

4/20/15

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Chapter No. 446
15/SS01/R879SG
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SENATE BILL NO. 2441

Originated in Senate Ling Welch Secretary

SENATE BILL NO. 2441

AN ACT TO AUTHORIZE THE FORMATION OF PROVIDER-SPONSORED HEALTH PLANS; TO DEFINE THE TERM "PROVIDER-SPONSORED HEALTH PLAN"; TO REQUIRE THE DEPARTMENT OF INSURANCE TO ESTABLISH A PROCESS FOR THE CERTIFICATION OF PROVIDER-SPONSORED HEALTH PLANS; TO PROVIDE CERTAIN MINIMUM REQUIREMENTS; AND FOR RELATED PURPOSES.

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

SECTION 1. (1) In order to encourage and facilitate collaboration between Mississippi Medicaid providers and managed care entities contracting on a capitated basis with the Division of Medicaid pursuant to Section 43-13-117(H), to align incentives in support of integrated and coordinated health care delivery, and to encourage the development of appropriate population or community health strategies to better serve Medicaid beneficiaries and the state's health care delivery system as a whole, the Legislature hereby authorizes and encourages the creation of provider-sponsored health plans as defined in Section 2 of this act.

(2) Whereas, for the reasons stated in subsection (1), the authorization and development of provider-sponsored health plans

as defined in Section 2 of this act are vital to the continued delivery and improvement of health care in this state and otherwise in the best interests of the state and its citizens, and notwithstanding any other provision of law to the contrary, a provider-sponsored health plan, and its owners, officers, directors, committee members, agents, representatives, and employees, when performing the functions authorized by this act, in carrying out the terms of any contract with or program of the Division of Medicaid, and in collaborating and communicating with hospitals, physicians, and other providers for such purposes, shall be considered to be acting pursuant to clearly expressed state policy as established in Sections 1 through 4 of this act under the supervision of the State of Mississippi and shall be immune from liability under state or federal antitrust laws while so acting.

SECTION 2. As used in this act, "Provider-Sponsored Health Plan" means a Mississippi not-for-profit corporation formed for the purposes of operating a not-for-profit health plan or managed care entity, with its principal place of business within the State of Mississippi, and which is owned and governed exclusively by (a) not-for-profit Mississippi hospital or physician industry or trade association in which the majority of the hospitals or physicians within the state are members, or (b) a combination of (i) not-for-profit Mississippi hospital or physician industry or trade associations that represent a majority of the hospitals or

physicians within the state, and (ii) licensed Mississippi hospitals or physicians who participate in the Mississippi Medicaid Program. At least one (1) purpose of the provider-sponsored health plan shall be to contract with the Division of Medicaid to provide managed care services on a capitated basis pursuant to Section 43-13-117(H). To qualify as a provider-sponsored health plan under this section, the entity must further meet the requirements of Section 4 of this act.

SECTION 3. Before offering or providing services to persons residing in this state, the Department of Insurance shall certify that any entity applying to operate in this state as a provider-sponsored health plan meets the definition provided in Section 2 of this act and has been licensed as either a health maintenance organization pursuant to Section 83-41-1 et seq., or as an insurance company pursuant to Section 83-19-1 et seq. Provider-sponsored health plans shall comply with the requirement for health maintenance organizations as established by the department pursuant to Section 83-41-1 et seq., or an insurance company pursuant to Section 83-19-1 et seq.

SECTION 4. Provider-sponsored health plans shall:

(a) Demonstrate ownership or substantial representation in governance and operations by licensed Mississippi hospitals and physicians that participate in the Mississippi Medicaid Program. Notwithstanding any other provision of law to the contrary, for the purpose of meeting this requirement, hospitals owned by the

state and hospitals owned by local governmental entities are authorized to provide funds for the establishment and operation of provider-sponsored health plans, provided the hospital governing body first determines that such participation is in the best interest of the hospital and the communities it serves;

(b) Satisfy the minimum financial and reserve requirements to be established by the Department of Insurance;

(c) Meet all contractual requirements for contracting with the Division of Medicaid to provide managed care or coordinated care services to Medicaid recipients pursuant to Section 43-13-117(H). Compliance with this requirement shall be determined and supervised by the Division of Medicaid. Nothing in this act shall be construed as giving the Department of Insurance responsibility or authority for the operation of the State Medicaid Program; and

(d) Such other requirements as may be established by valid regulation of the Department of Insurance.

SECTION 5. This act shall be codified as a separate article within Chapter 5, Title 83, Mississippi Code of 1972.

SECTION 6. This act shall take effect and be in force from and after July 1, 2015.

PASSED BY THE SENATE
March 31, 2015



PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 31, 2015



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

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