



## MISSISSIPPI INSURANCE DEPARTMENT


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### BULLETIN NO. 2010-02

To: Licensed Mississippi Health Insurers  
From: Mike Chaney   
Commissioner of Insurance  
Date: June 1, 2010  
Re: Early Retiree Reinsurance Program through U.S. Department of Health and Human Services

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The recently enacted Patient Protection and Affordable Care Act (P.L. 111-148) established a temporary Early Retiree Reinsurance Program (ERRP) to become effective June 1, 2010 and end on January 1, 2014.

This program provides reimbursement directly from the United States Department of Health and Human Services (HHS) to participating employment based health plans for a portion of the cost of health benefits for early retirees (ages 55 and older who are not active employees and not yet eligible for Medicare), their spouses and dependents. The Affordable Care Act provides \$5 billion in financial assistance for this program, which will be allocated on a "first-come, first-served basis". The law states that payments through the program to the employment-based plan must be used to lower costs for the plan through a reduction of premium costs or to reduce premium contributions, co pays, deductibles, coinsurance or other out of pocket costs for plan participants.

To participate in the ERRP, the employment-based health plan must submit an application to the HHS Secretary, become certified by the HHS Secretary, implement programs and procedures to generate cost-savings with respect to participants with chronic and high-cost conditions and provide documentation of actual cost of medical claims involved. Both self-funded and fully insured plans may apply, including plans sponsored by current or former employers, state and local governments, employee organizations and other employment-based plans as defined under the Affordable Care Act. Applications are expected to be available in June.

The Mississippi Insurance Department believes this ERRP may benefit many Mississippi employers. We ask that you identify and contact all of your employment-based group policyholders that are eligible for the EERP to inform them of the availability of this new program; encourage them to timely apply to participate; and, if possible, assist them in identifying revisions they might make to qualify.