

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

To: Insurance

SENATE BILL NO. 2554  
(As Sent to Governor)

1 AN ACT TO CREATE THE HEALTH INSURANCE EXCHANGE STUDY  
2 COMMITTEE TO CONDUCT A STUDY OF HEALTH INSURANCE EXCHANGES AS  
3 PROPOSED AT THE FEDERAL LEVEL AND TO MAKE IMPLEMENTATION  
4 RECOMMENDATIONS; TO PROVIDE FOR THE MEMBERSHIP OF THE STUDY  
5 COMMITTEE AND ITS POWERS 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 thirteen (13)  
9 members as follows:

10 (a) Two (2) members who represent insurer companies,  
11 appointed by the Governor, one (1) of which shall be a domestic  
12 insurer, and one (1) of which shall be the insurer for the  
13 Mississippi Children's Health Insurance Program (CHIP);

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

16 (c) One (1) business owner named by the Mississippi  
17 Manufacturers Association;

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

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

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

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



28 (h) One (1) member named by the Division of Medicaid;  
29 and

30 (i) The Commissioner of Insurance or his designee.

31 (2) All members of the committee shall be appointed in  
32 accordance with subsection (1) and shall be so designated or  
33 appointed in sufficient time so as to allow for all members of the  
34 committee to be identified prior to the first meeting of the  
35 committee.

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

53 (4) The committee shall be charged with the duty to conduct  
54 an extensive study of health insurance exchanges as proposed at  
55 the federal level. The study shall include, but not be limited  
56 to, the following issues:

57 (a) The participation of insurance carriers in the  
58 exchange, the benefits offered by carriers, the rules and  
59 standards for the insurance products and the rating standards that  
60 the state will establish for the products;



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

63 (c) The review of all applicable ERISA, HIPAA and COBRA  
64 laws to ensure plans meet the requirements for rating, guarantee  
65 issue, imposition of preexisting condition exclusions and  
66 continuation of coverage, and potential liability of carriers if  
67 the exchange is negligent in applying the laws;

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

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

73 (f) Thorough review of other states' results and  
74 implementation of similar plans;

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

76 (h) The effect of adverse selection;

77 (i) The funding requirements and fiscal notes;

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

79 (k) The methodology used to establish the cost of the  
80 projected fees;

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

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

84 (i) High income individuals who choose not to  
85 purchase health insurance coverage;

86 (ii) Those that have group insurance available but  
87 refuse to participate;

88 (iii) Those that are available for government  
89 programs but are not enrolled;

90 (iv) Those that are below poverty level and cannot  
91 afford insurance; and

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



94           (5) Before December 1, 2010, the committee shall make a  
95 report presenting such findings and recommendations to the  
96 Governor and to all members of the Legislature for consideration  
97 during the 2011 Regular Session.

98           (6) The provisions of this section shall stand repealed from  
99 and after July 1, 2011.

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

