

By: Representatives Stringer, Warren

To: Insurance;  
Appropriations

## HOUSE BILL NO. 972

1 AN ACT TO AMEND SECTIONS 25-15-251 AND 25-15-261, MISSISSIPPI  
2 CODE OF 1972, TO PROVIDE THAT CERTAIN RETIRED PUBLIC SCHOOL  
3 EMPLOYEES MAY ENROLL IN THE PUBLIC SCHOOL EMPLOYEES HEALTH  
4 INSURANCE PLAN DURING A ONE-YEAR OPEN ENROLLMENT PERIOD; AND FOR  
5 RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. Section 25-15-251, Mississippi Code of 1972, is  
8 amended as follows:

9 25-15-251. For the purposes of this article, the words and  
10 phrases used herein shall have the following meanings:

11 (a) "Employee" means a person who works full time for  
12 any school district, community/junior college, public library or  
13 university-based program authorized under Section 37-23-31 for  
14 deaf, aphasic and emotionally disturbed children, or any regular  
15 nonstudent school bus driver.

16 (b) "Department" means the Mississippi Department of  
17 Finance and Administration.

18 (c) "Plan" means the Public School Employees Health  
19 Insurance Plan created under this article.

20 (d) "Retiree" means any retired employee as defined in  
21 this section who is enrolled on April 12, 1991, in a group health  
22 insurance plan offered by the individual school district or  
23 community/junior college district, and those active employees who  
24 may subsequently retire from employment after April 12, 1991, and  
25 those retired employees who enroll in the plan during the open  
26 enrollment period provided in Section 25-15-261.

27 (e) "Board" means the State and Public School Employees  
28 Health Insurance Management Board created in Section 25-15-303.

29 SECTION 2. Section 25-15-261, Mississippi Code of 1972, is  
30 amended as follows:

31 25-15-261. (1) Each eligible employee may participate in  
32 the program by signing up for the plan at the time of employment.  
33 Each eligible employee who declines coverage under the plan must  
34 sign a waiver of coverage. After acceptance in the plan, the  
35 employee may cease his or her participation by filing a specific  
36 disclaimer with the board. Forms for this purpose shall be  
37 prescribed and issued by the board. All eligible employees will  
38 be eligible to participate in this self-insured plan on the  
39 effective date of the plan or on the date on which they are  
40 employed by the school district, if later, provided they make any  
41 necessary contributions as set out hereunder. Prior to the  
42 initial enrollment cutoff date for the plan, all participating  
43 employees who are currently covered under the Public School  
44 Employees Health Insurance Plan or under a group health plan  
45 sponsored by any participating school district or community/junior  
46 college district shall be eligible for full benefits under this  
47 plan on the first day of his or her participation regardless of  
48 any preexisting health condition or injury. All other  
49 participating employees shall have coverage of preexisting illness  
50 within one (1) year after enrollment in the plan. Spouses of  
51 employees, unmarried dependent children from birth to age nineteen  
52 (19) years, unmarried dependent children who are full-time  
53 students up to age twenty-three (23) years, and physically or  
54 mentally handicapped children, regardless of age, are eligible  
55 under this plan as of the date the employee becomes eligible.

56 If both spouses are eligible employees who participate in the  
57 plan, the benefits shall apply individually to each spouse by  
58 virtue of his or her participation in the plan. If those spouses  
59 also have one or more eligible dependents participating in the  
60 plan, the cost of their dependents shall be calculated at  
61 a special family plan rate. The cost for participation by the  
62 dependents shall be paid by the spouse who elects to carry such

63 dependents under his or her coverage. The special family plan  
64 rate shall apply also if the public school, community/junior  
65 college district or public library employee's spouse is a covered  
66 eligible employee under the State Employees Health Insurance Plan.

67 (2) The state shall annually provide one hundred percent  
68 (100%) of the cost of the above insurance plan for all district  
69 employees who work no less than twenty (20) hours during each week  
70 and regular nonstudent school bus drivers. Where federal funding  
71 is allowable to defray, in full or in part, the cost of  
72 participation in the program by district employees who work no  
73 less than twenty (20) hours during each week and regular  
74 nonstudent school bus drivers, whose salaries are paid, in full or  
75 in part, by federal funds, the allowance under this section shall  
76 be reduced to the extent of such federal funding. Where the use  
77 of federal funds is allowable but not available, it is the intent  
78 of the Legislature that school districts contribute the cost of  
79 participation for such employees from local funds, except that  
80 parent fees for child nutrition programs shall not be increased to  
81 cover such cost.

82 Any local contribution to the cost of insurance paid by the  
83 school district during the fiscal year immediately preceding July  
84 1, 1994, shall be converted into salary supplements or fringe  
85 benefits in that school district for certificated employees and  
86 teacher assistants. Any local contribution to the cost of  
87 insurance paid by the school district for noncertificated  
88 employees during the fiscal year immediately preceding July 1,  
89 1994, shall be converted into salary supplements or fringe  
90 benefits in that school district.

91 (3) The state shall provide annually, by line item in the  
92 community/junior college appropriation bill, such funds to pay one  
93 hundred percent (100%) of the cost of the plan for all  
94 community/junior college district employees who work no less than  
95 twenty (20) hours during each week.

96 Where the use of federal funding is allowable to defray, in

97 full or in part, the cost of participation in the insurance plan  
98 by community/junior college district employees who work no less  
99 than twenty (20) hours during each week, whose salaries are paid,  
100 in full or in part, by federal funds, the allowance under this  
101 section shall be reduced to the extent of the federal funding.  
102 Where the use of federal funds is allowable but not available, it  
103 is the intent of the Legislature that community/junior college  
104 districts contribute the cost of participation for such employees  
105 from local funds.

106 Any community/junior college district may contribute to the  
107 cost of coverage for any district employee from local  
108 community/junior college district funds, and any public school  
109 district may contribute to the cost of coverage for any district  
110 employee from nonminimum program funds. Any part of the cost of  
111 such coverage for participating employees of public school  
112 districts and public community/junior college districts that is  
113 not paid by the state or by the districts shall be paid by the  
114 participating employees, which shall be deducted from the salaries  
115 of the employees in a manner determined by the board.

116 Any funds appropriated for the cost of insurance by line item  
117 in the community/junior colleges appropriation bill which are not  
118 expended during the fiscal year for which such funds were  
119 appropriated shall be carried forward for the same purposes during  
120 the next succeeding fiscal year.

121 Any local contribution to the cost of insurance paid by a  
122 community/junior college district for eligible employees during  
123 the fiscal year immediately preceding July 1, 1994, shall be  
124 converted into salary supplements or fringe benefits distributed  
125 among all full-time employees of the district.

126 (4) The state shall not share in the cost of coverage for  
127 retired employees. Any retired employee electing to purchase  
128 retired health insurance will have the full cost of such insurance  
129 deducted monthly from his State of Mississippi retirement plan  
130 check or directly billed to him. If the board determines

131 actuarially that the premium paid by the participating retirees  
132 adversely affects the overall cost of the plan to the state, then  
133 the board may impose a premium surcharge, not to exceed fifteen  
134 percent (15%), upon such participating retired employees who are  
135 under the age for Medicare eligibility.

136 (5) The board shall provide for an open enrollment period,  
137 beginning July 1, 1999, and ending July 1, 2000, for those  
138 employees who retired before April 12, 1991.

139 SECTION 3. This act shall take effect and be in force from  
140 and after July 1, 1999.