

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

House Bill NO. 669

By Senator(s) Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

7 **SECTION 1.** Section 83-9-217, Mississippi Code of 1972, is
8 amended as follows:

9 83-9-217. (1) For the purpose of providing the funds
10 necessary to carry out the powers and duties of the association,
11 the board of directors shall assess the member insurers at such
12 time and for such amounts as the board finds necessary.
13 Assessments shall be due not less than thirty (30) days after
14 prior written notice to the member insurers and shall accrue
15 interest at twelve percent (12%) per annum on and after the due
16 date.

17 (2) Each insurer shall be assessed an amount not to exceed
18 Three Dollars (\$3.00) per covered person insured or reinsured by
19 each insurer per month. There shall not be such assessment on any
20 insurer on policies or contracts insuring federal or state
21 employees.

22 (3) The board shall make reasonable efforts designed to
23 ensure that each covered person is counted only once with respect
24 to any assessment. For that purpose, the board shall require each
25 insurer that obtains excess or stop-loss insurance to include in
26 its count of covered persons all individuals whose coverage is

insured (including by way of excess or stop-loss coverage) in whole or part. The board shall allow a reinsurer to exclude from its number of covered persons those who have been counted by the primary insurer or by the primary reinsurer or primary excess or stop-loss insurer for the purpose of determining its assessment under this subsection.

(4) Each insurer's assessment may be verified by the board based on annual statements and other reports deemed to be necessary by the board. The board may use any reasonable method of estimating the number of covered persons of an insurer if the specific number is unknown.

(5) If assessments and other receipts by the association, board or administering insurer exceed the actual losses and administrative expenses of the plan, the excess shall be held at interest and used by the board to offset future losses or to reduce plan premiums.

As used in this subsection, the term "future losses" includes reserves for claims incurred but not reported.

(6) The commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment. As an alternative, the commissioner may levy a forfeiture on any member insurer which fails to pay an assessment when due. Such forfeiture shall not exceed five percent (5%) of the unpaid assessment per month, but no forfeiture shall be less than One Hundred Dollars (\$100.00) per month.

(7) This section shall stand repealed on July 1, 2004.

SECTION 2. This act shall take effect and be in force from and after July 1, 2002.

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO AMEND SECTION 83-9-217, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR AN INCREASE IN THE RATE OF OPERATIONAL ASSESSMENTS ON INSURERS WHO ARE MEMBERS OF THE COMPREHENSIVE HEALTH INSURANCE RISK POOL ASSOCIATION; TO PROVIDE FOR THE REPEAL OF THIS SECTION ON JULY 1, 2004; AND FOR RELATED PURPOSES.