

By: Representative Formby

To: Insurance

HOUSE BILL NO. 93

1 AN ACT TO AMEND SECTION 83-9-3, MISSISSIPPI CODE OF 1972, TO  
2 REVISE THE PROVISIONS OF LAW REQUIRING COMMERCIAL INSURERS TO  
3 HONOR AN INSURED'S ASSIGNMENT OF BENEFITS BY INCLUDING AUTOMOBILE  
4 INSURANCE POLICIES COVERING HEALTH AND ACCIDENT INSURANCE; TO  
5 REVISE THE PROVISION OF LAW REGARDING THE TIME FOR WHICH THE  
6 ASSIGNMENT MUST BE HONORED; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 83-9-3, Mississippi Code of 1972, is  
9 amended as follows:

10 83-9-3. (1) No policy of accident and sickness insurance  
11 shall be delivered or issued for delivery to any person in this  
12 state unless:

13 (a) The entire money and other considerations therefor  
14 are expressed therein; and

15 (b) The time at which the insurance takes effect and  
16 terminates is expressed therein; and

17 (c) It purports to insure only one (1) person, except  
18 that a policy may insure, originally or by subsequent amendment,  
19 upon the application of an adult member of a family who shall be  
20 deemed the policyholder, any two (2) or more eligible members of



21 that family, including husband, wife, dependent children or any  
22 children under a specified age which shall not exceed nineteen  
23 (19) years, and any other person dependent upon the policyholder;  
24 and

25 (d) The style, arrangement and overall appearance of  
26 the policy give no undue prominence to any portion of the text,  
27 and unless every printed portion of the text of the policy and of  
28 any endorsements or attached papers is plainly printed in  
29 lightfaced type of a style in general use, the size of which shall  
30 be uniform and not less than ten-point with a lowercase unspaced  
31 alphabet length not less than one-hundred-twenty-point (the "text"  
32 shall include all printed matter except the name and address of  
33 the insurer, name or title of the policy, the brief description if  
34 any, and captions and subcaptions); and

35 (e) The exceptions and reductions of indemnity are set  
36 forth in the policy and, except those which are set forth in  
37 Section 83-9-5, are printed, at the insurer's option, either with  
38 the benefit provision to which they apply, or under an appropriate  
39 caption such as "Exceptions" or "Exceptions and Reductions,"  
40 provided that if an exception or reduction specifically applies  
41 only to a particular benefit of the policy, a statement of such  
42 exception or reduction shall be included with the benefit  
43 provision to which it applies; and



44           (f) Each such form, including riders and endorsements,  
45 shall be identified by a form number in the lower left-hand corner  
46 of the first page thereof; and

47           (g) It contains no provision purporting to make any  
48 portion of the charter, rules, constitution or bylaws of the  
49 insurer a part of the policy unless such portion is set forth in  
50 full in the policy, except in the case of the incorporation of, or  
51 reference to, a statement of rates or classification of risks, or  
52 short-rate table filed with the commissioner.

53           (2) No individual or group policy covering health and  
54 accident insurance (including experience-rated insurance  
55 contracts, indemnity contracts, self-insured plans and self-funded  
56 plans), or any group combinations of these coverages, shall be  
57 issued by any commercial insurer doing business in this state  
58 which, by the terms of such policy, limits or excludes payment  
59 because the individual or group insured is eligible for or is  
60 being provided medical assistance under the Mississippi Medicaid  
61 Law. Any such policy provision in violation of this section shall  
62 be invalid.

63           (3) No individual or group policy covering health and  
64 accident insurance (including experience-rated insurance  
65 contracts, indemnity contracts, automobile insurance policies,  
66 self-insured plans and self-funded plans) or any group  
67 combinations of these coverages, shall be issued by any commercial  
68 insurer doing business in this state, which, by the terms of such



69 policy, limits or restricts the insured's ability to assign the  
 70 insured's benefits under the policy to a licensed health care  
 71 provider that provides health care services to the insured.  
 72 Commercial insurers doing business in this state shall honor an  
 73 assignment for a period of one (1) year starting from the initial  
 74 date of an assignment \* \* \*. Any such policy provision in  
 75 violation of this subsection shall be invalid.

76 (4) If any policy is issued by an insurer domiciled in this  
 77 state for delivery to a person residing in another state, and if  
 78 the official having responsibility for the administration of the  
 79 insurance laws of such other state shall have advised the  
 80 commissioner that any such policy is not subject to approval or  
 81 disapproval by such official, the commissioner may, by ruling,  
 82 require that such policy meet the standards set forth in  
 83 subsection (1) of this section and in Section 83-9-5.

84 (5) The commissioner shall collect and pay into the special  
 85 fund in the State Treasury designated as the "Insurance Department  
 86 Fund" the following fees for services provided under this section:

FORM	FEE
88 Each individual policy contract, including	
89 revisions.....	\$15.00
90 Each group master policy or contract, including	
91 revisions.....	15.00
92 Each rider, endorsement or amendment, etc.....	10.00
93 Each insurance application where written application	



94 is required and is to be made a part of the policy or  
95 contract..... 10.00  
96 Each questionnaire..... 7.00  
97 Charge for resubmission where payment is not included  
98 with original submission..... 5.00  
99 Additional charge for tentative approval same as above.

100 (6) In order to expedite and become more efficient in  
101 reviewing and approving accident and health form and rate filings,  
102 the commissioner may establish an expedited form and rate review  
103 procedure whereby insurers may elect to pay reasonable actuarial  
104 fees directly to a department-approved actuarial service in  
105 exchange for an expedited review of form and rate filings by the  
106 actuarial service. The commissioner may make such reasonable  
107 rules and regulations concerning the expedited procedure, and may  
108 set reasonable fees for the actuarial services provided. This  
109 provision shall not abridge any other authority granted to the  
110 commissioner by law, including the authority to collect the filing  
111 fees prescribed by this section.

112 **SECTION 2.** This act shall take effect and be in force from  
113 and after July 1, 2016.

