

Chapter No. 527

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**SENATE BILL NO. 2554**

Originated in Senate *Renald W. Hughes* Secretary

SENATE BILL NO. 2554

AN ACT TO CREATE THE HEALTH INSURANCE EXCHANGE STUDY COMMITTEE TO CONDUCT A STUDY OF HEALTH INSURANCE EXCHANGES AS PROPOSED AT THE FEDERAL LEVEL AND TO MAKE IMPLEMENTATION RECOMMENDATIONS; TO PROVIDE FOR THE MEMBERSHIP OF THE STUDY COMMITTEE AND ITS POWERS AND DUTIES; AND FOR RELATED PURPOSES.

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

**SECTION 1.** (1) There is hereby created the Health Insurance Exchange Study Committee, which shall be composed of thirteen (13) members as follows:

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

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

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

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

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

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

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

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

(i) The Commissioner of Insurance or his designee.

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

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

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

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

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

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

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

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

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

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

(h) The effect of adverse selection;

(i) The funding requirements and fiscal notes;

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

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

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

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

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

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

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

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

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

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

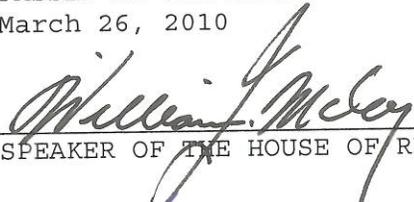
(6) The provisions of this section shall stand repealed from and after July 1, 2011.

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

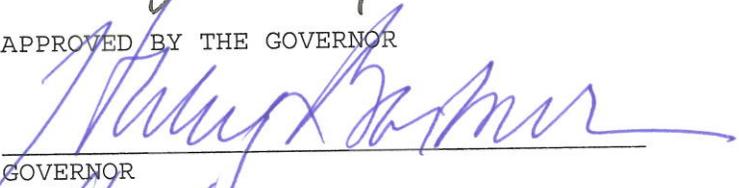
PASSED BY THE SENATE  
March 26, 2010

  
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PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 26, 2010

  
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SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

  
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GOVERNOR  
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