

Mississippi

Mississippi Insurance Commission
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Summary of Important Regulations

MEWA Regulations	Yes
TPA Regulations	No
Stop-Loss Regulations	Yes
UR Regulations	No

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Health Insurance Reserves Model Regulation	None	Miss. Code Ann. § 83-9-106
Comprehensive Health Ins. Cost Containment Model Act	Miss. Code. Ann. §§ 83-1-1010 to 83-1-109	None
Standardized Health Claims Form Model Regulation	None	Miss. Code Ann. § 83-9-13
Small Employer Health Insurance Availability Model Law	Miss. Code Ann. §§ 81-63-1 to 83-63-11	None
Model Regulation To Eliminate Unfair Sex Discrimination	None	None
Health Information Privacy Model Law	None	None
Preferred Provider Arrangements Model Law	None	Miss. Code Ann. §§ 83-41-301 to 83-41-365
Utilization Review Model Law	None	None
Managed Care Plan Network Adequacy Model Law	None	None
Third Party Administrator Law	Miss. Code Ann. §§ 83-18-1 to 83-18-29	None
Stop-loss Insurance Model Law Mississippi	None 2	None

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Jurisdiction of Health Care Providers Model Law	Miss. Code Ann. §§ 83-1-101 to 83-1-109	None
Standard Group Health Model Law	None	None
Group Health Insurance Mandatory Conversion Law	None	None
Group Coverage Discontinuance/ Replacement Model Regulation	Miss. Code Ann. § 83-9-35	None
Premium Rates and Renewability of Coverage-Small Groups	Miss. Code Ann. §§ 83-63-1 to 83-63-11	None
Group Coordination of Benefits Model Law	None	Miss. Ins. Reg. La. & H 88-102
Model Regulation for Certification of Health Plans	None	None
Off-Label Drug Use Model Law	None	None
Group Health Mandatory Drug/ Alcohol Dependency Law	None	Miss. Code Ann. §§ 83-9-27 to 83-9-31
Model Newborn Children's Law	Miss Code Ann. § 83-9-33	None

Health Examination Benefits Availability Law	None	None
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NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Accident and Sickness Insurance Minimum Standards Model Law	None	None
Agents and Brokers Licensing Model Law	None	Miss. Code Ann. §§ 83-17-1 to 83-17-309
MEWA Licensing Model Law	None	None
Managing General Agents Law	Miss. Code Ann. §§ 83-15-101 to 83-101-111	None
Health Maintenance Organization Model Law	Miss. Code Ann. §§ 83-41-301 to 83-41-365	None
Insurance Information and Privacy Protection Law	None	None
Unfair Trade Practices Law	Miss. Code Ann. §§ 83-5-29 to 83-5-51	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Physical or Mental Impairment	None	None
Model Regulation on Unfair Discrimination in Life and Health Insurance on the Basics of Total or Partial Blindness	Miss. Ins. Reg. L.A. & H 87-101	None

NAIC Model Laws or Regulations

<u>Name of Model Law/Regulation</u>	<u>Model/Similar</u>	<u>Related</u>
Unfair Discrimination against Subjects of Domestic Abuse in Health Benefit Plans Model Law	None	None
Unfair Claims Settlement Practices Law	None	None
Improper Termination Practices Law	None	None
Employee Leasing Registration Model Law	None	None
Private Employer Workers' Compensation Group Self- Insurance Model Law	None	None
Public Employee Workers' Compensation Group Self- Insurance Model Law	None	None
Twenty Four Hour Coverage Pilot Project Model Law	None	None

State-Mandates

Benefits That Must Be Covered

- Alcoholism treatment
- Ambulance transportation
- Breast reconstruction
- Mental health, general
- Minimum maternity stays
- Off-label drug use

Benefits That Must Be Offered

- Dental anesthesia
- Diabetic supplies, education
- Mammography screening
- TMJ disorders
- Well child care

Persons Who Must Be Offered Coverage

- Continuation/dependents
- Continuation/employees
- Handicapped dependents
- Newborns

Providers Who Must Be Covered

- Chiropractors
- Dentists
- Licensed Health Professionals
- Nurse Midwives
- Nurse Practitioners
- Optometrists
- Podiatrist
- Psychologists
- Speech/Hearing Therapists

Coordination of Benefits

No regulations are provided

Patient's Bill of Rights Legislation

None

High Risk Health Pool

Yes—Capped at 150 to 175%

External Grievance System

No

Prompt Payment of Health Claim Requirement

Yes – 45 days

Commentary

- Mississippi requires its Insurance Commissioner to compile a list of acceptable providers services to cafeteria plans maintained by state and local governments. In general, the acceptable provider must be an insurance company or corporation authorized to do business in the state and only those providers on the commissioner's list will be able to provide benefits or administrative services to the cafeteria plan of the state or local government entity.

MEWA Regulation

Mississippi does not regulate MEWAs.

TPA Regulations

The state of Mississippi enacted the 1990 NAIC TPA model in 1991 which statute became effective July 1, 1991.¹

Definitions. The usual definitions of administrator employer, union, insurer, creditor, broker, trust, and financial institution were adopted. An employer-sponsored plan, not contemplated to be a MEWA, is not covered. A MEWA, HMO, and a prepaid health care plan are deemed to be insurers.

Registration Is Required. The TPA must be registered or be fined. The registration is for a one-year period and may be revoked by the Commissioner if the TPA is found to be not competent, trustworthy, financially responsible, or of good personal and business repute; or has had an insurance-related license revoked within the past five years. To carry out the mandate of the statute, the Commissioner shall promulgate regulations.

Administrative Agreement. There must be a written agreement between the employer and the TPA setting forth the duties and obligations and responsibilities of the parties thereto. The agreement shall be terminated by either party by written notice.

Payments to Administrator. Payments received by the TPA shall be legally deemed to have been payments received by the insurer.

Recordkeeping Requirements. The TPA must keep record for five years from the time of their creation. All matters relative to trade secrets may be kept confidential. Ownership of the records is with the insurer and not

with the TPA. The TPA must have access to such records so as to permit it to fulfill its legal obligations. It is acceptable for the old administrator to transfer its records to the new administrator.

Advertising. Any TPA-generated advertising must be approved by the insurer.

Responsibilities of the Insurer. All matters relative to rates, benefit determinations, underwriting, and plan design are determined by the insurer. The providing competent administration is solely the responsibility of the insurer. For plans in excess of 100 participants, the insurer has an obligation to do at least quinquennial audits.

Duties of the Administrator. The TPA is a fiduciary as regards monies handled; as such, the TPA shall provide periodic and accurate accounting of such funds.

Compensation of the Administration. It must not be dependent, directly or indirectly, on the claims experience of the plan. This rule does not preclude the TPA being paid as a percent of claims, however.

Disclosure of Items From the Insurer. The TPA shall promptly forward any contracts, documents, agreements, booklets, termination notices, etc., received from the insurer or to the appropriate parties to the plan.

Certificate of Authority. No TPA may operate without a valid and current certificate of authority. To gain a certificate, the TPA must preclude the Commissioner with its corporate papers (e.g., corporate bylaws), resumes, financials, marketing plans, and other pertinent information that the Commissioner may deem to be needful.

Certain conditions result in a certificate of authority not being required:

- TPA is not soliciting within the state.
- The number of participants within the state meet the de minimis test (100 participants or 5% of the TPA's participant count, whichever is lesser).

Corporate changes by the TPA requires notification and re-registration.

No bonding is required of plans fully insured or which are single employer self-funded plans. Note: MEWAs would require a bond.

The commissioner may waive registration if the TPA shows it is validly registered in another state with requirements as stringent as Mississippi.

Annual Reports. The Commissioner shall expect an annual report from each TPA showing:

- Names and address of TPA's insurers
- Annual license fee

Suspension or Revocation. The Commissioner may revoke or suspend the TPA's license for these reasons:

- TPA is in an unsound financial condition, uses practices which are hazardous or injurious or is in default of a judgment rendered against it in Mississippi.
- TPA has violated a law or ruling or has failed to produce records, has failed to properly pay claims, has failed to be properly qualified to do business, or has been convicted of a felony.
- TPA is in receivership or its financial condition represents an imminent threat to the public safety.

Stop-Loss Regulation

None

Utilization Firm Regulations

Agency Responsible²
Requirements
Exemptions
Waivers

Dept. of Health
Registration-certification
Provider internal revenues
None

Miscellaneous

State Premium Taxes

Commercial insurers are taxed at 3%; Blue Cross or HMOs pay no tax.

Small Group Reform³

Any employer of fewer than 25 employees may subscribe to a basic group health policy for its employees which must cover hospital expenses and services rendered by licensed physicians, but otherwise need not comply with ordinary mandated benefit rules.

MSA Legislation⁴

Who May Establish	Individuals or employers
Tax Treatment	Amount deposited to an MSA and interest accrued thereon and tax exempt
Policy Deductible	Individuals: \$1,250-\$2,500 minimax Families: \$1,750 - \$3,500 minimax
Max. Annual Deposits	Same as policy deductible
Non-Medical Withdrawals	Funds in excess of policy deductible may be withdrawn for non medical expenses and treatment as income
Eligible Medical Expenses	Tracks IRC § 213

Continuation of Coverage and Conversion of Benefits

Group policies that provide hospital, surgical or major medical insurance must offer up to one year of continuation coverage for employees, policy members, and their dependents who lose coverage due to termination of employment, active policy, or class membership.

Continuation coverage only includes hospital, surgical, or major medical benefits. Eligible individuals must be insured under the plan, or a replacement plan, for three months prior to their termination date. Continuation coverage is not available for persons: who are, or could be, covered by another group health plan within 31 days of termination; whose insurance terminated because of fraud or failure to pay premiums; or who are eligible for COBRA coverage.

Individuals must elect coverage on a form provided by the insurer and pay the first premium on or before the date that the group coverage would terminate. Premiums cannot exceed the full group rate.

Continuation coverage may terminate early if: a person fails to pay premiums; a person becomes, or is eligible to become covered for similar benefits; the plan terminates, and employer its participation in a multiemployer plan; or an enrolled HMO member legally resides outside the HMO's service area.

Endnotes

- ¹ Miss Code. Ann. §§ 83-18-1 to 83-18-29.
 - ² Miss Code. Ann. §§ 41-83-1 *et. seq.*
 - ³ Miss Code. Ann. §§ 83-9-301 to 83-9-303.
 - ⁴ Miss Code. Ann. § 83.8.412.
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