

HB 1964 -- Missouri Health Insurance Pool

Sponsor: Ervin

This bill changes the laws regarding the Missouri Health Insurance Pool (MHIP). In its main provisions, the bill:

(1) Specifies that a Missouri resident who has exhausted the maximum benefits from his or her health insurer or who can only obtain health insurance from a carrier at a rate that is more expensive than the pool's eligibility rates as set by the board will be eligible for coverage under the pool;

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

(3) Specifies that any person on whose behalf the pool has paid out \$2 million in benefits will not be eligible for coverage under the pool. Currently, the limit is \$1 million;

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

(5) Requires the board to offer other health benefit plans that are in the best interest of the individuals covered under the pool including, but not limited to, coverage for dental, vision, and limited mandate plans or other similar flexible benefit plans and allows the board to establish a premium rate load to allow enrollees to buy down creditable coverage;

(6) Specifies that an individual's premium rate for the pool must be based on the individual's family size;

(7) Removes the lower limit requirement for pool coverage for applicants;

(8) Prohibits pool coverage rates from exceeding 125% of those applicable to individual standard risks for individuals who have had prior creditable coverage with a group, governmental, or church plan; are not eligible for certain Social Security or

Title XIX benefits; do not have other health insurance coverage; and have exhausted continuation of coverage through COBRA. Pool coverage rates cannot exceed 125% of rates applicable to individual standard risks for all others covered in the pool. Currently, the rate limits are 150%; and

(9) Requires an agent or broker selling or renewing a pool policy to receive a 5% commission upon the approval or renewal of the policy.