



MetroJackson
M I S S I S S I P P I
CHAMBER OF COMMERCE

The MJCC Position on AHP's

The MJCC and its affiliation with thirty-eight (38) additional chambers of commerce in Mississippi offer accessible and affordable health insurance to its small business membership. The program, which is only six years old, has over one thousand participating small business members, which in turn cover approximately seventeen thousand persons. This program has shown particularly strong growth in the past two years. We anticipate covering over forty thousand persons by the end of 2004.

We are concerned about the current Federal Association Health Plan legislation. Our main concern is that our state laws currently protecting "all" of our people will not govern these national plans. Whether the national program is "self-funded" and exempt from all state laws, or whether it is a nationally insured plan requiring the program to meet regulations in ONE state within our country, the result of bypassing many necessary state requirements presents many concerns. These necessary and fair state laws and regulations include rating rules, re-underwriting restrictions, coverage mandates, prompt pay, consumer protections, marketing rules and most importantly — solvency requirements.

The MJCC sincerely believes that national AHP's would insure the healthiest of employees and leave those needing health insurance the most without coverage. By this action, state and local plans like ours would be left with only the higher risk. Without a true pool of all small business employees, our purchasing alliance would no longer exist. Therefore, the idea that national AHP's will decrease the number of uninsured better than a local or state plan doesn't seem to be a reality.

The MJCC respectfully requests that Congress study this issue extensively. If the national AHP's are required to exist on an equal playing field in each of the states they plan to operate in, then we look forward to the competition as being good for the consumer. However, if they are not required to operate on that equal playing field, we strongly oppose the legislation.