Title 19, Part 3, Chapter 20: Association Self-Funded Health Benefit Plan Coverage Regulation

Table of Contents

Rule 20.01	Title
Rule 20.02	Purpose
Rule 20.03	Definitions
Rule 20.04	Applicability and Scope
Rule 20.05	General Requirements for an Exemption
Rule 20.06	Filing Requirements for Exemption
Rule 20.07	Issuance and Duration of Exemption
Rule 20.08	Annual Certification and Ongoing Compliance
Rule 20.09	Enforcement
Rule 20.10	Confidentiality
Rule 20.11	Severability
Rule 20.12	Effective Date
Rule 20.13	Notice to Purchasers and Participants
Rule 20.14	Application for Exemption
Rule 20.15	Annual Certification Form

Rule 20.01 Title

This Regulation shall be known and may be cited as the Association Self-Funded Health Benefit Plan Coverage Regulation and is promulgated by the Commissioner of Insurance of the State of Mississippi ("Commissioner of Insurance" or "Commissioner") pursuant to the authority granted to him by *Miss. Code Ann.*, Title 83, the requirements of *Miss. Code Ann.*§§ 25-43-1.101, et seq., the Mississippi Administrative Procedures Law; and the requirements of the Association Self-Funded Health Benefit Plan Coverage Act ("the Act") (Senate Bill 2704, 2026 Mississippi Regular Legislative Session).

Source: *Miss. Code Ann.* §§ 25-43-1.101, et seq.; § 83-5-1 (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.02 Purpose

The purpose of this Regulation is to further implement the Act by establishing processes and procedures which allow Association Self-Funded Health Benefit Plans ("Plans" or "Plan") that are subject to the jurisdiction of another state insurance department or the federal government to receive an exemption granted by the Commissioner from the insurance laws and regulations of the State of Mississippi. To receive an exemption, the Plan must demonstrate to the satisfaction of the Commissioner that the Plan is in compliance with applicable laws in its domiciliary jurisdiction and the Employee Retirement Income Security Act of 1974 ("ERISA"), and must demonstrate that it is being operated in accordance with sound actuarial principles and is designed to provide sufficient revenues to pay current and future liabilities. Additionally, this Regulation furthers the

primary goal of the Act to provide additional group health benefit plan coverage options to professional and trade associations located in this state by allowing their members to purchase group coverage from self-funded association plans domiciled and regulated in other states.

Source: Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, §§ 2. and 4., 2026 Mississippi Regular Legislative Session)

Rule 20.03 Definitions

For purposes of this Regulation, any terms defined in the Act shall have the same meaning in this Chapter 20.

Source: Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, § 3., 2026 Mississippi Regular Legislative Session)

Rule 20.04 Applicability and Scope

This Regulation shall apply to Plans as defined in § 3. of the Act; provided, however, the Regulation shall not apply to a fully insured association health benefit plan as defined in § 3. of the Act or to a Plan that is exempt from state insurance regulation pursuant to ERISA.

Source: Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, §§ 3. and 9., 2026 Mississippi Regular Legislative Session)

Rule 20.05 General Requirements for an Exemption

(1) In order to qualify under the Act for an exemption from the insurance laws of this state, a Plan must demonstrate to the satisfaction of the Commissioner the following:

(a) That the Plan is subject to the jurisdiction of another state insurance department or the federal government by providing the Commissioner with the appropriate certificate, license or written authorization issued by the other governmental agency that permits or otherwise qualifies the Plan to provide group coverage for hospital, surgical or medical expense benefits;

(b) That the Plan was established in its domiciliary jurisdiction for the members of a professional association or trade association that has been organized and maintained in good faith for a continuous period of three years for purposes other than that of obtaining or providing insurance;

(c) That the Pian is in compliance with applicable laws in its domiciliary jurisdiction and any applicable requirements under ERISA addressing coverage, financial and reserve requirements;

(d) That the rates are not inadequate, excessive or unfairly discriminatory and are appropriate for the classes of risks for which they have been computed;

(e) That the Plan is being operated in accordance with sound actuarial principles and is designed to provide sufficient revenues to pay current and future liabilities;

(f) That the Plan is neither offered nor advertised to the public generally;

(g) That the Plan is required under the laws of its domiciliary jurisdiction to maintain excess insurance with a retention level determined in accordance with sound actuarial principles;

(h) That the Plan is required under the laws of its domiciliary jurisdiction to establish and maintain appropriate loss reserves determined in accordance with sound actuarial principles;

(i) That the Plan is a nonprofit organization.

(2) In addition to the items listed in subsection (1) above, a Plan seeking an exemption from the Commissioner must also satisfy the following requirements:

(a) Information set forth in the notice requirements of sections 5, 6 and 7 of the Act must be provided to Plan participants and purchasers or prospective purchasers. Plans shall use the Notice to Purchasers and Participants Form provided in Rule 20.13 to satisfy these requirements.

(b) The Plan must identify the Third-Party Administrator ("TPA") administering the Plan in this state and the TPA must hold a valid Mississippi license under *Miss. Code Ann. §§ 83-18-1 et seq.*

(c) The Plan must designate the Commissioner as its agent solely for the purpose of receiving service of legal documents or process and shall pay the standard filing fee in the amount of $50.00 for such designation.

Source: *Miss. Code Ann.* §§ 83-18-1 et seq.; Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.06 Filing Requirements for Exemption

(1) Any Plan, as that term is defined in § 3. of the Act, seeking an exemption granted by the Commissioner from the insurance laws of this state must submit a complete Application

for Exemption to the Commissioner and shall use the application form provided in Rule 20.14.

(2) To be considered complete, the application for an exemption must be completed in its entirety and must be accompanied by a non-refundable filing fee in the amount of $1,000.00 and all required documents and reports.

Source: Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.07 Issuance and Duration of Exemption

(1) Upon demonstrating to the satisfaction of the Commissioner that the Plan is in compliance with the provisions of the Act, the Commissioner will issue a written exemption and the Plan shall be exempt from all other provisions of *Miss. Code Ann.*, Title 83, shall be eligible to provide association-based group health benefit coverage in this state and shall not be regulated by the Mississippi Insurance Department, except as otherwise set forth in the Act.

(2) Upon issuance, the exemption shall continue in full force and effect until suspended or revoked by the Commissioner.

Source: Association Self-Funded Health Benefit Plan Coverage Act, Section 4. (2) (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.08 Annual Certification and Ongoing Compliance

(1) A Plan that receives an exemption from *Miss. Code Ann.*, Title 83, shall certify annually to the Commissioner each year thereafter, on or before February 15th, that the Plan continues to meet the eligibility requirements for an exemption contained in the Act.

(2) In fulfilling its annual certification requirement, the Plan shall complete and submit to the Commissioner, by February 15th, the Annual Certification Form provided in Rule 20.15. A non-refundable filing fee in the amount of $500.00 shall accompany the filing of the annual certification form.

Should a Plan be unable to satisfy the eligibility requirements for a continuing exemption and thus be unable to submit the annual certification form as prescribed herein, the Plan shall submit a detailed report to the Commissioner fully describing all instances of noncompliance with the Act and the corrective action steps the Plan is taking to correct and resolve those issues. Should a detailed report be filed in lieu of the annual certification, the report shall be accompanied by a non-refundable filing fee in the amount of $500.00.

(3) As part of the annual certification process, the Plan shall submit to the Commissioner each year a copy of the Plan's audited financial statement and actuarial opinion which are filed with the domiciliary state regulator. These copies shall be filed with the Commissioner on

the date they are due to the domiciliary state. The February 15th deadline for filing the certification form with the Commissioner shall not apply to the audited financial statement and actuarial opinion, and no separate fees will be assessed for filing these documents.

(4) The Commissioner, at any time, may review a Plan's compliance with the Act and this Regulation, request information from the Plan to investigate the Plan's compliance, and order corrective measures as the Commissioner, in his or her sole discretion, deems necessary. The Commissioner may retain outside attorneys, actuaries, certified public accountants or other professionals and specialists to assist in the review, the reasonable cost of which shall be borne by the Plan.

(5) A Plan shall report to the Commissioner, within two (2) business days, any financial impairment reported to, or as determined by, any federal or state regulator or authority, and shall report to the Commissioner, within two (2) business days, any administrative or legal action commenced or taken with respect to the Plan by any federal or state regulator or authority.

(6) Subject to the provisions of subsection (5) as set forth immediately above, should any information reported to the Commissioner as part of the initial application process or as part of the annual certification process change, the Plan shall report those changes to the Commissioner within ten (10) business days.

Source: Association Self-Funded Health Benefit Plan Coverage Act, Section 4. (2)(ii) (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.09 Enforcement

If the Commissioner determines that a Plan has not sufficiently complied with the requirements of the Act or this Regulation, it shall be grounds for the denial, suspension or revocation of the Plan's exemption from *Miss. Code Ann.*, Title 83, and its eligibility to provide group health benefit coverage in this state. The Commissioner shall afford a Plan a hearing, consistent with Mississippi Insurance Department regulations, upon a Plan's request made within twenty (20) days of notification of the Commissioner's determination, before such determination becomes final.

Source: Association Self-Funded Health Benefit Plan Coverage Act, Section 4. (2)(i) (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.10 Confidentiality

A Plan may designate material submitted to the Commissioner pursuant to this Regulation as confidential and exempt from disclosure to the public under the Mississippi Public Records Act if the Plan deems the material to meet the criteria set forth in *Miss. Code Ann.* § 25-61-9(1).

Source: *Miss. Code Ann.*§ 25-61-9(1) (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.11 Severability

If any provision of this Regulation, or the application of the provision to any person or circumstance shall be held invalid, the remainder of the Regulation, and the application of the provision to persons or circumstances other than those to which it is held invalid, shall not be affected.

Source: *Miss. Code Ann.* § 83-5-1 (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.12 Effective Date

This Regulation shall be effective thirty (30) days after final adoption with the Office of the Secretary of State.

Source: *Miss. Code Ann.* § 25-43-3.112 (Rev. 2022)

Rule 20.13. Notice to Purchasers and Participants

IMPORTANT NOTICE

To Plan Purchasers or Prospective Purchasers and Participants

(Insert Plan Name) is doing business in Mississippi as an Association Self-Funded Health Benefit Plan. The Plan is not regulated by the Mississippi Insurance Department and is not otherwise regulated under the insurance laws of the State of Mississippi.

Should the Plan become insolvent, it is not covered by the Mississippi Life and Health Guaranty Association.

Neither the costs of the Plan, benefits nor the benefit plan are regulated by the Mississippi Insurance Department.

Source: *Miss. Code Ann.* § 83-5-1 (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.14. Application for Exemption

STATE OF MISSISSIPPI
Mississippi Department of Insurance
501 North West Street, Suite 1001
Woolfolk State Office Building
PO Box 79
Jackson, MS 39205-0079

APPLICATION FOR ASSOCIATION SELF-FUNDED HEALTH BENEFIT PLAN EXEMPTION FROM *MISS. CODE ANN.*, TITLE 83

Pursuant to the Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session), application is hereby made to the Commissioner of Insurance of the State of Mississippi for an exemption from the insurance laws of the State of Mississippi, *Miss. Code Ann.,* Title 83.

1. Name of Association Self-Funded Health Benefit Plan ("Applicant" or "Plan"):

   _____

2. Home Office Address: _____

   Mailing Address: _____

   Telephone: _____ E-mail Address: _____

3. Please provide a primary contact (list primary contact first) and two additional contacts for the Plan. Each contact must be an officer, director or trustee of the Plan entity.

   Name: _____ Title: _____

   Office Address: _____

   Telephone: _____ E-mail Address: _____

   Name: _____ Title: _____

   Office Address: _____

   Telephone: _____ E-mail Address: _____

   Name: _____ Title: _____

   Office Address: _____

Telephone: _____ E-mail Address: _____

4. State of Domicile: _____ Date: _____

5. Federal Identification Number: _____

6. Is Applicant a non-profit organization? Yes ____ No____

7. Name, address and trade or profession of the out-of-state association for which the Plan was established:

   _____
   _____
   _____
   _____
   _____

8. Name, address and trade or profession of the Mississippi association whose members will be offered coverage by the Plan:

   _____
   _____
   _____
   _____
   _____

9. Name of the third-party administrator licensed pursuant to *Miss. Code Ann.*§ 83-18-1 et seq. (Rev. 2022), that will be servicing the Plan: _____

   Mississippi license no.: _____

   Please provide a primary contact for the TPA who will be responsible for overseeing the administration and payment of claims in Mississippi for the Plan.

   Name: _____ Title: _____

   Office Address: _____

   Telephone:_____ E-mail Address: _____

10. Is participation in the Plan solicited from the general public? Yes____ No ____

11. Is the Plan currently, or has it been within the last ten years, the subject of any civil, criminal, administrative or legal action commenced or taken by any federal or state regulator or authority? Yes ___ No___

If yes, please provide a summary of the issues involved and the status of the matter. Attach additional sheets if necessary:

_____
_____
_____
_____
_____

Attached hereto as Exhibit "1" is a list of required documents and reports which must be submitted with this application in order for it to be considered complete. Exhibit "1" and all documents and reports listed therein are incorporated herein by reference and shall be considered a part of this application.

The following must be signed by an officer of the Applicant before a Notary Public as verification of the information submitted:

The Plan hereby applies for an exemption from the insurance laws of the State of Mississippi pursuant to the Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session). To the best of the knowledge of the undersigned Plan officer, the information contained in this application and in the documents and reports attached thereto is true and correct.

The undersigned believes that the Applicant/Plan fully complies with all of the requirements of the Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session) and has done all matters and things necessary to entitle it to receive such an exemption.

The undersigned, being first duly sworn, deposes and says that he/she is a senior officer having personal knowledge of this application and the information provided therein of _____(Insert Plan Name)_____; that he/she has read the said application and the attached documents and reports and knows the information to be true and correct to the best of his/her knowledge.

Dated: _____

Full Name of Plan: _____

Officer's Signature: _____

Printed Name: _____

Title: _____

State of: _____

County of: _____

Sworn to and subscribed before me this ____ day of _____, _____.

Notary Seal:

Notary Signature:_____

My commission expires: _____

Exhibit "1"

Association Self-Funded Health Benefit Plan
Application for Exemption from *Miss. Code Ann.*, Title 83
List of Required Documents and Reports

Please submit the following fee, documents and reports along with the application form:

1. Certified copy of the applicable license, certificate or written authorization issued by another state insurance department or the federal government that permits or otherwise qualifies the Plan to provide group coverage for hospital, surgical or medical expense benefits;

2. A list of all the states where the Plan holds a certificate of authority, license or written authorization to provide group coverage for hospital, surgical or medical expense benefits;

3. Mississippi Business Plan;

   (a) State the reasons you are applying for an exemption in Mississippi.

   (b) Identify the number of employers currently participating and the number of employees and dependents covered by the Plan.

   (c) List the individuals responsible for managing or handling funds or assets of the Plan.

   (d) Provide the name of the Third Party Administrator ("TPA") responsible for servicing the program of the Plan and attach a copy of the TPA's Mississippi license. Attach to the Business Plan a copy of the agreement between the Plan and the TPA.

   (e) Describe the present or proposed plan to service billings, claims and underwriting.

(f) Provide an outline and description of management's proposed marketing efforts. This should include your desired timeframes for the initial open enrollment period and when you propose for the initial coverage period to begin. Applicant should list the names of all persons directly employed by the Plan who solicit participants or adjust claims, indicating whether such persons have a license issued by the Mississippi Insurance Department and if so, what type of license. For individuals without licenses, the applicant should provide their qualifications.

4. Certified copy of Articles of Incorporation, if applicable;

5. Copy of all by-laws, agreements, trusts, or other documents or instruments describing the rights and obligations of the employers, employees and beneficiaries of the Plan;

6. A statement advising whether the benefit plan you propose to offer in Mississippi requires employers to make financial contributions to the trust fund should the Plan suffer a financial impairment;

7. Certified copy of the Articles of the out-of-state association for which the plan was originally established and furnish a brief description of the services provided to association members that are not insurance related;

8. A letter of intent from the participating Mississippi association affirming that it intends to make the plan available to its members. This letter should also confirm the Mississippi association has been in existence for more than three years, and should briefly describe the services provided to association members that are not insurance related;

9. A letter citing the provisions of law in the Plan's domiciliary state and under the Employee Retirement Income Security Act of 1974 which address coverage, financial and reserve requirements applicable to the Plan; The letter should adequately explain how the plan complies with each of the cited provisions and should attest that the plan is in compliance with each requirement;

10. A copy of the Plan's most recent audited financial statement and actuarial opinion filed with its domiciliary insurance regulator;

11. A copy of the most recent report of examination of the Plan issued by the Plan's domiciliary insurance regulator, if any;

12. Pro forma financial statements if the Plan has been in existence for less than one year;

13. A copy of the Plan's most recent Federal Form 5500 filing with the IRS, including all attachments;

14. A copy of each summary plan description of the Plan required to be filed with the United States Department of Labor, including any amendments to each plan description;

15. A copy of any excess/stop-loss insurance policies maintained or proposed to be maintained along with attachment points;

16. A copy of the notice form the plan is required to provide to plan participants and purchasers as prescribed in Rule 20.13 to the Association Self-Funded Health Benefit Plan Coverage Regulation, Title 19, Part 3, Chapter 20, Mississippi Administrative Procedures Law;

17. Executed NAIC Uniform Consent to Service of Process, Form 12, designating the Commissioner as Agent for Service of Process, which is available on the Mississippi Insurance Department's website;

18. Biographical affidavits of officers, directors and trustees on forms prescribed by the NAIC; This must include the Supplemental Information and Authority for Release of Information forms; This must be provided for all persons acting in a fiduciary capacity; and,

19. Non-refundable filing fee in the amount of $1,000.00.

Source: *Miss. Code Ann.* § 83-5-1 (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)

Rule 20.15. Annual Certification Form

STATE OF MISSISSIPPI
Mississippi Department of Insurance
501 North West Street, Suite 1001
Woolfolk State Office Building
PO Box 79
Jackson, MS 39205-0079

ANNUAL CERTIFICATION FOR ASSOCIATION SELF-FUNDED HEALTH BENEFIT PLAN
QUALIFICATION FOR EXEMPTION FROM *MISS. CODE ANN.*, TITLE 83

_____, an Association Self-Funded Health Benefit Plan doing business in the State of Mississippi pursuant to the requirements of the Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session) (the "Act"), hereby certifies that it continues to meet the eligibility requirements under the Act necessary to qualify for an exemption from the insurance laws of this state.

The Plan further certifies as follows:

1. That on _____, ___, _____, pursuant to the authority granted in the Act, the Commissioner issued a letter of exemption to the Plan exempting it from the provisions of *Miss. Code Ann.*, Title 83;

2. That the Plan continues to hold a valid license, certificate of authority or written authorization from another state insurance department or the federal government which qualifies the Plan to provide group coverage for hospital, surgical or medical expense benefits;

3. That the Plan is in compliance with applicable laws in its domiciliary jurisdiction and any applicable requirements under ERISA addressing coverage, financial and reserve requirements;

4. That Plan rates are not inadequate, excessive or unfairly discriminatory and are appropriate for the classes of risks for which they have been computed;

5. That the Plan is being operated in accordance with sound actuarial principles and is designed to provide sufficient revenues to pay current and future liabilities;

6. That the Plan continues to maintain excess/stop-loss insurance with a retention level determined in accordance with sound actuarial principles and in compliance with the laws of its domiciliary jurisdiction;

7. That the Plan continues to maintain appropriate loss reserves determined in accordance with sound actuarial principles and in compliance with the laws of its domiciliary jurisdiction; and,

8. That the Plan continues to meet all other requirements for an exemption as set forth in the Act and in the Association Self-Funded Health Benefit Plan Coverage Regulation, Title 19, Part 3, Chapter 20, Mississippi Administrative Procedures Law.

NOTE: A non-refundable filing fee in the amount of $500.00 shall accompany the filing of this annual certification form.

As part of this annual certification process, the Plan shall submit to the Commissioner each year a copy of the Plan's audited financial statement and actuarial opinion which are filed with the domiciliary regulator. These copies shall be filed with the Commissioner on no later than the date they are due to the domiciliary state. The February 15th deadline for filing this certification form with the Commissioner shall not apply to the audited financial statement and actuarial opinion, and no separate fees will be assessed for filing these documents.

The following must be signed by an officer of the Plan before a Notary Public as verification of the information submitted:

To the best of the knowledge of the undersigned Plan officer, the information contained in this certification form is true and correct.

The undersigned believes that the Plan fully complies with all of the requirements of the Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session) and has done all matters and things necessary to entitle it to continue to be exempt from the provisions of *Miss. Code Ann.*, Title 83.

The undersigned, being first duly sworn, deposes and says that he/she is a senior officer having personal knowledge of this certification and the information provided therein of _____(Insert Plan Name)_____; that he/she has read the ~~said~~ certification form and knows the information to be true and correct to the best of his/her knowledge.

Dated: _____

Full Name of Plan:_____

Officer's Signature: _____

Printed Name: _____

Title:_____

State:_____

County of: _____

Sworn to and subscribed before me this ____ day of _____, _____.

Notary Seal:

Notary Signature: _____

My commission expires:

_____

Source: *Miss. Code Ann.* § 83-5-1 (Rev. 2022); Association Self-Funded Health Benefit Plan Coverage Act (Senate Bill 2704, 2026 Mississippi Regular Legislative Session)