

SECOND REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 565
96TH GENERAL ASSEMBLY

Reported from the Committee on Small Business, Insurance and Industry, March 22, 2012, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 565, adopted March 27, 2012.

Taken up for Perfection March 27, 2012. Bill declared Perfected and Ordered Printed.

4703S.02P

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 376.961, RSMo, and to enact in lieu thereof one new section relating to the board of directors of the Missouri health insurance pool.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 376.961, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 376.961, to read as follows:

376.961. 1. There is hereby created a nonprofit entity to be known as the
2 "Missouri Health Insurance Pool". All insurers issuing health insurance in this
3 state and insurance arrangements providing health plan benefits in this state
4 shall be members of the pool.

5 2. **On December 31, 2012, the terms of the eight current members**
6 **of the board of directors shall expire.** Beginning January 1, [2007] **2013**,
7 the board of directors shall consist of the director of the department of insurance,
8 financial institutions and professional registration or the director's designee, [and
9 eight] **four** members appointed by the [director] **governor, with the advice**
10 **and consent of the senate, and the four ex officio legislative members**
11 **described in subsection 3 of this section.** Of the initial [eight] **four**
12 members appointed, [three] **two** shall serve a three-year term, [three shall serve
13 a two-year term,] and two shall serve a one-year term. All subsequent
14 appointments to the board shall be for three-year terms. Members of the board
15 shall have a background and experience in health insurance plans or health
16 maintenance organization plans, in health care finance, or as a health care
17 provider or a member of the general public; except that, the [director] **governor**

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 shall not be required to appoint members from each of the categories listed. The
19 [director] **governor** may reappoint members of the board **other than the eight**
20 **appointed members sitting on the board prior to January 1, 2013.** The
21 [director] **governor** shall fill vacancies on the board in the same manner as
22 appointments are made at the expiration of a member's term and may remove any
23 member of the board for neglect of duty, misfeasance, malfeasance, or
24 nonfeasance in office.

25 3. Beginning [August 28, 2007] **January 1, 2013**, the board of directors
26 shall consist of [fourteen] **nine** members. The board shall consist of the director
27 and the [eight] **four** members described in subsection 2 of this section and shall
28 consist of the following additional [five] **four** members:

29 (1) [One member from a hospital located in Missouri, appointed by the
30 governor, with the advice and consent of the senate;

31 (2)] Two members of the senate, with one member from the majority party
32 appointed by the president pro tem of the senate and one member of the minority
33 party appointed by the president pro tem of the senate with the concurrence of
34 the minority floor leader of the senate; and

35 [(3)] **(2)** Two members of the house of representatives, with one member
36 from the majority party appointed by the speaker of the house of representatives
37 and one member of the minority party appointed by the speaker of the house of
38 representatives with the concurrence of the minority floor leader of the house of
39 representatives.

40 4. The members appointed under subsection 3 of this section shall serve
41 in an ex officio capacity. [The terms of the members of the board of directors
42 appointed under subsection 3 of this section shall expire on December 31, 2009.
43 On such date, the membership of the board shall revert back to nine members as
44 provided for in subsection 2 of this section.]

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