

MISSISSIPPI

HEALTH INSURANCE RATE REVIEW PROGRAM - CYCLE II

GRANT APPLICATION



MISSISSIPPI INSURANCE DEPARTMENT

MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
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August 15, 2011

The Honorable Kathleen Sebelius
Secretary, United States Department of Health and Human Services
200 Independence Avenue SW
Washington, D.C. 20201

Re: Mississippi's application for *Grants to Support States in Health Insurance Rate Review-Cycle II*

Dear Secretary Sebelius:

Enclosed please find the Mississippi Insurance Department's ("MID") application for Grants to Support States in Health Insurance Rate Review-Cycle II. Aaron Sisk shall serve as the Program Director for the Mississippi Health Insurance Rate Review Grant Program should the aforementioned grant be awarded to MID. Aaron may be reached via telephone at (601) 359-3569 or via email at Aaron.Sisk@mid.state.ms.us.

MID is charged, generally, with regulating the business of insurance within the State, and all insurance companies transacting business in Mississippi are subject to its regulation, including health insurance companies, HMO's and other managed care entities. MID is charged with approving all policies and forms to be utilized by insurance companies in Mississippi. Further, MID reviews and approves and/or acknowledges all rate filings, including health insurance rate filings. Rate review activities fall squarely within the authority and jurisdiction of the Department. See Miss. Code Ann. §§83-1-1; 83-5-1; 83-9-1, *et seq.*; 83-41-301, *et seq.*; and 83-41-401, *et seq.*; MID Regulation 73-4; and MID Bulletin 94-1.

Thank you for your consideration of Mississippi's grant application and please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

Mike Chaney
Commissioner of Insurance

Enclosure



STATE OF MISSISSIPPI
OFFICE OF THE GOVERNOR

HALBY BARBOUR
GOVERNOR

August 15, 2011

Commissioner Mike Chaney
Mississippi Insurance Department
1001 Woolfolk State Office Building
501 N. West State
Jackson, MS 39201

Dear Mike,

I am writing in support of your efforts to obtain federal grant funds as allocated by the Premium Review Grant, an opportunity funded as part of the Patient Protection and Affordable Care Act. It is my wish that these funds be used to enhance the Département's health insurance rate review activities for the benefit of the people of the State of Mississippi.

If you have any questions, please contact Candice Whitfield at 601-576-2011 or cwhitfield@governor.state.ms.us.

Sincerely,



Haley Barbour

Mississippi

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D. PROJECT ABSTRACT

Application title: Mississippi's Health Insurance Rate Review Grant Program Grants to Support States in Health Insurance Rate Review-Cycle II

Applicant Organization: Mississippi Insurance Department

Funding opportunity number: PR-PRP-11-001

Project Director: Aaron Sisk

Address: 501 North West Street, Suite 1001, Jackson, MS 39201

Project Director phone and fax numbers: 601-359- 3569; 601-359-2474

Email address: aaron.sisk@mid.state.ms.us

Organizational Website address: www.mid.state.ms.us

Projected date for project completion: September 30, 2014

The Mississippi Insurance Department ("MID") is applying for a multi-year Phase I Health Insurance Rate Review-Cycle II Grant in order to continue to meet federal requirements for an effective rate review program, improve Mississippi's current rate review process, and improve education to Mississippi consumers regarding health insurance rates. MID is committed to the goals of the Cycle II Rate Review Grant Program which include:

- Enhancing a meaningful, comprehensive and effective rate review program that is transparent to the general public, health plan policyholders and to the Secretary of the United States Department of Health and Human Services ("Secretary"). Under said program, rate filings are to be thoroughly evaluated and, to the extent permitted by applicable State law, approved or disapproved.
- Developing an infrastructure to collect, analyze, and report to the Secretary critical information about health insurance rate review decisions and trends, including, to the extent permitted by applicable State law, the approval and disapproval of proposed health insurance rate increases.

Mississippi is requesting a total of \$3,783,208 in grant funds to support activities to improve the health insurance rate review process in Mississippi in the following areas:

- MID plans to enhance rate filing requirements in future regulations and/or legislation;
- MID will assess current capabilities and explore enhancements that would expand its rate review process to include more robust data collection analysis and exchange capabilities that would bolster MID's ability to assess the validity of health insurance rate increase requests, rate increase patterns and trends; and
- MID will develop consumer protection standards to enhance the transparency of its health insurance rate filing process and allow easier access to rate information. MID plans a three-year approach to accomplish the following:
 - Enhancements to a new website are planned to provide consumers with more information about health insurance rates, the rate review process, additional available resources, the ability to be notified of pending rate increases, and the ability to provide public comments;
 - MID will reach out to numerous rural Mississippi residents that do not have access to the internet through an educational outreach program over the three-year grant period;
 - MID is planning to develop a process for public meetings and hearings concerning proposed health insurance rate increases deemed by MID to be unreasonable; and
 - MID is planning the production of a "MID Health Insurance Rate Toolkit" that will provide consumers, brokers, and insurers with information on health insurance rates and Mississippi's approach to premium rate reviews.

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E. PROJECT NARRATIVE

On March 23, 2010, the President signed into law the Patient Protection and Affordable Care Act. On March 30th, 2010, the Health Care and Education Reconciliation Act of 2010 was also signed into law. The two laws are collectively referred to as the Affordable Care Act. The Affordable Care Act includes a wide variety of provisions designed to promote accountability, affordability, quality, and accessibility in the health care system.

The Mississippi Insurance Department (“MID”) is applying for a multi-year Phase I Health Insurance Rate Review-Cycle II Grant in order to continue to meet federal requirements for an effective rate review program, improve Mississippi’s current rate review process, and improve education to Mississippi consumers regarding health insurance rates. MID is committed to the goals of the Cycle II Rate Review Grant Program which include:

- Enhancing a meaningful, comprehensive and effective rate review program that is transparent to the general public, health plan policyholders and to the Secretary of the United States Department of Health and Human Services (“Secretary”). Under said program rate filings are to be thoroughly evaluated and, to the extent permitted by applicable State law, approved or disapproved.
- Developing an infrastructure to collect, analyze, and report to the Secretary critical information about health insurance rate review decisions and trends, including, to the extent permitted by applicable State law, the approval and disapproval of proposed health insurance rate increases.

a) **Description of Past Progress and Current Rate Review Program/Process**

In August, 2010, the Mississippi Insurance Department was awarded a Health

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Insurance Premium Review Grant-Cycle I to improve its health insurance rate review process and develop a website to facilitate making information on health insurance rates more transparent to the public. Because of this award, Mississippi has significantly improved its existing health insurance rate review policy and is currently looking toward further enhancements in the coming years.

On June 29, 2011, the Mississippi Commissioner of Insurance issued Bulletin 2011-7. The primary purpose of said Bulletin is to update MID's existing health insurance rate review policies and procedures in order to bring them into full compliance with all Federal and State requirements regarding rate filings for individual and small group accident and health insurance. Bulletin 2011-7 put "all health insurance issuers in the State of Mississippi on notice as to the process of filing and implementing health insurance rates, modifications of existing rates, and what data and documentation must be submitted when issuing a rate increase at any time on or after September 1, 2011, as it relates to individual and small group accident and health policies with the exception of Medicare Supplement policies, Long Term Care policies, Supplemental Medical Insurance policies and any other health policies specifically excluded from the provisions of PPACA." The Bulletin gives the Commissioner the authority to approve a new rate or modification prior to being implemented or "disapprove a new rate or rate modification request if based on criteria established by State and/or Federal law, it determines that said rate or rate modification is excessive, unjustified or unfairly discriminatory". A copy of Bulletin 2011-7 is attached hereto as "B."

Mississippi currently has the tools necessary to prevent unreasonable rate increases from taking effect. On July 1, 2011, the Centers for Medicare and Medicaid Services ("CMS") issued a report identifying states that currently have sufficient authority to review health insurance rate

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increases as required under the Patient Protection and Affordable Care Act (“PPACA”).

Mississippi was one of forty (40) states, and the District of Columbia and the U.S. Virgin Islands, determined to have an effective rate review process for all insurance markets and issuers. The Mississippi Commissioner of Insurance received a letter from the United States Department of Health and Human Services (“HHS”) stating that Mississippi has an “Effective Rate Review Program in all markets”. A copy of the letter from HHS is attached hereto as Attachment “C”.

MID also used Cycle I grant funds to begin developing a digital mechanism that allows for easy public access to health insurance rate filings made with MID and general information regarding health insurance rate filings. Mississippi will soon complete the initial Phase I development for this new consumer-oriented website. Said website is intended to provide the public with easy access to general health insurance rate filing information and rate information for specific companies. The website’s user interface is modeled after the current MID website, www.mid.state.ms.us. Examples and preliminary screen shots of the new website are attached hereto as Attachment “D.”

The new website should be operational by September 30, 2011. Several of the features include:

1. A mechanism for consumers to use to search for and review online all available public information regarding any health insurance rate filing;
2. A data entry module for MID staff to manually input rate increase filing data gathered from required information submitted by companies with their health insurance rate filings;
3. A data reporting feature allowing the user to export the rate filing data mentioned above in either an XML or Excel format;
4. A variety of charts displaying the rate data in an user-friendly format in order to allow the public user to better understand the information they are receiving;

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5. A section for rate decision explanations;
6. A calendar for posting notices for hearings, meetings and events;
7. A section explaining the role of insurers and brokers;
8. An explanation and summary of medical loss ratio issues;
9. An education section on the basics of health insurance, including a detailed discussion on health insurance rate reviews; and
10. A glossary of terms and acronyms utilizing public sources, including those of HHS and the National Association of Insurance Commissioners (“NAIC”).

Currently, Mississippi has the resources and capacity that allow for the review of health insurance rates in the following areas:

- ***Information Technology (“IT”) and Systems Capacity***
 - Nearly ninety-eight percent (98%) of all filings received by MID are filed and reviewed via the System for Electronic Rate and Form Filing (“SERFF”).
 - MID is currently using SERFF to report rate filing and rate increase activity to HHS for the Cycle I grant’s quarterly reports.
- ***Budget and Staffing***
 - For FY 2012, July, 2011 – June, 2012, the Mississippi State Legislature appropriated MID a budget of \$11,911,830. As of August 1, 2011, MID revenues equaled \$753,753.
 - Resources allocated from the Health Insurance Rate Review Grant Program- Cycle I for health insurance rate review consist of \$100,000 for contractual actuarial services and \$238,050 for the portion of MID staff salaries apportioned for current activities associated with health insurance rate review. MID does not have separate funding designated for health insurance rate review other than the.

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- MID increased its rate and form review staff by adding a Life and Health Analyst II and an Administrative Assistant for the Life and Health Actuarial Division. The Life and Health Analyst conducts analyses, reviews, and evaluations of life, health and annuity form and rate filings, consults actuaries, and makes recommendations as to whether each individual form and/or rate filing should be approved, disapproved, or acknowledged. The administrative assistant provides office operations support to the Life and Health Actuarial Division. MID allocates existing staff time to work on health insurance rate review grant activities.
- A description of the educational and/or professional qualifications required by MID for staff responsible for health insurance rate review is as follows:
 1. Senior Attorney
 - Juris Doctor
 - Membership in the Mississippi State Bar Association.
 2. Projects Officer IV
 - A Master's Degree from an accredited four-year college or university and four (4) years experience in a related field; or a Bachelor's Degree from an accredited four-year college and five (5) years experience in a related field; or graduation from a standard four-year high school or equivalent (GED) and nine years of experience in a related field with three (3) of those years being in supervision.

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3. Administrative Assistant VI

- A Master's Degree from an accredited four-year college or university and three (3) years experience in a related field; or a Bachelor's Degree an accredited four-year college or university and four (4) years experience in a related field; or graduation from a standard four-year high school or equivalent (GED) and eight (8) years experience in a related field.

4. Life and Health Analyst II

- A Bachelor's Degree from an accredited four-year college or university and two (2) years experience in a related field; or graduation from a four-year high school or equivalent (GED) and six (6) years of experience in a related field.

5. Administrative Assistant IV

- A Master's degree from an accredited four-year college or university and One (1) year of experience in work related to the described duties or a Bachelor's Degree from an accredited four-year college or university and two (2) years of experience in work related to the described duties.

MID's life and health actuarial services are provided by Actuarial Resources Corporation of Georgia ("ARCGA"). MID's current contract with ARCGA states that ARCGA shall provide life and health actuarial services to MID in exchange for an hourly fee of \$250 per hour not to exceed a total of \$200,000 in FY2012. Said Contract is open for amendment should it become necessary to increase the amount of payment pledged by MID to ARCGA.

- o MID uses SERFF to provide reports to HHS on the total number of health insurance rate filings that are received for the individual and group markets. The following

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shows a summary of health insurance rate filings reported for each quarter of the current grant period:

HEALTH INSURANCE PREMIUM REVIEW

HHS Report Table A - Summary	QUARTER I (08/09/2010- 12/31/2010)	QUARTER II (01/01/2011- 03/31/2011)	QUARTER III (04/01/2011- 06/30/2011)	AVERAGE TIME TO COMPLETE EACH REVIEW
Rate Filings For This Period (A1)	45	17	32	4 hours each
Rate Increases For This Period (A2)	41	15	22	4 hours each
Reviewed (A3)	45	8	26	4 hours each
Approved (A4)	45	8	26	4 hours each
Denied (A5)	0	0	0	4 hours each
Deferred (A6)	0	0	0	4 hours each

MID's actuarial consultants report that the average amount of time that is required to complete the review of a PPACA related health insurance rate filing is four hours.

- **Consumer Protections:**

The following statements are provided in response to the grant announcement's specific questions regarding consumer protections:

- *Are rate filings publicly disclosed? If so, what is the mechanism for public access to rates and rate filings? Describe the State laws and regulations that govern disclosure and public access to rate filings and public access to the Insurance Department documents in general.*
 - Mississippi's health insurance rate filing information will soon be readily available to the public as the new website will be a mechanism for public access to information regarding health insurance rates and rate filings.
 - While there are not specific State laws or MID regulations requiring public access to health insurance rate filings, these filings do fall under Mississippi's general/open records requirements found in Mississippi Code Annotated

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§25-61-1, *et seq.*, 1972 as amended, and therefore, health insurance rate filings are available to the public in Mississippi. In order to receive said rate filings and rate filing information, a request for the filing must be made with MID, who will provide the filing to the entity requesting it after determining that the filing contains no proprietary or commercial information. The aforementioned website will greatly simplify this process for both the consumer and MID.

- *Are summaries of rate changes offered in plain language for consumers? Please provide an example.*

Plain language summaries and explanations for rate changes will be prepared and presented on the new website for consumers. Examples and preliminary screen shots of the new website are attached hereto as Attachment "D."

- *How much advanced notice is given to consumers prior to proposed rate changes? Are consumers provided with official comment periods to review and comment on proposed rate changes?*
 - Insurers are required to give consumers sixty (60) days notice prior to any rate change.
 - Consumers are not currently provided with official comment periods to review or comment on proposed rate changes.
- *What processes exist for public meetings and/or hearings on rate filings?*

There are no established current policies in place governing public meetings or hearings on health insurance rate filings.
- *Provide the number and summarize the nature of consumer inquiries and complaints related to health insurance rates that have been received for the past two plan years.*

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MID recorded the following inquires, complaints, and request for accident and/or health information for the following two periods:

Consumer Contacts	January 1-December 31, 2010	January 1-July 31, 2011
Complaints Reported	354	193
Telephone Inquires, Request for Information, etc.	3,747	1,578
Total	4,101	1,771

- ***Examination and Oversight:***

- No action has been taken by MID against any insurance company over the past two plan years regarding health insurance rates. MID negotiates with companies to lower proposed rates when their request is not actuarially justified.
- No formal hearings have been held by MID over the past two plan years regarding health insurance rates.

b) **Proposal to Meet Cycle II Program Requirements**

MID plans to use the subject grant award to continue updating and enhancing its existing rate review process, IT systems, and internal protocols. Also, MID will prepare a legislative proposal and attempt to have it passed into law in order to strengthen MID's legal authority to review health insurance rates.

1) **MID's Proposed Grant Activities**

Should MID be awarded the grant, it will retain experts in the legal, actuarial, information technology ("IT"), and health insurance fields. MID will hire and partner with consultants to assist in the improvement of its current health insurance rate review process in order to make that process more efficient, effective, and more transparent to

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the public. All proposed activities will be employed for the purpose of enhancing Mississippi's health insurance rate review program.

2) Rate Review Enhancement Milestones

Mississippi has been deemed by HHS to have an effective rate review process in both the individual and small group health insurance markets. MID's proposed rate review enhancements include, but are not limited to, the following:

A. Improving Rate Filing Requirements

Enhanced rate filing requirements will be included in a future regulation and/or rate review legislation that will improve Mississippi's current requirements found in Bulletin 2011-7. MID is currently considering the feasibility of requiring companies to provide a layman's written explanation as to the company's justification for any health insurance rate increase that they file. This explanation could be included on MID's website and could be included with the company's required written notice to the policy holders of the rate increase. The purpose of said notice would be to help the consumer understand the technical reasons for the rate increase using language that the average consumer can understand.

B. Enhancing rate review process-*Staffing*

MID plans to retain the following consultants to assist in performing grant activities:

1. Legal experts will be needed to explore PPACA and regulations in order to assist MID in promulgating a health insurance rate review regulation and drafting legislation to present to the Mississippi State Legislature

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during the 2012 Legislative Session. As soon as legal consultants are retained, MID's first priority will be to promulgate and adopt a health insurance rate review regulation based on Bulletin 2011-7, educate members of the Mississippi State Legislature about the rate review process, and draft rate review legislation to be introduced in the 2012 Legislative Session. Before the legislation is introduced, educational briefing meetings will be conducted with health insurance agents, companies, and legislators, to ensure that all parties fully understand the new requirements regarding health insurance rates. Legal consultants will also participate in twenty (20) planned public forum meetings around the State during year one of the grant and ten (10) meetings during years two and three. These public forums will be aimed at educating the general public regarding health insurance rates.

2. Actuarial experts need to be retained in each of the grant years to advise MID on the actuarial aspects of health insurance rates and perform the actual review of health insurance rates and rate modification requests.
3. Experts in the field of health insurance will be retained by MID to first assess its current rate review processes and standards and to assist MID in its efforts to explore alternatives to lessen the need for health insurance increases. These experts will be further utilized to develop and provide consumer friendly written content for MID's website, including but not limited to, Frequently Asked Questions ("FAQs") and articles and graphics illustrating how rates are determined and why rate modifications

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occur. The goal is to provide the consumer with information that will allow them to assess the need for rate increases, comment accordingly, and make informed decisions regarding the purchase of health insurance.

These experts will also assist in preparing written materials for the twenty (20) public forum meetings to be held across the State in year one and the ten (10) meetings to be held in years two and three.

4. Consulting services will be utilized to plan, design, prepare comprehensive content for, and monitor the production of the "MID Health Insurance Rate Toolkit". This Toolkit will allow consumers, brokers, and insurers to better understand health insurance rates and Mississippi's approach to premium rate reviews. Each Toolkit will provide details on how health insurance rates are determined in terms that are understandable by an average consumer. The Toolkit will go on to explain MID's rate review process and how we determine whether a rate is reasonable and/or justified. The goal of the Toolkit is to provide consumers, brokers, and insurers with a better understanding of health insurance rates and the processes employed by MID in the review of rates and rate modifications.
5. Professional services will be retained to assist MID with the development of the grant evaluation plan and to assist MID in assessing its progress in meeting all criteria set forth in said plan.
6. Stenographic services will be retained to provide recording, transcribing, and reporting services for all rate review hearings.

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MID also plans to fill two new positions currently pending to be appropriated by the Legislature for FY 2012. The following positions will be added to the Life and Health Actuarial Division in FY 2012 and in FY 2013:

- FY 2012-Branch Director II

A Master's Degree from an accredited four-year college or university and five (5) years of experience, one (1) year of which must have included line or functional administrative or advanced technical supervision; or a Bachelor's Degree from an accredited four-year college or university and six (6) years of experience, one (1) year of which must have included line or functional administrative or advanced technical supervision.

- FY 2013-Office Director II

A Master's Degree from an accredited four-year college or university and seven (7) years experience, six (6) years of which must have included line or functional administrative or advanced technical supervision; or a Bachelor's Degree from an accredited four-year college or university and eight (8) years experience.

C. Enhancing rate review process-*IT Capacity*

- MID will continue to use SERFF for health insurance rate filings and filing review for the individual and group markets. MID will also continue using SERFF to report its rate filing and rate increase activity to HHS for required quarterly reports. MID is considering expanding its rate review research to include more robust data analysis and data exchange capabilities to assess the validity of rate increases and rate increase patterns and trends.

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- IT experts will be called upon to assess MID's capabilities and propose enhancements for MID's new website. They will advise as to what improvements may be made in order to efficiently and effectively compile rate review data, increase the speed at which rate increase requests may be processed, and increase accessibility to rate filings.

D. Enhancing consumer protection standards

Mississippi is committed to enhancing the transparency of its health insurance rate filing process and allowing easier access to rate information. MID plans a three-year approach to accomplish the following:

- Enhancements to the new website are planned to provide consumers with more information about the health insurance rates and rate review process, additional available resources, the ability to be notified of pending rate increases, and the ability to provide public comments;
- MID must reach out to numerous rural Mississippi residents that do not have access to the internet. An educational outreach program will involve forty (40) public forum meetings around the State over the grant three-year period and the development and distribution of hard copy pamphlets and other documentation regarding health insurance rates. MID plans to retain professional consultants to facilitate these meetings, engage participants in the meetings, develop written materials and make recommendations for next steps for the outreach program;

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- Currently, Mississippi does not have official processes in place for public meetings or hearings on health insurance rate filings. MID is planning to develop a process for public meetings and hearings concerning proposed health insurance rate increases deemed by MID to be unreasonable. Legal consultants and consulting health insurance experts will be utilized to assist MID in the development of this new process. MID will establish a hearing/media room with appropriate equipment to facilitate these public meetings and hearings;
- The “MID Health Insurance Toolkit” will allow consumers, brokers, and insurers to better understand health insurance rates and Mississippi’s approach to premium rate reviews. Each toolkit will provide detail on how health insurance rates are determined in terms that are understandable to an average consumer. The Toolkit will go on to explain MID’s rate review process and how we determine whether a rate is reasonable and/or justified. The goal of the guide is to allow consumers, brokers, and insurers a better understanding of health insurance rates and the processes employed by MID in the review of rates and rate modifications; and
- MID staff will need to travel to NAIC national meetings and other educational seminars in order to stay informed as to the latest developments in health insurance rate review and to learn innovative ideas from similarly situated States to improve the rate review process at MID.

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MID staff will also need to travel the State of Mississippi educating consumers and insurers as to new rate increase review standards and laws.

c) **Reporting to the Secretary on Rate Increase Patterns**

MID attests that it will comply with the reporting requirements outlined in statute and described on page 23 of *Grants to States for Health Insurance Premium Review-Cycle II*. SERFF will be utilized by MID to meet these reporting requirements. MID will contract with SERFF to enhance the reporting system to accommodate the required data collection. MID will provide the required rate review filing data to the HHS Secretary for the individual and small group market segments for which it has jurisdiction and review approval authority. Mississippi will provide the required data on a quarterly basis throughout Cycle II.

d) **Recommendations to the Applicable State Exchange on Insurer Participation**

MID plans to coordinate with Mississippi's Exchange once established to facilitate recommendations, as appropriate, about whether particular health insurers should be excluded from participation in the Exchange based on a pattern or practice of excessive or unjustified rate increases or a refusal to negotiate with MID on rate review matters. This process will be on-going as the Exchange becomes operational and ultimately addressed in State Exchange regulations.

e) **Optional Data Center Funding**

Mississippi is interested in exploring the possibility of creating a Data Center. MID will pursue this option to determine if an entity in the State has the capability to collect and analyze medical reimbursement data from insurers. If an appropriate institution is identified and MID determines it to be a feasible undertaking that will

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provide value to the State, then MID will contact HHS for approval and a budget revision.

f) **Commit to Mentor States (Optional)**

Mississippi is willing to work with and provide information to other states on the development of its effective rate review process.

g) **Evaluation Plan**

MID plans to hire a consultant to work with MID grant staff to develop a comprehensive Evaluation Plan for this grant. The Evaluation Plan will be the first deliverable undertaken by MID and will be submitted to HHS early in the first quarter of the grant period. The plan will assess MID's goals for the project and will include baseline data for each objective. MID will comply with all federal evaluation requirements which include:

1. Discussion of chosen key indicators to be measured;
2. A description of baseline data for each indicator;
3. Methods to monitor progress and evaluate the achievement of program goals both on an ongoing basis and at the conclusion of the program; and
4. Inclusion of plans for timely interventions when targets are not met or obstacles delay progress.

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**F. Mississippi Health Insurance Rate Review Grant Program
Work Plan
Grant Years 2011 – 2014**

YEAR I MILESTONES	OBJECTIVES	PROCESSES & ACTIVITIES	TIMELINE
I. Strengthen effective rate review process	Promulgate Regulation based on Bulletin 2011-7	Obtain Attorney General's approval and execute contract to retain legal consultants.	October, 2011-November, 2012
		Submit the required reporting information for consultant hiring to HHS.	October, 2011
		Legal consultants assist with drafting of regulation.	November, 2011-December, 2011
		Conduct public hearing and issue regulation.	December, 2011
		Devise legislative strategy and prepare informational materials.	October, 2011 – March, 2012
II. Improve rate filing requirements	Draft legislation for 2012 Legislative Session	Educate members of the Mississippi State Legislature about the rate review process and inform key legislators of need for legislation.	January, 2012 - April, 2012
		Earliest date that bill could become law.	July 1, 2012
		Legal consultants assist with draft regulation requiring companies to provide additional justification for rate increases.	November, 2011- March, 2012
III. Enhancing rate review process - Staffing	Retain Consultant for Professional Services	Regulation Issued.	April, 2012
		Issue contract for development of Rate Review Grant Program Evaluation Plan.	October, 2011- November, 2011
		Submit the required reporting information for consultant hiring to HHS.	October, 2011

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	Submit Evaluation plan to HHS.	December, 2011
Retain actuarial consultants	Retain consultants annually as needed for expertise to complete grant activities	October, 2011-September, 2012
	Submit the required reporting information for consultant hiring to HHS.	October, 2011
Hire Grants Management Consultant	Management and oversight of grant activities and expenditures.	October, 2011- September, 2012
	Submit the required reporting information for consultant hiring to HHS.	October, 2011
Retain Information Technology Consultants	Submit the required reporting information for contract approval to HHS.	October, 2011
	Execute contract for website enhancements.	October, 2011-September, 2012
Retain Consultants for Meetings	Execute contract for meetings facilitation and consulting services.	November, 2011-April, 2012
	Submit the required reporting information for consultant hiring to HHS.	November, 2011
Retain Health Insurance Experts	Execute contract for assessment of health insurance rate review process and implementation of activities to deter increases.	November, 2011- September, 2012
	Submit the required reporting information for consultant hiring to HHS.	November, 2011
Retain Consultants for Education and Outreach Program	Execute contract for design, content development, production monitoring for new "MID Health Insurance Rate Toolkit".	November, 2011- August, 2012
	Submit the required reporting information for consultant hiring to HHS.	November, 2011
Hire one additional Life and Health Actuarial Division staff	Branch Director II hired.	January, 2012 -- March, 2012
Hire Temp Staff for	Submit the required reporting information for	March, 2012- September

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	Stenographic Reporting	contract approval to HHS. Hire temp staff for transcription services. Record and transcribe public hearing minutes as needed.	30, 2012
IV. Enhancing rate review process – IT	Implement Website Enhancements	-Add several new features and functionalities to provide users with more resources and encourage involvement. -Provide consumer friendly written content on website, including Frequently Asked Questions (“FAQs”) and articles and graphics illustrating how rates are determined and why rate modifications occur.	October, 2011- April, 2012
	Improve the IT infrastructure that supports health insurance rate review functions, including more robust data analysis and data exchange capabilities both within the State as well as with the Federal government	Execute contract with SERFF for increased reporting and data exchange capabilities for Cycle II requirements	November, 2011- April, 2012
	Plan for enhanced electronic filing and approval processes for rates and policy forms	Conduct research to include more robust data analysis and data exchange capabilities to assess the validity of rate increases and rate increase patterns and trends.	January, 2012- August, 2012
V. Enhancing consumer protection standards	Enhance transparency of the rate filing process	Educational briefing meetings conducted with health insurance agents, companies, and legislators, to ensure that all parties fully understand the new requirements regarding health insurance rates.	November, 2011-April, 2012
		Conduct 20 planned public forum meetings around the State to educate the general public regarding health insurance rates.	February, 2012-July, 2012

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	Require written explanation as to the company's justification for any health insurance rate increase that is filed.	Plan and produce new "MID Health Insurance Rate Toolkit"	December, 2011- August, 2012
	Implement a public hearings process for proposed rate increases.	Issue appropriate action to require insurers to provide a layman's written explanation as to the justification for a rate increase	December, 2011-April, 2012.
	Explore alternatives to lessen need for health insurance rate increases.	Develop a process for public meetings and hearings concerning proposed health insurance rate increases.	January, 2012-May, 2012
		Establish a hearing/media room with appropriate equipment to facilitate public meetings and hearings	March, 2012- June, 2012
		Record and transcribe public hearing minutes as needed.	May, 2012-September, 2012
		Assess current rate review processes and standards and prepare recommendations	January, 2011-July, 2012
		Develop new analytic capacities to assess the validity of rate increases.	
VI. Reporting to the Secretary on Rate Increase Patterns	Provide certain rate filing data for the individual and small group market segments.	Use SERFF to submit required rate filing data to HHS on a quarterly basis.	January 31, 2012; April 30, 2012; July 31, 2012; October 31, 2012
VII. Coordination with the Mississippi Health Benefit Exchange	Submit recommendations, as appropriate, to Mississippi Health Benefit Exchange regarding health insurers' Exchange participation.	Identify process to review health insurance rate filing patterns.	January, 2012- September, 2012
		Determine potential patterns or practices for unjustified rate increases	
		Identify companies unwilling to negotiate with MID on rate review matters.	
	Coordinate with the Mississippi Health Benefit Exchange to make recommendations, as		

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YEAR 2 MILESTONES	OBJECTIVES	PROCESSES & ACTIVITIES	TIMELINE
I. Strengthen effective rate review process	Issue new bulletin or regulation to strengthen rate review process.	Obtain Attorney General's approval and execute contract to retain legal consultants. Submit the required reporting information for consultant hiring to HHS.	October, 2012 October, 2012
II. Improve rate filing requirements	Identify need for new legislation. Identify new requirements to improve the rate filings.	Legal consultants assess current process and research options for implementation Bulletin or Regulation issued if needed. Assess need for possible legislative strategy and begin preparation of materials. Legal consultants research possible requirements for rate filings and draft regulation language.	November, 2012-March, 2013 June, 2012 June, 2012- September, 2012 November, 2012- March, 2013
III. Enhancing rate review process - Staffing	Retain Consultant for Professional Services	Regulation issued if needed. Issue contract to monitor Evaluation Plan activities. Submit the required reporting information for consultant hiring to HHS. Submit Evaluation plan status update to HHS when required.	April, 2013 January, 2013-March, 2013 November, 2012 January, 2013
	Retain actuarial consultants	Retain consultants annually as needed to complete grant activities Submit the required reporting information for consultant hiring to HHS.	October, 2012-September, 2013 October, 2012
	Retain Information Technology Consultants	Submit the required reporting information for contract approval to HHS.	October, 2012

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		Execute contract for website enhancements.	October, 2012-September, 2013
Retain Consultants for Meetings		Execute contract for meetings facilitation and consulting services.	November, 2012-May, 2013
		Submit the required reporting information for consultant hiring to HHS.	November, 2012
Retain Health Insurance Experts		Execute contract for assessment of health insurance rate review process and implementation of any new activities to deter increases.	December, 2012-September, 2013
		Submit the required reporting information for consultant hiring to HHS.	December, 2012
		Execute contract for content development and production monitoring for "MID Health Insurance Rate Toolkit".	January, 2013- June, 2013
Retain Consultants for Education and Outreach Program		Submit the required reporting information for consultant hiring to HHS.	January, 2013
		Office Director hired.	January, 2013 – March, 2013
Hire one additional Life and Health Actuarial Division staff Hire Temp Staff for Stenographic Reporting		Submit the required reporting information for contract approval to HHS.	October, 2012- September, 2013
		Hire temp staff for transcription services.	
		Record and transcribe public hearing minutes as needed.	
IV. Enhancing rate review process-IT	Implement Website Enhancements	-Continue to add new features and functionalities to provide users with more user friendly experience.	October, 2012- May 2013
		-Provide consumer friendly written content and other health insurance resources on website.	
	Improve the IT infrastructure	Execute contract with SERFF as needed for	November, 2012- April,

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	<p>that supports health insurance rate review functions, including more robust data analysis and data exchange capabilities both within the State as well as with the Federal government</p> <p>Plan for enhanced electronic filing and approval processes for rates and policy forms</p>	<p>increased reporting and data exchange capabilities for Cycle II requirements.</p>	<p>2013</p>
		<p>Build on previous research to include more robust data analysis and data exchange capabilities and identify process for assessment of rate increases and rate increase patterns and trends.</p>	<p>January, 2013- August, 2013</p>
<p>V. Enhancing consumer protection standards</p>	<p>Enhance transparency of the rate filing process</p>	<p>Educational briefing meetings conducted with health insurance agents, companies, and legislators, to ensure that all parties fully understand the new requirements regarding health insurance rates.</p>	<p>November, 2012-April, 2013</p>
		<p>Conduct 10 planned public forum meetings around the State to educate the general public regarding health insurance rates.</p>	<p>February, 2013-August, 2013</p>
		<p>Produce Volume II of "MID Health Insurance Rate Toolkit"</p>	<p>June, 2013- September, 2013</p>
	<p>Assess feasibility of new requirements for company's justification for any health insurance rate increase that is filed.</p>	<p>Issue appropriate requirements requiring to insurers to provide additional justification for a health insurance rate increase.</p>	<p>January, 2013- May, 2013.</p>
	<p>Continue public hearings process for proposed rate increases</p>	<p>Conduct public meetings and hearings concerning proposed health insurance rate increases as needed.</p> <p>Record and transcribe public hearing minutes as needed.</p>	<p>October, 2012-September, 2013</p>

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	Explore alternatives to lessen need for health insurance increases.	Assess current rate review processes and standards and prepare recommendations Develop new analytic capacities to assess the validity of rate increases.	January, 2013-July, 2013
VI. Reporting to the Secretary on Rate Increase Patterns	Provide certain rate filing data for the individual and small group market segments.	Use SERFF to submit required rate filing data to HHS quarterly.	January 31, 2013; April 30, 2013; July 31, 2013; October 31, 2012
VII. Coordination with the Mississippi Health Benefit Exchange	Submit recommendations, as appropriate, to Mississippi Health Benefit Exchange regarding health insurers' continued participation in the Exchange.	Update process of review of health insurance rate filing patterns.	October, 2012- September, 2013
		Identify potential patterns or practices for unjustified rate increases	
		Identify companies unwilling to negotiate with MID on rate review matters.	
		Coordinate with the Mississippi Health Benefit Exchange to develop recommendations, as appropriate, about whether particular health insurers should be excluded from participation in the Exchange.	

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YEAR 3 MILESTONES	OBJECTIVES	PROCESSES & ACTIVITIES	TIMELINE
I. Strengthen effective rate review process	Issue new bulletin or regulation to strengthen rate review process.	Obtain Attorney General's approval and execute contract to retain legal consultants.	October, 2013
		Submit the required reporting information for consultant hiring to HHS.	October, 2013
		Legal consultants assess current process and research options for implementation	November, 2013-March, 2014
		Bulletin or Regulation issued if needed.	July, 2014
II. Improve rate filing requirements	Identify need for new legislation.	Assess need for possible legislative strategy and begin preparation of materials.	June, 2013 - September, 2014
	Identify new requirements to improve the rate filings.	Legal consultants research possible new requirements for rate filings and draft regulation as needed.	November, 2013- March, 2014
III. Enhancing rate review process - Staffing	Retain actuarial consultants	Action taken if needed.	July, 2014
		Retain consultants annually as needed for expertise to complete grant activities	October, 2013-September, 2014
	Retain Information Technology Consultants	Submit the required reporting information for consultant hiring to HHS.	October, 2013
		Submit the required reporting information for contract approval to HHS.	October, 2013
	Retain Consultants for Meetings	Execute contract for website enhancements.	October, 2013-September, 2014
		Execute contract for meetings facilitation and consulting services.	November, 2013-May, 2014
Retain Health Insurance Experts	Submit the required reporting information for consultant hiring to HHS.	November, 2013	
	Execute contract for assessment of health insurance rate review process and	December, 2013-September, 2014	

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	implementation of any appropriate new activities to deter increases.		December, 2013
	Submit the required reporting information for consultant hiring to HHS.		January, 2014- June, 2014
	Execute contract for update to content for the "MID Health Insurance Rate Toolkit" to be posted on website.		January, 2014
	Submit the required reporting information for consultant hiring to HHS.		October, 2013
	Submit the required reporting information for contract approval to HHS.		October, 2013- September, 2014
	Hire temp staff for transcription services. Record and transcribe public hearing minutes as needed.		October, 2013- July, 2014
	-Continue to add new features and functionalities to provide users with more resources and encourage involvement. -Provide consumer friendly written content and other health insurance resources on website.		November, 2013- April, 2014
	Execute contract with SERFF as needed for increased reporting and data exchange capabilities for Cycle II requirements.		January, 2014- September, 2014
IV. Enhancing rate review process - IT	<p>Retain Consultants for Education and Outreach Program</p> <p>Hire Temp Staff for Stenographic Reporting</p> <p>Implement Website Enhancements</p> <p>Improve the IT infrastructure that supports health insurance rate review functions, including more robust data analysis and data exchange capabilities both within the State as well as with the Federal government</p> <p>Plan for enhanced electronic filing and approval processes for rates and policy forms</p>	<p>Build on previous research to include more robust data analysis and data exchange capabilities and identify processes for</p>	

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<p>V. Enhancing consumer protection standards</p>	<p>assessment of rate increases, rate increase patterns and trends. Educational briefing meetings conducted with health insurance agents, companies, and legislators, to ensure that all parties fully understand the any new requirements regarding health insurance rates. Conduct 10 planned public forum meetings around the State to educate the general public regarding health insurance rates.</p>	<p>November, 2013-August, 2014 February, 2014-September, 2014 January, 2014- September, 2014 October, 2013-September, 2014 October, 2013-September, 2014 January, 2014-September, 2014</p>
<p>Enhance transparency of the rate filing process</p>	<p>Issue appropriate requirements to insurers to provide additional justification for a rate increase.</p>	<p>October, 2013-September, 2014</p>
<p>Assess feasibility of new requirements for company's justification for any health insurance rate increase that is filed.</p>	<p>Provide public meetings and hearings concerning proposed health insurance rate increases as needed.</p>	<p>October, 2013-September, 2014</p>
<p>Continue public hearings process for proposed rate increases</p>	<p>Record and transcribe public hearing minutes as needed.</p>	<p>October, 2013-September, 2014</p>
<p>Explore alternatives to lessen need for health insurance rate increases.</p>	<p>Assess current rate review processes and standards and prepare recommendations</p>	<p>January, 2014-September, 2014</p>
<p>Develop new analytic capacities to assess the validity of rate increases.</p>	<p>Use SERFF to submit required rate filing data to HHS quarterly.</p>	<p>January 31, 2014; April 30, 2014; July 31, 2014; October 31, 2014</p>
<p>VI. Reporting to the Secretary on Rate Increase Patterns</p>	<p>Update process to review health insurance rate filing patterns.</p>	<p>October, 2013- September, 2014</p>
<p>VII. Coordination with Mississippi Health Benefit</p>		

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Exchange	Health Benefit Exchange regarding health insurers' continued participation in the Exchange.	<p>Identify potential patterns or practices for unjustified rate increases</p> <p>Identify companies unwilling to negotiate with MID on rate review matters.</p> <p>Coordinate with the Mississippi Health Benefit Exchange to facilitate recommendations, as appropriate, about whether particular health insurers should be excluded from participation in the Exchange.</p>	
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G. BUDGET NARRATIVE

The United States Department of Health and Human Services has notified MID that the Mississippi supplemental “*Workload*” amount for Cycle II is \$ 183,208. In addition, “*Performance*” funds in the amount of \$600,000 are available for states with the ability to disapprove rates in one or both markets. Pursuant to MID Bulletin 2011-7, the Mississippi Commissioner of Insurance (“Commissioner”) has the authority to disapprove rates that are unreasonable. On July 1, 2011, the Commissioner received a letter from HHS stating that Mississippi has an “Effective Rate Review Program in all markets”, therefore, MID is requesting the *Workload* amount of \$183,208 and the *Performance* amount of \$600,000. This \$783,208 is requested in addition to the \$3,000,000 baseline grant award, for a total of \$ 3,783,208 in grant funds to support activities outlined in the project narrative. All estimated funds will be used strictly for activities conducted for the purposes of this grant. The estimated funding requirements are detailed as follows:

A. and B. Salaries, Wages, and Fringe Benefits

	Total \$	444,250
	Rate Review Grant \$	444,250
	Funding other than Grant \$	\$1,323,750

The proposed budget includes \$ 248,850 in Salaries, Wages, and Fringe Benefits for MID existing staff to devote a percentage of their time to conduct rate review grant activities. MID Senior Staff Attorney, [REDACTED] will serve as the Grant Project Director and will devote 20% of his time overseeing rate review grant activities. The MID Fiscal Officer will devote 15% of her time to provide financial oversight of the cooperative agreement, requesting funds as needed and submitting the required financial reports. The Grant Project IT Website Coordinator will devote 15% of his time to rate review website development, enhancements, and maintenance activities. The Grant Project Administrative Assistant will devote 40% of her time, one Grant Project Officer will each devote 30% of her time, and the other Grant Project Officer will devote 45% of his time to this project. The Project Officers will perform a variety of duties related to proposed grant activities such as planning and organizing statewide meetings and overseeing the multiple proposed projects. Fringe benefits are estimated to be 24% of the annual salary for each employee. MID’s existing rate review staff will see their duties related to health insurance rate review increase

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significantly as the grant is implemented. MID is requesting funds to account for thirty percent (30%) of the existing rate review staff's time and thirty percent (30%) of the new rate review Branch Manager's time. Costs for the second and third years were kept constant due to the proposed grant activities. The organizational chart and job descriptions for each are attached at the end of this Budget Narrative. The following estimated MID staff salaries and benefits include:

Position Name & Title	Annual Salary & Fringe Benefits Includes 24% fringe benefit rate	Percent Time	Other Funding Sources	YEAR 1	YEAR 2	YEAR 3	TOTAL
Grant Project Director	[REDACTED]	20%	State General Funds, Other HHS Grants	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Grant Project Administrative Assistant IV	[REDACTED]	40%	State General Funds, Other HHS Grants	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Grant Project Financial Officer	[REDACTED]	15%	State General Funds, Other HHS Grants	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Grant IT Web Coordinator	[REDACTED]	15%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Grant Project Officer	[REDACTED]	30%	State General Funds, Other HHS Grants	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Grant Project Officer	[REDACTED]	45%	State General Funds, Other HHS Grants	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Special Projects Officer	[REDACTED]	30%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Life and Health Analyst II	[REDACTED]	30%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Administrative Assistant VI	[REDACTED]	30%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Vacant, Branch Manager II	[REDACTED]	30%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Vacant, Office Director II	[REDACTED]	20%	State General Funds	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL				\$138,750	\$152,750	\$152,750	\$444,250

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Job Descriptions are included with the required organizational chart in the required supporting documentation attached hereto as Attachment "A".

C. Consultant Costs

All consultant fees will be included in the Contractual Services category of the budget listed below.

D. Equipment

Total \$ 56,173
Rate Review Grant \$ 56,173
Funding other than Rate Review Grant \$ _____

MID plans to purchase one laptop computer, a desk, chair and bookcase each for the Branch Director position in FY 2012 and for the new Office Director position in FY 2013. A portable projector and projection screen along with a traveling exhibit board will be used by grant staff to help facilitate outreach meetings across the State and local area meetings when equipment is not available or too costly to rent. The other items listed represent equipment required for the planned rate review public hearing/media room. No costs for other equipment have been included for years 2 & 3, except for the addition of one staff person.

Item Requested	Amount	Unit Cost	Year 1	Year 2	Year 3	TOTAL
Laptop Computer, Accessories, Warranty	1	\$ 2,500	\$2,500	\$2,500	0	\$5,000
4 Drawer File Cabinet	1	\$203	\$203	\$203	0	\$406
Bookcase	1	\$135	\$135	\$135	0	\$270
Desk Chair	1	\$325	\$325	\$325	0	\$650
Desk	1	\$630	\$630	\$630	0	\$1,260
Traveling Exhibit Board	1	\$2,500	\$2,500	0	0	\$2,500
Wireless Interactive Projector (Portable), Screen, Stand, Cases	1	\$2,600	\$2,600	0	0	\$2,600
110 Inch Diagonal Electric Projection Screen	1	\$2,840	\$2,840	0	0	\$2,840
Computer/Video Projector	1	\$9,556	\$9,556	0	0	\$9,556
DVD/VCR Combo Player	1	\$635	\$635	0	0	\$635

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Lectern: 39-inch wide Presentation Lectern	1	\$6,383	\$6,383	0	0	\$6,383
Video Projector Switcher/Scaler	1	\$2,250	\$2,250	0	0	\$2,250
Audio System Videoconference & Teleconference	1	\$7,600	\$7,600	0	0	\$7,600
Document Camera: SXGA/720P HD	1	\$3,830	\$3,830	0	0	\$3,830
LaserJet Printer	1	\$698	\$698	0	0	\$698
ATT Speakerphone	2	\$500	\$1,000	0	0	\$1,000
Special Needs Equipment 1	1	\$2,580	\$2,580	0	0	\$2,580
Conference Table	1	\$2,875	\$2,875	0	0	\$2,875
Conference Chairs	8	\$2,400	\$2,400	0	0	\$2,400
Stacking Chairs	12	\$840	\$840	0	0	\$840
TOTAL			\$52,380	\$3,793	0	\$56,173

E. Supplies

Total \$ 47,250
Rate Review Grant \$ 47,250
Funding other than Rate Review Grant \$ 0

Basic office supplies will be needed for grant staff and rate review staff. Specialty papers, binders, and report covers will be used for reports and materials used in statewide meetings. The same estimates are budgeted for each year of the grant.

Item Requested	Amount	Unit Cost	YEAR 1	YEAR 2	YEAR 3	TOTAL
Monthly Office Supplies	7 people (average)	\$ 750	\$ 5,250	\$ 5,250	\$ 5,250	\$15,750
Special papers, binders, report covers	12 months	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 9,000
Color & Regular Printer Supplies	12 months	\$ 625	\$ 7,500	\$ 7,500	\$ 7,500	\$22,500
TOTAL			\$15,750	\$15,750	\$15,750	\$47,250

**F. Travel
Staff Travel
(in-State and out-of-State)**

Total \$ 119,054
Rate Review Grant \$ 119,054
Funding other than Rate Review Grant \$ _____

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In-State Travel:

The Grant Project Director and other grant staff will travel to various areas across the State for regional education and outreach meetings. Mississippi has twelve (12) economic planning and development districts in the State. MID plans to conduct meetings in these districts to educate the public regarding the health insurance rate review process. MID will use funds to facilitate meeting participation with individuals and their families who have a disability or long-term illness. Additional rate review staff may be required to participate in these meetings. An estimated twenty (20) meetings are planned for the first year of the grant, with a total of ten (10) additional meetings for each of the subsequent years. MID staff will be required to travel in order to conduct the aforesaid meetings with interested parties:

YEAR 1 TRIPS	COST & MILES	NUMBER OF PEOPLE	PER DIEM	OTHER	YEAR 1	YEAR 2	YEAR 3	TOTAL
20 public awareness meetings- 2 days each	350 miles avg. round trip @ \$.51 mile= \$178.50; Hotel \$ 150/night	4	\$41	\$20 day	\$ 36,040			\$ 36,040
20 Local Area Meetings	80 miles round trip @ \$.51 mile= \$40.80	6			\$ 4,896			\$ 4,896
Year 2: 10 public awareness meetings- 2 days each	350 miles avg. round trip @ \$.51 mile= \$178.50; Hotel \$ 150/night	4	\$41	\$20 day	0	\$ 18,020		\$ 18,020
Year 2: 10 Local Area Meetings	80 miles round trip @ \$.51 mile= \$40.80	6			0	\$ 2,448		\$ 2,448
Year 3: 10 public awareness meetings- 2 days each	350 miles avg. round trip @ \$.51 mile= \$178.50; Hotel \$ 150/night	4	\$41	\$20 day	0	0	\$ 18,020	\$ 18,020
Year 3: 10 Local Area Meetings	80 miles round trip @ \$.51 mile= \$40.80	6			0	0	\$ 2,448	\$ 2,448
TOTAL IN-STATE					\$ 40,936	\$ 20,468	\$ 20,468	\$81,872

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Out-of-State Travel:

National meetings provide an opportunity for in-person meetings with HHS staff and representatives from other states to share information and ideas. MID projects that the following travel will be required of project staff to attend national meetings during the three years of grant period:

TRIPS	NUMBER OF PEOPLE	AVERAGE MILEAGE TO/FROM AIRPORT	AVERAGE AIRFARE	AVERAGE LODGING	AVERAGE GROUND TRANS.	PER DIEM	*OTHER COSTS	TOTALS
HHS Grantee Meetings/ Conferences/ Workshops- 4	2 for 3 days	50 miles @ \$.51/mile= \$25.50 x 2 x 4 trips= \$204	\$850 x 2= \$1,700 x 4 trips=\$6,800	\$180/night= \$360 x 2 X 4 trips=\$2,880	\$150 x 2= \$300 x 4 trips=\$1,200	\$46/day= \$276 x 4 trips= \$1,104	\$200 x 2= \$400 x 4 trips=\$1,600	\$13,788
NAIC and Regional Meetings- 6 (2 each year)	2 for 4 days	50 miles @ \$.51/mile= \$25.50 x 2 x 6 trips= \$306	\$850 x 2= \$1700 x 6 trips = \$10,200	\$180/night= \$1080 x 6 trips=\$6,480	\$150 x 2= \$300 x 6 trips=\$1,800	\$46/day= \$368 x 6 trips= \$2,208	\$200 x 2= \$400 x 6 trips=\$2,400	\$23,394
TOTAL OUT-OF-STATE								\$37,182

*Other travel costs may include airport parking, baggage handling, meal and housekeeping tips

G. Other

Total \$ 0
Rate Review Grant \$ 0
Funding other than Rate Review Grant \$ 0

Mississippi does not code expenditures under the "Other" category. All expenditures not designated as equipment or supplies, are identified as contractual services.

H. Contractual Costs

Total \$ 3,116,481
Rate Review Grant \$ 3,116,481

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Funding other than Rate Review Grant \$ _____

The following are the estimated costs for anticipated Contractual Services:

Consultants will be needed to assist MID in accomplishing the below proposed grant activities. Costs were estimated to be higher the first year of the grant due to the initial implementation of new initiatives and efforts planned for the enhancement of Mississippi's rate review process.

1. MID does not employ staff with actuarial expertise. Actuarial Resources, Inc., who performs the actuarial review for all rate requests and modifications, will be retained for the three year grant period to advise MID on all actuarial matters associated with the review of health insurance rates in the State of Mississippi.
2. Legal consultants will be retained to explore PPACA and related HHS regulations in order to assist MID in drafting health insurance rate review regulation based on Bulletin 2011-7, educate members of the Mississippi State Legislature about new Federal requirements concerning the health insurance rate review process, prepare and assist with education and briefing meetings to be conducted with health insurance agents and companies to ensure that agents fully understand the new rate review requirements regarding health insurance. Legal consultants will also help plan and participate in the twenty (20) planned public forum meetings around the State in the first year of the grant and ten (10) meetings during each of the second and third years. MID foresees the need for continued legal counsel throughout the three year grant period.
3. Professional services will be needed to assist MID with the development of the Evaluation Plan for the Cycle II grant. MID plans to retain consultants for these services as soon after the grant award date as possible and will submit the plan to HHS upon completion. It is estimated that 65 hours will be needed to develop this plan and to assist MID in assessing its progress in meeting all criteria set forth in said plan.
4. MID is planning twenty (20) public forum meetings around the State as part of an education and outreach program. MID plans to retain professional consultants to help facilitate these meetings, engage participants in the meetings, and make recommendations for this outreach program. The assistance will need to continue for the ten (10) follow-up meetings planned for the subsequent two years of the grant period.

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5. Experts in the field of health insurance will be retained by MID to assess its current rate review processes and standards and to assist MID in its effort to determine ways to deter continued requests for excessive rate increases. Additional information and resources must be developed and added to the rate review website. These experts will be further utilized to develop and provide consumer friendly written content for the website, including but not limited to, Frequently Asked Questions (“FAQs”) and articles and graphics illustrating how rates are determined and why rate modifications occur. The goal is to provide the consumer with the information that will allow them to assess the need for rate increases, comment accordingly, and make informed decisions regarding the purchase of health insurance. These experts will also assist with the development of written materials for the twenty (20) public forum meetings around the State for the first year and ten (10) follow-up meetings in the second and third years.
6. Consulting services will be utilized to plan, design, prepare comprehensive content for, and monitor the production of the “MID Health Insurance Rate Toolkit”. This toolkit will allow consumers, brokers, and insurers to better understand health insurance rates and Mississippi’s approach to premium rate reviews. Each toolkit will provide detail on how health insurance rates are determined in terms that are understandable by an average consumer. The Toolkit will go on to explain MID’s rate review process and how we determine whether a rate is reasonable and/or justified. The goal of the guide is to provide consumers, brokers, and insurers a better understanding of health insurance rates and the processes employed by MID in the review of rates and rate modifications. MID plans are to continue production and possible enhancement of these toolkits for the second year of the grant.
7. Information Technology consultants will provide enhancements to MID’s rate review website. Phase I of the website development focused on a search engine aimed at allowing consumers the ability to easily search for rate information for rates filed with MID. In the first year of the grant period, MID is planning to expand the website capabilities as a Phase II project to enhance the experience for the

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public through a variety of new interactive tools. These new capabilities include, but are not limited to consumer oriented health insurance rate educational materials, graphs, charts, and other additional health insurance resources. A planned Phase III project will include, but are not limited to, the following features to help consumers stay informed about rate increases and attempt to engage involvement in the rate justification process by enabling them to provide input to the proposed rate changes:

- o Allow consumers to sign up for rate alerts relative to products that they own;
- o Allow brokers to assist consumers to sign-up to receive such rate alerts;
- o Provide advance notice to consumers of rate increases and assist consumers with complaints;
- o Allow consumers to comment on rate increases as well as allow them to register complaints;
- o Mississippi will implement a level of authentication that is easy for consumers. Such authentication systems would be based on well-known membership or password oriented systems familiar to public users.

The "MID Health Insurance Rate Toolkit" will be added to the website and will only be provided electronically after year two of the grant period. Additional upgrades and enhancements are planned for Phase IV to be in-line with the newest technology in the third year of the grant period.

8. Costs were included for an upgrade to SERFF to accommodate the Cycle II reporting requirements. The SERFF system will be enhanced to assist with the collection all documents used by the insurer as a preliminary justification for a rate increase. A submission requirement will be added to collect the Consumer Disclosure form. Companies will be expected to retrieve the Consumer Disclosure Form from the Health Insurance Oversight System (HIOS) and upload it to SERFF. SERFF will be modified to allow states to enter a Summary of Rate Review and/or a State Filing Summary and the Health Filing Access Interface ("HFAI") will be enhanced to allow states to display the information above and to accept and process public comments on rate filings. States will have the option to make the Rate Increase Summary Worksheet, the Consumer Disclosure Form, the State Filing Summary, and the Summary of Rate Review available to the public as part of the HFAI system or via SERFF's existing public access. MID plans to utilize this capability to allow

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- this information to be available through its rate review website. Estimates are included for years two and three to accommodate any future enhancements proposed by SERFF.
9. Estimates are included for stenographic reporting services for the recording, transcribing, and reporting of rate review hearings held in each of the grant years.

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	SERVICES	RELEVANCE	BASIS FOR FEE			RATE	YEAR 1	YEAR 2	YEAR 3	TOTAL
			Year 1 # of hours	Year 2 # of hours	Year 3 # of hours					
Actuarial Resources, Inc.			500	500	500	\$250	\$125,000	\$125,000	\$375,000	
To be determined	Legal Consultants	Critical for policy development, legal strategy, and oversight	800	750	650	\$350	\$280,000	\$262,500	\$770,000	
To be determined	Professional Services-Evaluation Plan Development & Consulting	Critical to fulfill grant requirement	65	35	0	\$300	\$19,500	\$10,500	\$30,000	
To be determined	Consultants/Meeting Facilitators	Facilitation for meetings & consulting services	325	250	200	\$350	\$113,750	\$87,500	\$271,250	
To be determined	Health Insurance Experts	Consulting for website content development	300	200	100	\$250	\$75,000	\$50,000	\$150,000	
To be determined	Education /Outreach Materials & Toolkit Design, Layout, Enhancements	Critical for health insurance education and outreach	315	265	75	\$250	\$78,750	\$66,250	\$163,750	
Vimo, Inc.	Information Technology Consultants	Enhancement of rate review website	575	455	485	\$350	\$201,250	\$159,250	\$530,250	
SERFF							\$20,856	\$20,000	\$55,856	
Stenographic Reporting	Transcribing Hearing Minutes		25	25	25	\$200	\$5,000	\$5,000	\$15,000	
TOTAL							\$919,106	\$786,000	\$2,361,106	

Mississippi
Health Insurance Rate Review Grant Program-Cycle II

Included in Mississippi's budget are fees for consulting services separate from the above personnel costs. MID recognizes that in light of other HHS grants that it has already received, its capacity to oversee multiple grant funding streams could be limited with the addition of this new application. MID has decided to retain professional services to ensure that these multiple funding streams are maintained and accounted for separately and in compliance with reporting requirements. Said consultant will be hired to perform grants management, oversight, and reporting activities and will devote 35% of her time to this project. The consultant will maintain data on the grant activities and accomplishments in order to prepare and submit the required project reports to HHS. The following consultant will be hired to provide grants management and oversight:

CONSULTANT NAME	SERVICES	RELEVANCE	BASIS FOR FEE			RATE	YEAR 1	YEAR 2	YEAR 3	TOTAL
			Year 1 # of hours	Year 2 # of hours	Year 3 # of hours					
[REDACTED] 35% Time	Grants Management and Oversight	Critical for Federal and State accountability	728	728	728	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Additional Contractual Costs:

Mississippi includes items identified in the "Other" budget category in the funding opportunity as expenditures in the "Contractual Services" budget category. In order to accurately report expenditures and request funds, MID has included the following in this budget category:

- Meeting space and equipment rental will be needed for the twenty (20) planned public forums across the State for year one of the grant period and ten (10) subsequent meetings for years two and three.
- MID plans to provide food service at the meetings for the participants, and costs were estimated for the average amount per person based on similar meetings conducted in the past. The costs are for the twenty (20) meetings in year one, ten (10) meetings in year two, and ten (10) meetings in year three.
- Equipment Rental and Licenses for office operations are annual estimates for each of the three years.
- Audio and web teleconferencing services are needed for staff to participate in numerous conference calls with multiple parties, including, but not limited to regular teleconference meetings for project input and status updates.

Mississippi
Health Insurance Rate Review Grant Program-Cycle II

- Office space rental is allocated for 30% of the rate review staff time for each of the three years.
- The 120 square feet public hearing/media room rental is budgeted for the three years of the grant period.
- The "MID Health Insurance Toolkit" will allow consumers, brokers, and insurers to better understand health insurance rates and Mississippi's approach to premium rate reviews. Each Toolkit will provide detail on how health insurance rates are determined in terms that are understandable by an average consumer, will explain MID's rate review process and how a rate is determined whether a rate is reasonable and/or justified. The Toolkit project will be professionally developed and is estimated to cost \$115,000.00. The cost includes the following materials and professional labor:
 - 5,000 Binders @ \$5.25 each binder= \$26,250
 - Three hole punch paper, 200 pages each toolkit @\$.047 each sheet = \$47,000
 - Tabs- Three hole punch, 20 tabs each toolkit @\$.20 each tab= \$ 20,000
 - Graphic design, logistics, and product finishing- \$21,750

- MID plans to reprint the toolkits during the second year of the grant period and will add this resource to the new website. Since the toolkit will be available on the website, there are no plans to continue reprinting.
- System installation costs are included in the contractual category for the labor involved in installing the new equipment for the proposed hearing/media room during the first year of the grant.
 - MID is requesting funds to provide information technology training as needed by the rate review and grant staff for the new website, department systems enhancements and new versions of SERFF.

Mississippi
Health Insurance Rate Review Grant Program-Cycle II

	Number	Unit Cost	Year 1	Year 2	Year 3	TOTAL
Statewide Meetings Space & Equipment Rental-Average	40 average meetings	\$2,500	\$50,000	\$25,000	\$25,000	\$100,000
Statewide Meetings Food Service-Average 50 people @ \$50 each	40 average meetings	\$2,500	\$50,000	\$25,000	\$20,000	\$95,000
Office Equipment Rental & Licenses	12 months	\$3,000	\$36,000	\$36,000	\$36,000	\$108,000
Teleconferencing (Audio and Web) Services	12 months	\$1,000	\$12,000	\$12,000	\$12,000	\$36,000
Office Space Rent- Office space for rate review project staff, 2,000 square feet total office space @ \$18.00 sq. foot = \$36,000 X 30% Staff Time	12 months	\$10,800	\$10,800	\$10,800	\$10,800	\$32,400
Hearing/Meeting Room - 175 sq. ft. @ \$20.00 sq. ft.	12 months	\$3,500	\$3,500	\$3,500	\$3,500	\$10,500
MID Health Insurance Toolkit- 5,000 printed copies	5,000 copies		\$115,000	\$85,000	\$0	\$200,000
Hearing Room System Installation	1	\$19,275	\$19,275	\$0	\$0	\$19,275
Staff Training- IT, systems enhancements	9 people	\$2,500	\$22,500	\$22,500	\$0	\$45,000
TOTAL			\$319,075	\$219,800	\$107,300	\$646,175

Required Information for Contract Approval:

MID will submit to HHS the required information establishing a third-party contract to perform this program's activities once the third-parties are identified and selected via an appropriate procurement process.

I. Total Direct Costs \$ 3,783,208

J. Indirect Costs \$ 0

ATTACHMENT A
REQUIRED SUPPORTING DOCUMENTATION



MISSISSIPPI INSURANCE DEPARTMENT

MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of Insurance

501 N. WEST STREET, SUITE 1001
WOOLFOLK BUILDING
JACKSON, MISSISSIPPI 39201
www.mid.state.ms.us

MAILING ADDRESS
Post Office Box 79
Jackson, Mississippi 39205-0070
TELEPHONE: (601) 359-3569
FAX: (601) 359-2474

August 15, 2011

The Honorable Kathleen Sebelius
Secretary, United States Department of Health and Human Services
200 Independence Avenue SW
Washington, D.C. 20201

Re: Mississippi's application for *Grants to Support States in Health Insurance Rate Review-
Cycle II*

Dear Secretary Sebelius:

On behalf of the Mississippi Insurance Department ("MID"), please accept this letter as an assurance that grant funds will only be used to enhance Mississippi's health insurance rate review efforts and will not be used to supplant existing funding for said efforts.

Thank you for your consideration of Mississippi's grant application and please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Sisk".

Aaron Sisk
Senior Staff Attorney

Mississippi
Health Insurance Rate Review Program- Cycle II

**KEY PERSONNEL JOB DESCRIPTIONS
AND ORGANIZATIONAL CHART**

1. Grant Project Director - [REDACTED]
The Project Director will serve as Mississippi's contact person for the grant and will be responsible for achieving the project's goals and objectives. He will oversee the proposed enhancement activities and ensure that they are in compliance with the grant requirements and that the time line is followed. He will devote 20% of staff time to the grant project.
2. Grant Project Administrative Assistant- [REDACTED]
This position provides office operations support to the Life and Health Actuarial Division and the grant project staff. She will devote 40% of staff time to the grant project.
3. Grant Information Technology Website Coordinator- [REDACTED]
This position provides oversight and management of the health insurance rate review website development and enhancement project. He will devote 15% of staff time to the grant project.
4. Grant Project Financial Officer- [REDACTED]
The Financial Officer will serve as Mississippi's contact person for the grant's fiscal responsibilities. She will oversee and manage the grant funds, prepare the required Financial Status Reports (SF-269a) and the Federal Cash Transactions Report (PSC 272), in addition to any other required financial reports. She will devote 15% of staff time to the grant project.
5. Grant Project Officer- [REDACTED]
This position will perform a variety of duties related to proposed grant activities such as planning and organizing statewide meetings and overseeing the multiple proposed projects. She will devote 30% of staff time to the grant project.
6. Grant Project Officer- [REDACTED]
This position will perform a variety of duties related to proposed grant activities such as planning and organizing statewide meetings and overseeing the multiple proposed projects. He will also assist the Grant Manager in monitoring the activities, contracts, and expenditures for compliance with State and Federal laws. He will devote 45% of staff time to the grant project.
7. Rate Review Special Projects Officer- [REDACTED]
This position conducts analyses, reviews, and evaluations of life, health and annuity form and rate filings, consults actuaries, and makes recommendations as to whether each individual form and/or rate filing should be approved, disapproved, or acknowledged.
8. Rate Review Life and Health Analyst- [REDACTED]
This position conducts analyses, reviews, and evaluations of life, health and annuity form and rate filings, consults actuaries, and makes recommendations as to whether each individual form and/or rate filing should be approved, disapproved, or acknowledged.

Mississippi
Health Insurance Rate Review Program- Cycle II

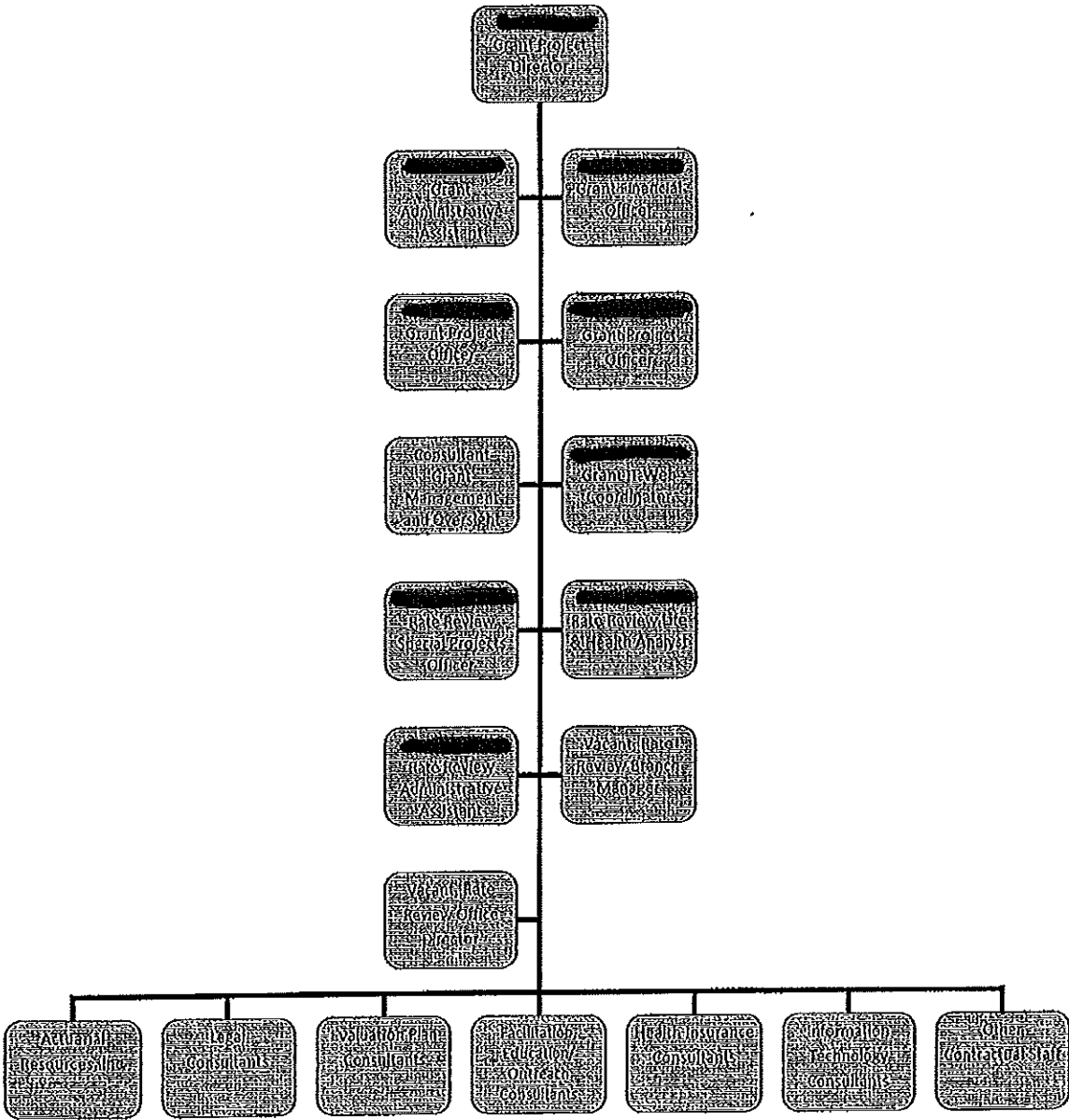
9. Rate Review Administrative Assistant- [REDACTED]
This position is responsible for the intake of all rate filings, verification that all filing requirements have been met, and assigning filings to appropriate parties. She verifies that all filing fees have been paid and that all required documents are attached to the filing.

10. Rate Review Branch Manager II- Vacant
This position will serve as supervisor for the rate review staff, monitoring analyses, reviews, and evaluations of life, health and annuity form and rate filings, consults actuaries, and makes recommendations as to whether each individual form and/or rate filing should be approved, disapproved, or acknowledged.

11. Office Director- Vacant
This position will be filled in year two of the grant period and will assist with special projects in MID's Life and Health Actuarial Division.

Currently there are two state contractual actuaries and plans are to continue to retain their services for actuarial services for the rate review process.

Mississippi
Health Insurance Rate Review Program- Cycle II



ATTACHMENT B

**MISSISSIPPI INSURANCE DEPARTMENT
BULLETIN 2011-7**



MISSISSIPPI INSURANCE DEPARTMENT

601 N. WEST STREET, SUITE 1001
WOOLFOLK BUILDING
JACKSON, MISSISSIPPI 39201
www.mid.state.ms.us

MIKE CHANEY
Commissioner of Insurance
State Fire Marshal

MARK HAIRE
Deputy Commissioner of Insurance

MAILING ADDRESS
Post Office Box 78
Jackson, Mississippi 39205-0078
TELEPHONE: (601) 368-3559
FAX: (601) 369-2474

MISSISSIPPI INSURANCE DEPARTMENT BULLETIN 2011-7

TO: ALL INSURANCE CARRIERS IN THE STATE OF MISSISSIPPI
LICENSED TO WRITE ACCIDENT AND HEALTH INSURANCE

FROM: MIKE CHANEY
COMMISSIONER OF INSURANCE

DATE: JUNE 29, 2011

SUBJECT: SUBMISSION REQUIREMENTS FOR HEALTH INSURANCE RATE
INCREASES

I. Purpose

The Patient Protection and Affordable Care Act (Pub. Law 111-148) ("PPACA") directs the Secretary of the U.S. Department of Health and Human Services, in conjunction with States, to establish a process for the annual review of rates and imposes certain requirements on state insurance departments when reviewing rate modifications. If a state fails to meet the requirements of having an "effective review program", the federal government will review rate increases for that state. The Mississippi Insurance Department ("MID") has determined it is in the best interests of the residents of Mississippi to update its policies and procedures in order to ensure compliance with all federal and state requirements regarding rate modifications. The Honorable Mike Chaney, Commissioner of Insurance, in conformance with the statutory authority as provided in Mississippi Code Annotated § 83-9-1, *et seq.*, issues this Bulletin in order to put all health insurance issuers in the State of Mississippi on notice as to the process of filing and implementing health insurance rates and modifications of existing rates and what data and documentation must be submitted when issuing a rate increase at any time on or after September 1, 2011, as it relates to individual and small group accident and health policies with the exception of Medicare Supplement policies, Long Term Care policies, Supplemental Medical Insurance policies and any other health policies specifically excluded from the provisions of PPACA.

This Bulletin supersedes Bulletin 94-1 for individual and small group accident and health insurance policies, including, but not limited to the rates for small group accident and health policies issued by any health maintenance organization or non-profit medical and hospital

services corporation. Bulletin 94-1 shall remain in full force and effect for all other policies as set forth in Bulletin 94-1.

II. Approval Process

The Mississippi Insurance Department (MID) intends to review and approve or disapprove all initial and proposed changes to previously filed rates on small group accident and health policies other than Medicare Supplement policies, Long Term Care policies, Supplemental Medical Insurance policies and any other health policies specifically excluded from the provisions of PPACA. MID further intends to review and approve all health maintenance organization and non-profit medical and hospital services corporations' premium rates, including all new and proposed changes to rates.

MID requires that all premiums for all plans of insurance, group or individual, be filed for purposes of review and approval or disapproval prior to use. Furthermore, a Company must submit any request for a rate modification on any type of policy and/or certificate at least 60 days prior to the proposed effective date of the rate modification. Moreover, the Company must provide all of the information requested herein. No rate modification may be implemented until the Company has received notification from the MID that it has "Approved" the rate modification. The insured must be given at least 60 days prior notice before any rate increase can be implemented.

Under Mississippi law premium rates may be changed only by an endorsement which should contain at least the following: policy number, effective date, and the amount and mode of the new premium. The aforementioned endorsement must also have a form number and be executed by an officer of the Company. The endorsement form sent to the insured must also be filed and approved by the MID.

III. Unreasonable Rate Increases


In reviewing a request for approval of a rate filing or rate modification, a determination shall be made as to the reasonableness of the rates and whether based on criteria established by state and/or federal law, the rate is excessive, unjustified, or unfairly discriminatory and whether the filing complies with all applicable Federal and State requirements.

MID may disapprove a new rate or rate modification request if based on criteria established by state and/or federal law, it determines that said rate or rate modification is excessive, unjustified or unfairly discriminatory.

IV. Insurer Submission Requirements

The following information must be provided each time a rate filing or modification is requested:

- An actuarial memorandum prepared in accordance with the applicable Actuarial Standards of Practice.

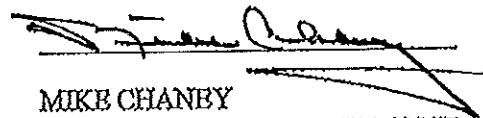
- 
- Explanation of the reason for the rate increase and the percentage amount of the rate increase stated in Item 14 of the L&H Transmittal Document.
 - A history of each of the prior rate increases that were filed with the MID. The history should include the date each of the prior rate increases was effective, the percentage amount of each of the prior rate increases and the data related to past projections and actual experience.
 - The policy year and calendar year loss ratios expected at the time the original premiums for the policy year were developed.
 - A side-by-side comparison of the expected loss ratios with the actual loss ratios, both on a policy year basis and a calendar year basis.
 - A statement that the rate increases comply with the requirements of Mississippi Department of Insurance Regulation 73-4. A copy of the endorsement required by Regulation 73-4 should accompany each request for a rate increase. Regulation 73-4 requires that an endorsement be sent to each insured each time a rate increase is implemented. The Company may use a letter to notify the insured of a rate modification in order to satisfy the endorsement requirement, but the letter must have a form number and must be filed with MID for prior approval. Once MID has approved the rate modification and the letter to be used to notify the insured, the L&H Transmittal Document requesting each rate increase from then on must state that the rate modification has been approved by the MID and state the date it was approved.
 - The date the policy was approved by MID.
 - If the Company is offering a reduction in the amount of the rate increase in exchange for an increase in the deductible or coinsurance or a reduction in benefits, provide a complete actuarial justification that the changes are actuarially equivalent, i.e., the dollar amount of rate increase reduction is actuarially equivalent to the change in benefits.
 - The filing must also include the projected medical loss ratios for the rates to be charged with the methodologies followed and an explanation describing how the ratios were calculated.

In addition to providing the above items, the data and documentation in connection with the following must be provided, with an explanation as to how each item has or has not impacted the rate filing:

- Medical trend changes by major service categories;
- Utilization changes by major service categories;
- Cost-sharing changes by major service categories;

- Benefit changes;
- Changes in enrollee risk profile;
- Any overestimate or underestimate of medical trend for prior year periods related to the rate increase;
- Changes in reserve needs;
- Changes in administrative costs related to programs that improve health care quality;
- Changes in other administrative costs; and.
- Changes in applicable taxes, licensing, or regulatory fees.

Issued this the 29th day of June, 2011


MIKE CHANBY
COMMISSIONER OF INSURANCE

ATTACHMENT C

**UNITED STATES
DEPARTMENT OF HEALTH AND HUMAN SERVICES LETTER
MISSISSIPPI'S EFFECTIVE RATE REVIEW PROGRAM DETERMINATION**



DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

200 Independence Avenue SW
Washington, DC 20201

July 1, 2011

Honorable Mike Chaney
Commissioner
Mississippi Insurance Department
Post Office Box 79
Jackson, MS 39205-0079

Re: Effective Rate Review Program Determination

Dear Commissioner Chaney:

Section 2794 of the Public Health Service Act, as added by the Affordable Care Act requires the Secretary of Health and Human Services, in conjunction with the States, to establish a process for review of "unreasonable increases in premiums for health insurance coverage." The final rule implementing section 2794, at 45 C.F.R. 154.210(b), provides that the Center for Medicare & Medicaid Services (CMS) will adopt a State's determination regarding the reasonableness of a proposed rate increase if the State meets the criteria for an effective rate review program listed in 45 C.F.R. 154.301. These include:

1. Has the authority to collect the information and perform the analysis described in 154.301(a),
2. Provides access from its Web site to Parts I and II of the Preliminary Justifications for the proposed rate increases it reviews;
3. Provides a means for public input on proposed rate increases; and
4. Provides to CMS its final determination as to whether a rate increase is unreasonable within five days of the determination.

The Center for Consumer Information and Insurance Oversight (CCIIO) reviewed Mississippi's laws, regulations, and bulletins, and confirmed with your agency that it will conduct reviews in accordance with the criteria set forth in the regulation. Based on this information, we have determined that Mississippi has an Effective Rate Review Program in all markets.

As a next step, we ask that you send an email to ratereview@hhs.gov stating the name and contact information of the person who will serve as the liaison between our office and yours for rate review program matters. During the month of July, CCIIO will notify your contact person of procedures to follow for scheduling training sessions and securing access to the CMS web-based rate review system for your staff.

We applaud your efforts to provide an effective rate review program for your State's insurance consumers that meet the criteria outlined in the Affordable Care Act. Many States' laws and programs exceed the standards set forth in the ACA and our regulations, and we encourage all States to continue their efforts to ensure that rates charged to health insurance consumers in their State are reasonable.

Sincerely,


Steve Larson, Director
Center for Consumer Information and Insurance Oversight

ATTACHMENT D

MISSISSIPPI INSURANCE DEPARTMENT

**HEALTH INSURANCE
RATE REVIEW WEBSITE EXAMPLES**



Compare Health Insurance Rate Changes

If you are looking for change your health insurance for yourself and your dependees, because of rate increase, here's a tool that will help you compare rate increase and medical loss ratios of all health insurance companies in the state. A look at the five year trends of rate increase of these companies may help you anticipate future rate changes and consider alternatives. Start by searching for your insurers name below.

Search By



Help & Advice

If you need help in understanding how to interpret the rate increase data represented here please read through the help section. If you cannot find your answer online, contact the Mississippi Insurance Department, www.mis.state.ms.us or call 800-552-2957 or 601-359-2453 or email to help@mid.state.ms.us



Frequently Asked Questions

- What is a network plan type?
- What is an individual or family health insurance plan?
- What types of individual or family health insurance plans do I have to choose from?
- How do HMO plans work?
- How do PPO plans work?
- What types of HMO models can I choose from?
- How do indemnity plans work?
- How do point of service (POS) plans work?



Resources

- Health insurance and the role of consumers and providers
- Glossary of terms and acronyms used on health insurance
- How to guide about shopping for health insurance background information about concepts



The Commissioner's Blog

Jun 03, 2011 American to lower health insurance rate hikes.



Related Links

HealthCare.gov
NAAC



Events Calendar

March 28 -2011 - 10:00 AM
A representative from the State Fire

2008

2007

2006

NO OF Mississippi Insurers*

2010

2009

2008

2007

2006

Policy Approval

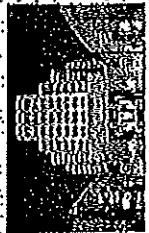
Summary of rate increase explanation

Policy Approval

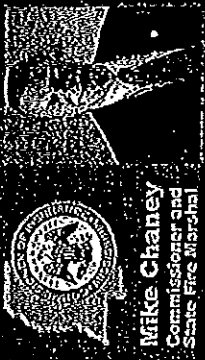
Rate Updated: Yes

Upload pdf/doc

*Number Of Mississippi Insurers refers to the number of insurers covered under individual policies and/or group policies.



- Home
- About Us
- Divisions
- Public Information Media
- Online Services
- Event Submittal/Registration
- Consumer Alerts
- Forms
- How Do I?
- Disaster Services
- Contact Us
- Request Complaint
- Site Map



Mike Chaney
Commissioner and
State Fire Marshal

Insurance Department
MISSISSIPPI

View Rate Changes

Return to Search Results

Aetna

Policy Form #: 19-2229
Type of Insurance: Group Health - Group Health
Policy Approval: 07052071
Current Rate Increase: 05222071
Current Rate Increase: 34%

Date of Last (5) Year Increases	07/12/2010	08/22/2009	02/22/2008	02/22/07	02/22/06
Percentage of Last (5) Yr Increase	0	0	0	0	0
Last (5) Year Loss Ratio	0	0	0	0	0
Yes, I am Insured	0	0	0	0	0

Resource FAQs Feedback

