

HB 748 -- Missouri High Risk Health Insurance Pool

Sponsor: Ervin

This bill changes the laws regarding the Missouri High Risk Health Insurance Pool (MHIP).

A Missouri resident who has exhausted his or her maximum benefits from his or her health insurer or can only obtain health insurance from a carrier at a rate that is more expensive than the pool's eligibility rates will be eligible for coverage under the pool. Currently, after December 31, 2009, a person who has health insurance coverage through an insurer and has experienced a premium rate increase of 300% or more of the individual standard rates established by the MHIP Board is eligible to obtain coverage through the pool. The bill removes this provision.

An individual who has had prior creditable coverage with a group, governmental, or church plan and is not eligible for certain Social Security or Title XIX benefits; does not have other health insurance coverage; and has exhausted continuation of coverage through COBRA will be eligible for coverage under the pool.

All health insurers must notify an insured when he or she has exhausted 85% of his or her total lifetime health insurance benefits and of the person's eligibility for and the methods of applying for coverage under the pool. Notification must be repeated when an insured has exhausted 100% of his or her total lifetime health insurance benefits, and the insurer must also notify the pool with the name and address of the affected person.

The board is required to offer health benefit plans that are in the best interest of the individuals covered under the pool including, but not limited to, coverage for dental, vision, and limited mandate plans or other flexible benefit plans and can establish a premium rate load to allow enrollees to buy down creditable coverage. An individual's premium rate for the pool must be based on the individual's family size. The bill removes the lower limit requirement for pool coverage for applicants. Pool coverage rates cannot exceed 125% of those applicable to individual standard risks for individuals who have had prior creditable coverage with a group, governmental, or church plan; are not eligible for certain Social Security or Title XIX benefits; do not have other health insurance coverage; and have exhausted continuation of coverage through COBRA. Pool coverage rates cannot exceed 125% of rates applicable to individual standard risks for all others covered in the pool.

The pool must establish a premium assistance program, subject to

appropriations, for individuals with incomes less than the pool's eligibility limit or who jointly contribute to their premium with their employer. The premium assistance will be based on a sliding income scale established by the pool along with any cost-sharing requirements, such as deductibles, co-payments, and co-insurance.

When implementing the provisions regarding the coverage for pool enrollees and provider payments, the board is required to make sure that the special needs of Missouri's Tier I Safety Net providers are not disproportionately impacted by its rules.

Insurance agents and brokers selling or renewing pool policies will receive a 5% commission.