

MISSISSIPPI

GEORGE DALE

Commissioner of Insurance
State Fire Marshal

Mississippi Insurance Department
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July 30, 1993

BULLETIN

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TO: All Licensed Insurance Companies
Writing Health and Accident

FROM: Commissioner George Dale

Handwritten initials, possibly "GD", in black ink.

RE: Voluntary Basic Health Insurance Coverage Law
Section 83-61-1 of the Mississippi Code of 1972

We are advising your company that the Mississippi Legislature has enacted the above referenced law and guidelines have been established by the designated advisory committee. This statute provides for a basic health insurance policy excluding all state mandates for those persons who do not qualify for medicaid as a result of a higher income but can not afford a comprehensive major medical insurance policy.

We request your company consider participation in this program. The attached guidelines listed on the reverse side of this page were designed by an advisory committee as provided under the law. Please advise at your earliest convenience whether you anticipate submitting such a policy for Department approval.

Available information can be obtained after August 9 from Cathy Vernon at the above referenced telephone.

Bulletin 93-1

Coverage Recommendations

The committee recommends as follows:

1. In-Patient Hospital Expense coverage be provided for not less than fifteen days and not more than thirty days per year. Co-insurance percentages are recommended to be no less than 50/50 and no more than 70/30 of usual, customary and reasonable charges.
2. Out-patient Hospital Expense coverage, including Ambulatory Surgical Center, be provided in conjunction with out-patient surgery. Co-insurance percentages are recommended to be no less than 60/40 and no more than 80/20 of usual, customary and reasonable charges.
3. Physician and Surgeon Expense coverage be provided during a covered period of hospital confinement. Co-insurance percentages are recommended to be no less than 50/50 and no more than 70/30 of usual, customary and reasonable charges. Co-insurance percentages for surgical procedures that cannot be safely performed on an out-patient basis are proposed to be no less than 60/40 and no more than 80/20 of usual, customary and reasonable charges.
4. Physician and Surgeon Expense coverage be provided for services rendered in a physician's or surgeon's office or clinic for not less than twelve visits and not more than twenty-four visits per year. Co-insurance percentages are recommended to be no less than 60/40 and no more than 80/20 of usual, customary and reasonable charges.
5. Out-patient diagnostic tests and procedures coverage be provided. Co-insurance percentages are recommended to be no less than 60/40 and no more than 80/20 of usual, customary and reasonable charges. Reimbursements of covered charges are recommended to be no less than five hundred dollars and no more than one thousand dollars per year.
6. Participating carriers may set their own underwriting standards and premium rates so long as premium rates produce an incurred claims loss ratio acceptable to the commissioner.
7. Coverages may be offered on a group, non-group or list bill basis.
8. Participating carriers may use a benefit design of their choosing so long as all benefits are included and those benefits fall within the recommended minimum and maximum levels.