

By: Representatives Warren, Weathersby

To: Insurance

HOUSE BILL NO. 377
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 1, CHAPTER 527, LAWS OF 2010, TO
2 EXTEND THE REPEALER ON THE HEALTH INSURANCE EXCHANGE STUDY
3 COMMITTEE; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 1, Chapter 527, Laws of 2010, is amended
6 as follows:

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 cochairmen 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, 2013.

100 **SECTION 2.** This act shall take effect and be in force from
101 and after July 1, 2011.

