business owner named by the Mississippi
15 Manufacturer Association;

16 (d) One (1) licensed independent insurance agent named
17 by the Independent Insurance Agents of Mississippi;

18 (e) One (1) business owner named by the National
19 Federation of Independent Business;

20 (f) Two (2) members of the House of Representatives
21 appointed by the Speaker of the House, one (1) of which shall be
22 the Chairman of the House Insurance Committee;

23 (g) Two (2) members of the Senate appointed by the
24 Lieutenant Governor, one (1) of which shall be the Chairman of the
25 Senate Insurance Committee; and

26 (h) The Commissioner of Insurance or his designee.

27 (2) All members of the committee shall be appointed in
28 accordance with subsection (1) and shall be so designated or



29 appointed in sufficient time so as to allow for all members of the
30 committee to be identified prior to the first meeting of the
31 committee.

32 (3) The first meeting of the committee shall take place no
33 later than June 1, 2010, on the call of the Governor at a place
34 designated by him. At the first meeting of the committee, the
35 Chairmen of the Senate and House Insurance Committees shall act as
36 temporary co-chairmen of the committee in order to organize and to
37 elect a chairman and vice chairman from its membership. Following
38 the election of the chairman and vice chairman, the committee
39 shall adopt rules for transacting its business and keeping
40 records. Members of the committee other than the legislative
41 members shall receive reimbursement for travel expenses incurred
42 while engaged in official business of the committee in accordance
43 with Section 25-3-41, and the legislative members of the committee
44 shall receive the compensation, except reimbursement for mileage
45 expenses, authorized for committee meetings when the Legislature
46 is not in session. Payment of such expenses shall be from funds
47 made available therefor by the Legislature or from any other
48 public or private source.

49 (4) The committee shall be charged with the duty to conduct
50 an extensive study of the Health Insurance Exchange as passed by
51 Congress. The study shall include, but not be limited to, the
52 following issues:

53 (a) The participation of insurance carriers in the
54 exchange, the benefits offered by carriers, the rules and
55 standards for the insurance products and the rating standards that
56 the state will establish for the products;

57 (b) The pool of eligible individuals to mitigate any
58 selection effects on the small group market;

59 (c) The review of all applicable ERISA, HIPAA and COBRA
60 laws to ensure plans meet the requirements for rating, guarantee
61 issue, imposition of preexisting condition exclusions and



62 continuation of coverage, and potential liability of carriers if
63 the exchange is negligent in applying the laws;

64 (d) The role of insurance agents in the exchange, the
65 compensation of the agents, and to ensure that all applicable
66 state and federal laws are followed;

67 (e) The necessity of duplicate costs from dual
68 regulations of health insurance plans in the State of Mississippi;

69 (f) Thorough review of other states' results and
70 implementation of similar plans;

71 (g) The ability to reduce the number of uninsured;

72 (h) The effect of adverse selection;

73 (i) The funding requirements and fiscal notes;

74 (j) The projected fees paid by employees and employers;

75 (k) The methodology used to establish the cost of the
76 projected fees;

77 (l) Study of other states' successes and failures;

78 (m) Analysis and documentation of the uninsured
79 population in this state, including:

80 (i) High income individuals who choose not to
81 purchase health insurance coverage;

82 (ii) Those that have group insurance available but
83 refuse to participate;

84 (iii) Those that are available for government
85 programs but are not enrolled;

86 (iv) Those that are below poverty level and cannot
87 afford insurance; and

88 (n) Analysis of the individuals outlined above to
89 determine emergency room utilization and costs.

90 (5) Before December 1, 2011, the committee shall make a
91 report presenting such findings and recommendations to the
92 Governor and to all members of the Legislature for consideration
93 during the 2012 Regular Session.



94 (6) The provisions of this section shall stand repealed from
95 and after July 1, 2012.

96 **SECTION 2.** This act shall take effect and be in force from
97 and after its passage.

