



Mississippi Insurance Department: "Insurance Matters" 1st Quarter - 2014

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Commissioner Mike Chaney spoke to the American College Financial Services graduating class in McComb, MS.

NOTICE



Our newsletter is going to a quarterly format

The next issues will be June, September, and a year-end issue in December.

A Look Back at 2013

A new year has arrived and although we are deep into the new legislative session, I want to pause a moment and reflect on 2013. Each year brings its own challenges and opportunities, and 2013 was no different.

In 2013 MID:

- Spent a significant amount of time working on health insurance issues. Health and legal teams work hard every day to ensure Mississippi is compliant.
- Continued to work toward a state-based health insurance marketplace (SHOP) for small business owners. We hope to have a SHOP exchange operational by mid-2014.
- Encouraged and was successful in getting Humana to take an additional 36 counties in the state to provide health insurance through the marketplace. MID appreciates both Humana and Magnolia Health Plan for their efforts to cover the citizens of our state.
- Within hours of a devastating tornado and storms that hit Hattiesburg, the University of Southern Mississippi and surrounding areas in February, was helping those who suffered losses identify their insurance carriers, make contact with them and do whatever was necessary to start homeowners and residents on the path to recovery.
- Following one of the most devastating hailstorms in our state's history on March 18, 2013, took a very active role in helping citizens by overseeing the insurance company response, including ensuring that companies had multiple damage inspection stations set up across the Metro area. Due to sheer volume of claims, we arranged for companies to set up and use the Mississippi State Fairgrounds for additional stations. The final cost to insurance companies for the just over 10 minute storm was over \$400 million, concentrated mostly in the tri-county area around Jackson.
- Determined that the federal legislation for the needed financial reform of the NFIP, following Hurricane Katrina and Superstorm Sandy, required massive rate hikes to try and implement the reform immediately and make rates actuarially sound. These rates threaten to bankrupt many Mississippi citizens. After numerous meetings and discussions with executives from the NFIP and other states, Mississippi filed suit on the Gulf Coast to try and slow down the rate increases until further evaluations called for in the original legislation could be made. Five other states and the Mississippi Windstorm Underwriting Association filed briefs with the court in support of our original action. A federal court hearing has been held, and we are awaiting the court's decision.
- Saw continued success in reducing fire deaths in the state. Since 2009 there has been a 35.7 percent decrease in fire deaths. In 2013 the SFMO investigated 56 fire deaths, one of the lowest yearly numbers since the office began keeping records. State Fire Marshal's office has given away and installed over 49,000 smoke alarms in over 32,000 Mississippi homes through a federal grant program.

The Mississippi Insurance Department is off to a quick start in facing the new challenges that 2014 is bringing. We are dedicated to serving the many consumers and insurance practitioners in the state. We look forward to working with and for you.



Chaney Named One of the Top 100 Insurance Professionals of 2013

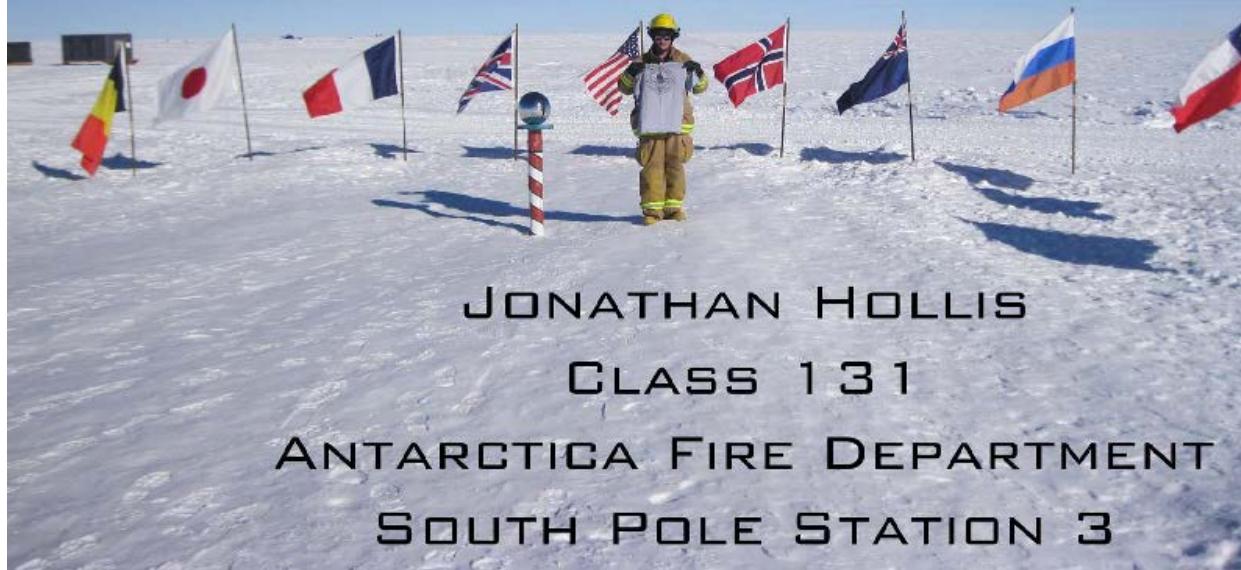
JACKSON – Mississippi Commissioner of Insurance Mike Chaney has been named one of the top insurance professionals of 2013 by Insurance Business America Magazine. The introduction of the magazine's special January/February issue of Hot 100 Insurance Professionals of 2013 states that every person on the list "brought their A-game to the job – and then gave a little more."

Chaney has the distinction of being the only State Insurance Commissioner on a list that is comprised of company presidents, CEO's and experts; a governor; state and national legislators; and industry information executives.

"I am especially honored to be included on such a prestigious list," Chaney said, "In Mississippi we have tried to set sound policies and procedures that benefits not only the business community but also protects the consumers of Mississippi, and it's good to see others recognize that."

THANK YOU FOR THE TRAINING I RECEIVED AT
THE MISSISSIPPI STATE FIRE ACADEMY

WITHOUT THE DEDICATED INSTRUCTORS
AND CARING STAFF I WOULD NOT HAVE MADE IT TO
THE SOUTH POLE



JONATHAN HOLLIS
CLASS 131
ANTARCTICA FIRE DEPARTMENT
SOUTH POLE STATION 3

Commissioner Reappointed to Chair Key NAIC Leadership Committee

Commissioner Mike Chaney's leadership and dedication to resolving issues facing insurance regulators has also led the officers of the National Association of Insurance Commissioners (NAIC) to once again choose him for a key leadership position.

For the fourth consecutive year, Chaney has been named chairman of the NAIC's influential Property and Casualty Insurance (C) Committee by the leadership of the national group. The NAIC is the organization of state insurance regulators for all 50 of the United States, Washington D.C., and five US territories.

"Commissioner Chaney's leadership at the NAIC—and particularly in the Property and Casualty Committee—is an asset to state insurance regulation. I'm pleased that he's agreed to serve a fourth term as committee chair," said Adam Hamm, NAIC President and North Dakota Insurance Commissioner.

The Property and Casualty Committee deals with insurance issues and regulations for catastrophe insurance, crop insurance, earthquakes, terrorism, title insurance, workers' compensation, surplus lines and risk retention, among many other issues. The mission of

the committee is to monitor and respond to regulatory issues associated with property and casualty insurance including their delivery and cost.

In addition to the chairmanship of the property and casualty committee, Chaney will also serve the NAIC as a member of the Health Insurance and Managed Care (B) Committee, the Financial Condition Committee (E), the NAIC/State Government Liaison Committee, the Senior Issues Task force and the Antifraud Task Force.



Commissioner's Corner



Mike Chaney
Insurance Commissioner and State Fire Marshal



Q: What are the best liability policy limits?

A: It is generally accepted among insurance agents that the state minimum policy limits are not enough. Most insurance professionals would agree for the average driver the best liability limits to have are 100/300/100. This means:

- 100,000 per person for bodily injury
- 300,000 per accident for bodily injury
- 100,000 per accident for property damage

In most areas medical treatment is in fairly the same range, therefore the last limit, per accident for property damage, is the one you may want to take into account if you are not the average driver. If you live in an area where you feel that if there was an accident, that was your fault, and property damage may exceed 100,000, you may want to consider higher limits. Remember, property damage is the other person's car and any other property damaged during the accident if you are at fault.

Have an insurance consumer question for Commissioner Chaney? Email your question to info@mid.ms.gov and you might be featured in our next newsletter!

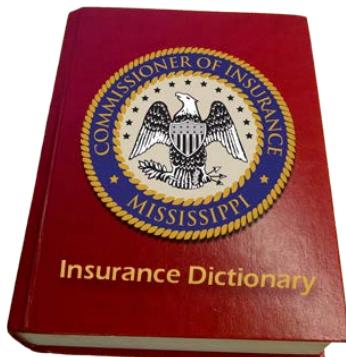


CONSUMER SERVICES DIVISION CLAIMS ACTIVITY

CLAIMS ACTIVITY REPORT JANUARY 2014

Month of January 2014		Year-To-Date	
	# Claims Handled	# Claims Handled	Claims payments or premium refunds secured
Property and Casualty Insurance (Includes Auto, PPACA, Medicare, and Misc.)	565	565	\$47,095.50
Accident & Health (Includes A&H, PPACA, Medicare, and Misc.)	505	505	\$1,418.69
Life Insurance (Includes Life, Burial, and Misc.)	276	276	\$30,478.06
Totals:	1,346	1,346	\$78,992.25

INSURANCE 101



Insurance Terms of the Month:

Assigned Risk – A driver or vehicle owner who cannot qualify for insurance in the regular market. He or she must get coverage through a state-assigned risk plan, which specifies that each company must accept a proportionate share of these drivers/owners.

Competitive estimate – A term used when the company requests that you submit two or three estimates from independent repair shops.

Estimate – The initial assessment of the cost to repair your damaged property.



Healthcare

What Does the Affordable Care Act Mean for Mississippians?

Starting in 2014, many Mississippians are now required to purchase health insurance coverage unless they qualify for an exemption. If individuals do not qualify for an exemption, they face the possibility of paying a penalty if they do not comply.

How do I Get Insurance?

If you do not have access to health insurance through your employer, you can compare different insurance plans and sign up for health insurance through the Health Insurance Marketplace. The Marketplace allows you to browse and compare health plans side-by-side from trusted insurance companies. You can also see if you qualify for federal subsidies, based on income, to reduce the cost of premiums, copays and deductibles.

What Does Health Insurance Cover?

Beginning this year, health insurance plans will share some common characteristics. The Affordable Care Act now requires that all health plans offered must provide a comprehensive package of items and services, known as Essential Health Benefits. These benefits fit into the following 10 categories:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including dental and vision care

Important Dates to Remember:

- March 31, 2014: 2014 open enrollment ends
- November 15, 2014: Proposed date for 2015 open enrollment to start
- January 15, 2015: Proposed date for 2015 open enrollment to end

Marketplace Resources:

To protect yourself from fraud when purchasing insurance through the Health Insurance Marketplace, it is important to use only known, trusted sources. The following local and national resources are available:

Apply online: www.healthcare.gov

Apply by phone: 1-800-318-2596

Apply locally: Find local help localhelp.healthcare.gov

Healthcare Terms

Actuarial Justification — The demonstration by an insurer that the premiums collected are reasonable, given the benefits provided under the plan or that the distribution of premiums among policyholders are proportional to the distribution of their expected costs, subject to limitations of state and federal law. PPACA requires insurers to publicly disclose the actuarial justifications behind unreasonable premium increases.

External Review — The review of a health plan's determination that a requested or provided health care service or treatment is not or was not medically necessary by a person or entity with no affiliation or connection to the health plan. PPACA requires all health plans to provide an external review process that meets minimum standards.

Internal Review — The review of the insurer's determination that a requested or provided health care service or treatment health care service is not or was not medically necessary by an individual(s) associated with the health plan. PPACA requires all plans to conduct an internal review upon request of the patient or the patient's representative.



Commissioner Chaney and Commissioner of Agriculture Cindy Hyde-Smith reviewed livestock at the Dixie National Rodeo and Livestock show in Jackson, MS.

How to contact the Mississippi Insurance Department:



Questions about:	Division	Phone	Email
Consumer Complaints	Consumer Services Division	800-562-2957 601-359-2453	consumer@mid.ms.gov
Agent Licensing Info	Licensing Division	601-359-3582	licensing@mid.ms.gov
Bail Bondsmen	Licensing Division	601-359-3582	licensing@mid.ms.gov
Elevator Inspectors	Conveyance Safety Division	601-359-3569	conveyance@mid.ms.gov
Liquid Compressed Gas	Fire Marshal	800-595-6504 601-359-1064	lcgas@mid.ms.gov
Residential Electronic Protection	Fire Marshal	601-359-1066	firemarshal@mid.ms.gov
Manufactured Housing	Fire Marshal	800-648-0877 601-359-1055	firemarshal@mid.ms.gov
Fire Safety Education	Fire Marshal	601-359-1061	firemarshal@mid.ms.gov

Mailing Address:

Mississippi Insurance Department
P.O. Box 79
Jackson, MS 39205



MARK YOUR CALENDAR

- **March** is [Colon Cancer Awareness Month](#)
- **Tuesday, March 4** - [Mardi Gras](#)
- **Friday, March 7** - [Dress in Blue Day](#) (Colon Cancer Awareness)
- **Sunday, March 9** - Daylight Savings Time starts (spring forward)
- **March 16-22** - [National Flood Safety Awareness Week](#)
- **March 19-20** - [Ole Miss Insurance Symposium](#) - The Inn at Ole Miss - Oxford, MS
- **March 25-26** - [27th Annual MSU Insurance Day](#) - Colvard Student Union Foster Ballroom - Mississippi State University, Starkville, MS
- **March 26-28** - [NASW Mississippi Annual Conference](#) - IP Casino Resort - Biloxi, MS
- **March 29-April 1** - [NAIC Spring 2014 National Meeting](#) - Orlando, FL
- **April 3** - [2014 MBJ Business Marketplace](#) - Mississippi Trade Mart - Jackson, MS



2014 NATIONAL HURRICANE CONFERENCE

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