SOS APA Form 001

Mississippi Secretary of State

700 North Street P. O. Box 136, Jackson, MS 39205-0136

ADMINISTRATIVE PROCEDURES NOTICE FILING

AGENCY NAME Mississippi Insurance Department		CONTACT PERSON Kim Causey	TELEPHONE NUMBER 601-359-3577	
ADDRESS PO BOX 79		CITY Jackson	STATE MS	ZIP 39205
EMAIL Kim.Causey@mid.ms.gov	SUBMIT DATE 7/10/24	Name or number of rule(s): Miss. Admin. Code, Title 19, Part 3, Chapter 18: Managed Care Plan Certification Regulation		

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal: This regulation is promulgated to establish a process for certifying managed care plans pursuant to the provisions of *Miss. Code Ann.* §§ 83-41-401 et seq..

Specific legal authority authorizing the promulgation of rule: Miss. Code Ann. § 83-5-1; 83-41-401 et seq.

List all rules repealed, amended, or suspended by the proposed rule: n/a

ORAL PROCEEDING:

☐ An oral proceeding is scheduled for this rule on Date: _____ Time: _____ Place: _____

☒ Presently, an oral proceeding is not scheduled on this rule.

If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

ECONOMIC IMPACT STATEMENT:

Economic impact statement not required for this rule. ☒ Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
_____ Original filing _____ Renewal of effectiveness To be in effect in _____ days Effective date: _____ Immediately upon filing _____ Other (specify): _____	**Action proposed:** ____ New rule(s) ____ Amendment to existing rule(s) _____ Repeal of existing rule(s) _____ Adoption by reference **Proposed final effective date:** ____ 30 days after filing ____ Other (specify):	**Date Proposed Rule Filed: 5/1/24** **Action taken:** ____ Adopted with no changes in text _x_ Adopted with changes _____ Adopted by reference _____ Withdrawn _____ Repeal adopted as proposed **Effective date:** _x_ 30 days after filing _____ Other (specify): _____

Printed name and Title of person authorized to file rules: *Kimberly Causey, Chief of Staff*

Signature of person authorized to file rules: Kimberly Causey

DO NOT WRITE BELOW THIS LINE

OFFICIAL FILING STAMP	OFFICIAL FILING STAMP	OFFICIAL FILING STAMP
		FILED JUL 1 2 2024 MISS... SECRETA...
Accepted for filing by	**Accepted for filing by**	**Accepted for filing by** 27587 MC

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.

SOS APA Form 002
Rev. 6/12

Michael Watson
SECRETARY OF STATE

CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME Mississippi Department of Insurance	CONTACT PERSON Kim Causey		TELEPHONE NUMBER 601-359-3577
ADDRESS PO BOX 79	CITY Jackson	STATE MS	ZIP 39205
EMAIL kim.causey@mid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Managed Care Plan Certification Regulation		

Miss. Code Ann. §§ 25-43-1.101, et seq.; § 83-5-1; §§ 83-41-401, et seq. (Rev. 2022); Managed Care Plan Network Adequacy Regulation, Title 19, Part 3, Chapter 14	Reference to Rules repealed, amended or suspended by the Proposed Rule: Miss. Admin. Code Title 19, Part 3, Chapter 18 Managed Care Plan Certification Regulation

A. Estimated Costs and Benefits

1. **Briefly summarize the benefits that may result from this regulation and who will benefit:**
The benefits that will result from the relevant portion of this proposed regulation include a process for certifying managed care plans pursuant to *Miss. Code Ann.* §§ 83-41-401 et seq.,, and through the certification process advances certain provisions of the Managed Care Plan Network Adequacy Regulation, Title 19, Part 3, Chapter 14, by requiring that managed care plans have adequate networks in order to be certified by the Mississippi Insurance Department. That regulation establishes a process for reducing the out-of-pocket costs for Mississippi consumers who are members of managed care plans when those consumers are forced to incur travel expenses because the managed care plan's network fails to comply with the geographic access standards established by the Managed Care Plan Network Adequacy Regulation.

2. **Briefly describe the need for the proposed rule:**
The proposed regulation includes a process for certifying managed care plans pursuant to *Miss. Code Ann.* §§ 83-41-401 et seq., also known as the Mississippi Patient Protection Act of 1995. Additionally, it furthers the goals of the Managed Care Plan Network Adequacy Regulation, Title 19, Part 3, Chapter 14, by requiring that managed care plans have adequate networks in order to be certified by the Mississippi Insurance Department. The Managed Care Plan Network Adequacy Regulation establishes a process for reducing the out-of-pocket costs for Mississippi consumers who are members of managed care plans when those consumers are forced to incur travel expenses because the managed care plan's network fails to comply with the geographic access standards established by the proposed amended regulation. The certification process established in this proposed regulation will ensure that covered persons in a "managed care plan" as defined by *Miss. Code Ann.* § 83-41-403 will have adequate networks and, should the managed care plan network fails to comply with the geographic access standards established by the Managed Care Plan Network Adequacy Regulation, that said plan will properly address out-of-pocket costs for Mississippi consumers when those consumers are forced to incur travel expenses. The certification standards adopted by this proposed regulation will impose no new expenses on to Mississippi consumer, but instead onto the health carrier. This is reasonable because the health carriers are the only parties able to comply with the certification process, and also, if necessary, remedy the geographic inadequacy of their own managed care plan network.

3. **Briefly describe the effect the proposed action will have on the public health, safety, and welfare:** The proposed regulation will ensure that managed care plans meet the statutory and regulatory requirements as established. By ensuring these plans meet network adequacy standards, it will lessen the financial burden on Mississippi consumers who are members of a managed care plan when they are forced to travel outside the reasonable geographic confines of their residences.

4. **Estimated Cost of implementing proposed action:**
   a. To the agency
   ■ Nothing ☐ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
   b. To other state or local government entities
   ■ Nothing ☐ Minimal ☐ Moderate ☐ Substantial ☐ Excessive

5. **Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:**
   a. Cost:
   ■ Nothing ■ Minimal ☐ Moderate ☐ Substantial ☐ Excessive
   b. Economic Benefit:
   ☐ Nothing ☐ Minimal ☐ Moderate ■ Substantial ☐ Excessive

6. **Estimated impact on small businesses:**
   ☐ Nothing ■ Minimal ☐ Moderate ☐ Substantial ☐ Excessive

   a. Estimate of the number of small businesses subject to the proposed regulation:

A small business is defined in *Miss. Code Ann.* § 25-43-4.102 as a for-profit business employing fewer than one hundred full-time employees or having gross annual sales or revenue of less than $10,000,000. The proposed amended regulation draws no distinction between businesses that either do or do not meet that definition, but it limits its coverage to health carriers who maintain "managed care plans" within the definition of *Miss. Code Ann.* § 83-41-403. That said, no health carriers covered by the proposed rule meet the definition of a "small business" under *Miss. Code Ann.* § 25-43-4.102.

   b. Projected costs for small businesses to comply:

The impact to small businesses either inside or outside of the State is minimal.

   c. Statement of probable effect on impacted small businesses:

The impact to small businesses either inside or outside of the State is minimal.

7. **The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):**
   ☐ substantially less than ☐ moderately less than ☐ minimally less than
   ■ the same as ☐ minimally more than ☐ moderately more than
   ☐ substantially more than ☐ excessively more than

8. **The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):**
   ☐ substantially less than ☐ moderately less than ☐ minimally less than
   ☐ the same as ☐ minimally more than ☐ moderately more than
   ■ substantially more than ☐ excessively more than

B. Reasonable Alternative Methods

1. **Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?**

   ☐ yes ■ no

2. **If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.)** N/A

C. Data and Methodology

1. **Please briefly describe the data and methodology you used in making the estimates required by this form.**

The Department engaged the Center for Insurance Policy & Research (CIPR), which is an arm of the National Association of Insurance Commissioners (NAIC), for a project to estimate the cost to health carriers to certify their plans in accordance with the provisions adopted in the Managed Care Plan Network Adequacy Regulation, especially regarding the reimbursement of travel costs to members of its managed care plan when members were required to travel 100 miles or more from their residence to reach an in-network medical provider. The CIPR tallied visits to each practitioner specialty and facility type by the members of a managed care plan relative to those members' geographic residence determined by zip codes to determine the occasions in which the members would have to travel more than 100 miles for medical treatment. CIPR estimated the total annual cost using generous estimates of the occasions when reimbursement would be required. As noted, there is no net increased cost since the cost would be incurred by the consumers regardless. The amendment merely shifts responsibility of the cost to the health plans. The total shifted annual cost even under a worst-case scenario was minimal. The actual certification of these plans as required under this proposed regulation is of a minimal cost.

Where, when, and how may someone present their views on the proposed rule and request an oral proceeding on the proposed rule if one is not already scheduled?

Written comments on this proposed rule will be accepted for until 4:00 p.m. on Friday, May 31, 2024, and may be submitted to the agency contact person listed. If a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons, the Department will schedule an oral hearing

SIGNATURE Kimberly Causey	TITLE Chief of Staff
DATE 5/1/24	PROPOSED EFFECTIVE DATE OF RULE 1/1/25