HOUSE BILL NO. 601

AN ACT TO PROVIDE THAT THE BOARD OF TRUSTEES OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM SHALL ESTABLISH A GROUP HEALTH INSURANCE PLAN UNDER WHICH MEMBERS OF THE SYSTEM MAY PREPAY THE COST OF HEALTH INSURANCE BENEFITS BEFORE RETIREMENT AND RECEIVE THE BENEFITS AFTER RETIREMENT WITHOUT ADDITIONAL CONTRIBUTIONS BY THE EMPLOYEE; AND FOR RELATED PURPOSES.

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

SECTION 1. The Board of Trustees of the Public Employees' Retirement System shall establish and implement a group health insurance plan under which members of the system may prepay the costs of health insurance benefits through payroll deduction contributions before retirement and receive health insurance benefits after retirement without additional contributions by the employee. The board of trustees shall determine the coverages of the plan, and the amount of the coverage shall be in such reasonable amount as determined by the board to be adequate, after due consideration of current and projected health costs in Mississippi. The rate of the employee contributions before retirement shall be determined by the board of trustees, and the rate may be different for individual employees, taking into consideration the employee's age, life expectancy and the number of years before eligibility for retirement during which contributions will be made. The board of trustees may provide optional coverage for the spouses and other dependents of employees, and any employee electing that optional coverage shall have his contribution rate adjusted accordingly by the board of trustees. The board of trustees may enter into an agreement with insurance companies, hospital service associations, medical or health care corporations, health maintenance organizations or
government agencies authorized to do business in the state for the
issuance of a policy or contract of health, medical, hospital or surgical benefits or any combination thereof for employees participating in the plan. The board of trustees may employ or contract for such consulting or actuarial services as may be necessary to formulate the plan. The board of trustees is authorized to make all rules and regulations necessary to carry out the purpose and intent of this section.

SECTION 2. This act shall take effect and be in force from and after July 1, 2001.