

By: Senator(s) Williamson, Dawkins, Chaney,
Cuevas, Butler, Jordan, Wilemon, Morgan,
Harden, Horhn

To: Insurance;
Appropriations

SENATE BILL NO. 2478

1 AN ACT TO REQUIRE THAT CERTAIN INSURANCE POLICIES AND
2 CONTRACTS SHALL PROVIDE COVERAGE FOR ALL COLORECTAL CANCER
3 EXAMINATIONS AND LABORATORY TESTS SPECIFIED IN CURRENT AMERICAN
4 CANCER SOCIETY GUIDELINES FOR COLORECTAL CANCER SCREENING; TO
5 AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
6 THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE PLAN SHALL INCLUDE
7 COVERAGE FOR ALL COLORECTAL CANCER EXAMINATIONS AND LABORATORY
8 TESTS SPECIFIED IN CURRENT GUIDELINES; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** (1) All individual and group health insurance
11 policies providing coverage on an expense-incurred basis,
12 individual and group service or indemnity type contracts issued by
13 a nonprofit corporation, individual and group service contracts
14 issued by a health maintenance organization, all self-insured
15 group arrangements to the extent not preempted by federal law and
16 all managed health care delivery entities of any type or
17 description that are delivered, issued for delivery, continued or
18 renewed on or after July 1, 2004, and providing coverage to any
19 resident of this state shall provide benefits or coverage for all
20 colorectal cancer examinations and laboratory tests specified in
21 current American Cancer Society (ACS) guidelines for colorectal
22 cancer screening of asymptomatic individuals. Coverage of
23 benefits shall be provided for all such colorectal screening
24 examinations and tests that are administered at a frequency
25 identified in the current ACS guidelines for colorectal cancer.

26 Benefits are provided under this section for a covered
27 individual who is:

28 (a) At least fifty (50) years of age; or

29 (b) Less than fifty (50) years of age and at high risk
30 for colorectal cancer according to current colorectal cancer
31 screening guidelines of the American Cancer Society;

32 The coverage required under this section shall meet the
33 requirements set forth in subsection (2) of this section.

34 (2) To encourage colorectal cancer screenings, patients and
35 health care providers must not be required to meet burdensome
36 criteria or overcome significant obstacles to secure such
37 coverage. An individual shall not be required to pay an
38 additional deductible or coinsurance for testing that is greater
39 than an annual deductible or coinsurance established for similar
40 benefits. If the program or contract does not cover a similar
41 benefit, a deductible or coinsurance may not be set at a level
42 that materially diminishes the value of the colorectal cancer
43 benefit required. Reimbursement to health care providers for
44 colorectal cancer screenings provided under this section shall be
45 equal to or greater than reimbursement to health care providers
46 provided under Title XVII of the Social Security Act (Medicare).

47 (3) A group health plan or health insurance issuer is not
48 required under this section to provide for a referral to a
49 nonparticipating health care provider unless the plan or issuer
50 does not have an appropriate health care provider that is
51 available and accessible to administer the screening exam and that
52 is a participating health care provider with respect to such
53 treatment.

54 (4) If a plan or issuer refers an individual to a
55 nonparticipating health care provider in accordance with this
56 section, services provided pursuant to the approved screening exam
57 or resulting treatment (if any) shall be provided at no additional
58 cost to the individual beyond what the individual would otherwise
59 pay for services received by such a participating health care
60 provider.

61 **SECTION 2.** Section 25-15-9, Mississippi Code of 1972, is
62 amended as follows:

63 **[Through June 30 of the year in which Section 25-11-143**
64 **becomes effective as provided in subsection (1) of Section**
65 **25-11-143, this section shall read as follows:]**

66 25-15-9. (1) (a) The board shall design a plan of health
67 insurance for state employees which provides benefits for
68 semiprivate rooms in addition to other incidental coverages which
69 the board deems necessary. The amount of the coverages shall be
70 in such reasonable amount as may be determined by the board to be
71 adequate, after due consideration of current health costs in
72 Mississippi. The plan shall also include major medical benefits
73 in such amounts as the board shall determine. The plan shall also
74 include coverage of all colorectal cancer examinations and
75 laboratory tests at a frequency specified in current American
76 Cancer Society (ACS) guidelines for colorectal cancer screening of
77 asymptomatic individuals. The board is also authorized to accept
78 bids for such alternate coverage and optional benefits as the
79 board shall deem proper. Any contract for alternative coverage
80 and optional benefits shall be awarded by the board after it has
81 carefully studied and evaluated the bids and selected the best and
82 most cost-effective bid. The board may reject all such bids;
83 however, the board shall notify all bidders of the rejection and
84 shall actively solicit new bids if all bids are rejected. The
85 board may employ or contract for such consulting or actuarial
86 services as may be necessary to formulate the plan, and to assist
87 the board in the preparation of specifications and in the process
88 of advertising for the bids for the plan. Such contracts shall be
89 solicited and entered into in accordance with Section 25-15-5.
90 The board shall keep a record of all persons, agents and
91 corporations who contract with or assist the board in preparing
92 and developing the plan. The board in a timely manner shall
93 provide copies of this record to the members of the advisory

94 council created in this section and those legislators, or their
95 designees, who may attend meetings of the advisory council. The
96 board shall provide copies of this record in the solicitation of
97 bids for the administration or servicing of the self-insured
98 program. Each person, agent or corporation which, during the
99 previous fiscal year, has assisted in the development of the plan
100 or employed or compensated any person who assisted in the
101 development of the plan, and which bids on the administration or
102 servicing of the plan, shall submit to the board a statement
103 accompanying the bid explaining in detail its participation with
104 the development of the plan. This statement shall include the
105 amount of compensation paid by the bidder to any such employee
106 during the previous fiscal year. The board shall make all such
107 information available to the members of the advisory council and
108 those legislators, or their designees, who may attend meetings of
109 the advisory council before any action is taken by the board on
110 the bids submitted. The failure of any bidder to fully and
111 accurately comply with this paragraph shall result in the
112 rejection of any bid submitted by that bidder or the cancellation
113 of any contract executed when the failure is discovered after the
114 acceptance of that bid. The board is authorized to promulgate
115 rules and regulations to implement the provisions of this
116 subsection.

117 The board shall develop plans for the insurance plan
118 authorized by this section in accordance with the provisions of
119 Section 25-15-5.

120 Any corporation, association, company or individual that
121 contracts with the board for the third-party claims administration
122 of the self-insured plan shall prepare and keep on file an
123 explanation of benefits for each claim processed. The explanation
124 of benefits shall contain such information relative to each
125 processed claim which the board deems necessary, and, at a
126 minimum, each explanation shall provide the claimant's name, claim

127 number, provider number, provider name, service dates, type of
128 services, amount of charges, amount allowed to the claimant and
129 reason codes. The information contained in the explanation of
130 benefits shall be available for inspection upon request by the
131 board. The board shall have access to all claims information
132 utilized in the issuance of payments to employees and providers.

133 (b) There is created an advisory council to advise the
134 board in the formulation of the State and School Employees Health
135 Insurance Plan. The council shall be composed of the State
136 Insurance Commissioner, or his designee, an
137 employee-representative of the institutions of higher learning
138 appointed by the board of trustees thereof, an
139 employee-representative of the Department of Transportation
140 appointed by the director thereof, an employee-representative of
141 the State Tax Commission appointed by the Commissioner of Revenue,
142 an employee-representative of the Mississippi Department of Health
143 appointed by the State Health Officer, an employee-representative
144 of the Mississippi Department of Corrections appointed by the
145 Commissioner of Corrections, and an employee-representative of the
146 Department of Human Services appointed by the Executive Director
147 of Human Services, two (2) certificated public school
148 administrators appointed by the State Board of Education, two (2)
149 certificated classroom teachers appointed by the State Board of
150 Education, a noncertificated school employee appointed by the
151 State Board of Education and a community/junior college employee
152 appointed by the State Board for Community and Junior Colleges.

153 The Lieutenant Governor may designate the Secretary of the
154 Senate, the Chairman of the Senate Appropriations Committee, the
155 Chairman of the Senate Education Committee and the Chairman of the
156 Senate Insurance Committee, and the Speaker of the House of
157 Representatives may designate the Clerk of the House, the Chairman
158 of the House Appropriations Committee, the Chairman of the House
159 Education Committee and the Chairman of the House Insurance

160 Committee, to attend any meeting of the State and School Employees
161 Insurance Advisory Council. The appointing authorities may
162 designate an alternate member from their respective houses to
163 serve when the regular designee is unable to attend such meetings
164 of the council. Such designees shall have no jurisdiction or vote
165 on any matter within the jurisdiction of the council. For
166 attending meetings of the council, such legislators shall receive
167 per diem and expenses which shall be paid from the contingent
168 expense funds of their respective houses in the same amounts as
169 provided for committee meetings when the Legislature is not in
170 session; however, no per diem and expenses for attending meetings
171 of the council will be paid while the Legislature is in session.
172 No per diem and expenses will be paid except for attending
173 meetings of the council without prior approval of the proper
174 committee in their respective houses.

175 (c) No change in the terms of the State and School
176 Employees Health Insurance Plan may be made effective unless the
177 board, or its designee, has provided notice to the State and
178 School Employees Health Insurance Advisory Council and has called
179 a meeting of the council at least fifteen (15) days before the
180 effective date of such change. In the event that the State and
181 School Employees Health Insurance Advisory Council does not meet
182 to advise the board on the proposed changes, the changes to the
183 plan shall become effective at such time as the board has informed
184 the council that the changes shall become effective.

185 (d) **Medical benefits for retired employees and**
186 **dependents under age sixty-five (65) years and not eligible for**
187 **Medicare benefits.** The same health insurance coverage as for all
188 other active employees and their dependents shall be available to
189 retired employees and all dependents under age sixty-five (65)
190 years who are not eligible for Medicare benefits, the level of
191 benefits to be the same level as for all other active
192 participants. This section will apply to those employees who

193 retire due to one hundred percent (100%) medical disability as
194 well as those employees electing early retirement.

195 (e) **Medical benefits for retired employees and**
196 **dependents over age sixty-five (65) years or otherwise eligible**
197 **for Medicare benefits.** The health insurance coverage available to
198 retired employees over age sixty-five (65) years or otherwise
199 eligible for Medicare benefits, and all dependents over age
200 sixty-five (65) years or otherwise eligible for Medicare benefits,
201 shall be the major medical coverage with the lifetime maximum of
202 One Million Dollars (\$1,000,000.00). Benefits shall be reduced by
203 Medicare benefits as though such Medicare benefits were the base
204 plan.

205 All covered individuals shall be assumed to have full
206 Medicare coverage, Parts A and B; and any Medicare payments under
207 both Parts A and B shall be computed to reduce benefits payable
208 under this plan.

209 (2) Nonduplication of benefits--reduction of benefits by
210 Title XIX benefits: When benefits would be payable under more
211 than one (1) group plan, benefits under those plans will be
212 coordinated to the extent that the total benefits under all plans
213 will not exceed the total expenses incurred.

214 Benefits for hospital or surgical or medical benefits shall
215 be reduced by any similar benefits payable in accordance with
216 Title XIX of the Social Security Act or under any amendments
217 thereto, or any implementing legislation.

218 Benefits for hospital or surgical or medical benefits shall
219 be reduced by any similar benefits payable by workers'
220 compensation.

221 (3) (a) Schedule of life insurance benefits--group term:
222 The amount of term life insurance for each active employee of a
223 department, agency or institution of the state government shall
224 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
225 twice the amount of the employee's annual wage to the next highest

226 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
227 case less than Thirty Thousand Dollars (\$30,000.00), with a like
228 amount for accidental death and dismemberment on a
229 twenty-four-hour basis. The plan will further contain a premium
230 waiver provision if a covered employee becomes totally and
231 permanently disabled prior to age sixty-five (65) years.
232 Employees retiring after June 30, 1999, shall be eligible to
233 continue life insurance coverage in an amount of Five Thousand
234 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
235 Thousand Dollars (\$20,000.00) into retirement.

236 (b) Effective October 1, 1999, schedule of life
237 insurance benefits--group term: The amount of term life insurance
238 for each active employee of any school district, community/junior
239 college, public library or university-based program authorized
240 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
241 children or any regular nonstudent bus driver shall not be in
242 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
243 amount of the employee's annual wage to the next highest One
244 Thousand Dollars (\$1,000.00), whichever may be less, but in no
245 case less than Thirty Thousand Dollars (\$30,000.00), with a like
246 amount for accidental death and dismemberment on a
247 twenty-four-hour basis. The plan will further contain a premium
248 waiver provision if a covered employee of any school district,
249 community/junior college, public library or university-based
250 program authorized under Section 37-23-31 for deaf, aphasic and
251 emotionally disturbed children or any regular nonstudent bus
252 driver becomes totally and permanently disabled prior to age
253 sixty-five (65) years. Employees of any school district,
254 community/junior college, public library or university-based
255 program authorized under Section 37-23-31 for deaf, aphasic and
256 emotionally disturbed children or any regular nonstudent bus
257 driver retiring after September 30, 1999, shall be eligible to
258 continue life insurance coverage in an amount of Five Thousand

259 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
260 Thousand Dollars (\$20,000.00) into retirement.

261 (4) Any eligible employee who on March 1, 1971, was
262 participating in a group life insurance program which has
263 provisions different from those included herein and for which the
264 State of Mississippi was paying a part of the premium may, at his
265 discretion, continue to participate in such plan. Such employee
266 shall pay in full all additional costs, if any, above the minimum
267 program established by this article. Under no circumstances shall
268 any individual who begins employment with the state after March 1,
269 1971, be eligible for the provisions of this paragraph.

270 (5) The board may offer medical savings accounts as defined
271 in Section 71-9-3 as a plan option.

272 (6) Any premium differentials, differences in coverages,
273 discounts determined by risk or by any other factors shall be
274 uniformly applied to all active employees participating in the
275 insurance plan. It is the intent of the Legislature that the
276 state contribution to the plan be the same for each employee
277 throughout the state.

278 (7) On October 1, 1999, any school district,
279 community/junior college district or public library may elect to
280 remain with an existing policy or policies of group life insurance
281 with an insurance company approved by the State and School
282 Employees Health Insurance Management Board, in lieu of
283 participation in the State and School Life Insurance Plan. The
284 state's contribution of up to fifty percent (50%) of the active
285 employee's premium under the State and School Life Insurance Plan
286 may be applied toward the cost of coverage for full-time employees
287 participating in the approved life insurance company group plan.
288 For purposes of this subsection (7), "life insurance company group
289 plan" means a plan administered or sold by a private insurance
290 company. After October 1, 1999, the board may assess charges in
291 addition to the existing State and School Life Insurance Plan

292 rates to such employees as a condition of enrollment in the State
293 and School Life Insurance Plan. In order for any life insurance
294 company group plan existing as of October 1, 1999, to be approved
295 by the State and School Employees Health Insurance Management
296 Board under this subsection (7), it shall meet the following
297 criteria:

298 (a) The insurance company offering the group life
299 insurance plan shall be rated "A-" or better by A.M. Best state
300 insurance rating service and be licensed as an admitted carrier in
301 the State of Mississippi by the Mississippi Department of
302 Insurance.

303 (b) The insurance company group life insurance plan
304 shall provide the same life insurance, accidental death and
305 dismemberment insurance and waiver of premium benefits as provided
306 in the State and School Life Insurance Plan.

307 (c) The insurance company group life insurance plan
308 shall be fully insured, and no form of self-funding life insurance
309 by such company shall be approved.

310 (d) The insurance company group life insurance plan
311 shall have one (1) composite rate per One Thousand Dollars
312 (\$1,000.00) of coverage for active employees regardless of age and
313 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
314 coverage for all retirees regardless of age or type of retiree.

315 (e) The insurance company and its group life insurance
316 plan shall comply with any administrative requirements of the
317 State and School Employees Health Insurance Management Board. In
318 the event any insurance company providing group life insurance
319 benefits to employees under this subsection (7) fails to comply
320 with any requirements specified herein or any administrative
321 requirements of the board, the state shall discontinue providing
322 funding for the cost of such insurance.

323 **[From and after July 1 of the year in which Section 25-11-143**
324 **becomes effective as provided in subsection (1) of Section**
325 **25-11-143, this section shall read as follows:]**

326 25-15-9. (1) (a) The board shall design a plan of health
327 insurance for state employees that provides benefits for
328 semiprivate rooms in addition to other incidental coverages that
329 the board deems necessary. The amount of the coverages shall be
330 in such reasonable amount as may be determined by the board to be
331 adequate, after due consideration of current health costs in
332 Mississippi. The plan shall also include major medical benefits
333 in such amounts as the board shall determine. The plan shall also
334 include coverage of all colorectal cancer examinations and
335 laboratory tests at a frequency specified in current American
336 Cancer Society (ACS) guidelines for colorectal cancer screening of
337 asymptomatic individuals. The board is also authorized to accept
338 bids for such alternate coverage and optional benefits as the
339 board deems proper. Any contract for alternative coverage and
340 optional benefits shall be awarded by the board after it has
341 carefully studied and evaluated the bids and selected the best and
342 most cost-effective bid. The board may reject all such bids;
343 however, the board shall notify all bidders of the rejection and
344 shall actively solicit new bids if all bids are rejected. The
345 board may employ or contract for such consulting or actuarial
346 services as may be necessary to formulate the plan, and to assist
347 the board in the preparation of specifications and in the process
348 of advertising for the bids for the plan. Those contracts shall
349 be solicited and entered into in accordance with Section 25-15-5.
350 The board shall keep a record of all persons, agents and
351 corporations who contract with or assist the board in preparing
352 and developing the plan. The board in a timely manner shall
353 provide copies of this record to the members of the advisory
354 council created in this section and those legislators, or their
355 designees, who may attend meetings of the advisory council. The

356 board shall provide copies of this record in the solicitation of
357 bids for the administration or servicing of the self-insured
358 program. Each person, agent or corporation that, during the
359 previous fiscal year, has assisted in the development of the plan
360 or employed or compensated any person who assisted in the
361 development of the plan, and that bids on the administration or
362 servicing of the plan, shall submit to the board a statement
363 accompanying the bid explaining in detail its participation with
364 the development of the plan. This statement shall include the
365 amount of compensation paid by the bidder to any such employee
366 during the previous fiscal year. The board shall make all such
367 information available to the members of the advisory council and
368 those legislators, or their designees, who may attend meetings of
369 the advisory council before any action is taken by the board on
370 the bids submitted. The failure of any bidder to fully and
371 accurately comply with this paragraph shall result in the
372 rejection of any bid submitted by that bidder or the cancellation
373 of any contract executed when the failure is discovered after the
374 acceptance of that bid. The board is authorized to promulgate
375 rules and regulations to implement the provisions of this
376 subsection.

377 The board shall develop plans for the insurance plan
378 authorized by this section in accordance with the provisions of
379 Section 25-15-5.

380 Any corporation, association, company or individual that
381 contracts with the board for the third-party claims administration
382 of the self-insured plan shall prepare and keep on file an
383 explanation of benefits for each claim processed. The explanation
384 of benefits shall contain such information relative to each
385 processed claim which the board deems necessary, and, at a
386 minimum, each explanation shall provide the claimant's name, claim
387 number, provider number, provider name, service dates, type of
388 services, amount of charges, amount allowed to the claimant and

389 reason codes. The information contained in the explanation of
390 benefits shall be available for inspection upon request by the
391 board. The board shall have access to all claims information
392 utilized in the issuance of payments to employees and providers.

393 (b) There is created an advisory council to advise the
394 board in the formulation of the State and School Employees Health
395 Insurance Plan. The council shall be composed of the State
396 Insurance Commissioner, or his designee, an
397 employee-representative of the state institutions of higher
398 learning appointed by the board of trustees thereof, an
399 employee-representative of the Mississippi Department of
400 Transportation appointed by the director thereof, an
401 employee-representative of the State Tax Commission appointed by
402 the Commissioner of Revenue, an employee-representative of the
403 State Department of Health appointed by the State Health Officer,
404 an employee-representative of the Mississippi Department of
405 Corrections appointed by the Commissioner of Corrections, and an
406 employee-representative of the Mississippi Department of Human
407 Services appointed by the Executive Director of Human Services,
408 two (2) certificated public school administrators appointed by the
409 State Board of Education, two (2) certificated classroom teachers
410 appointed by the State Board of Education, a noncertificated
411 school employee appointed by the State Board of Education and a
412 community/junior college employee appointed by the State Board for
413 Community and Junior Colleges.

414 The Lieutenant Governor may designate the Secretary of the
415 Senate, the Chairman of the Senate Appropriations Committee, the
416 Chairman of the Senate Education Committee and the Chairman of the
417 Senate Insurance Committee, and the Speaker of the House of
418 Representatives may designate the Clerk of the House, the Chairman
419 of the House Appropriations Committee, the Chairman of the House
420 Education Committee and the Chairman of the House Insurance
421 Committee, to attend any meeting of the State and School Employees

422 Insurance Advisory Council. The appointing authorities may
423 designate an alternate member from their respective houses to
424 serve when the regular designee is unable to attend such meetings
425 of the council. Those designees shall have no jurisdiction or
426 vote on any matter within the jurisdiction of the council. For
427 attending meetings of the council, those legislators shall receive
428 per diem and expenses, which shall be paid from the contingent
429 expense funds of their respective houses in the same amounts as
430 provided for committee meetings when the Legislature is not in
431 session; however, no per diem and expenses for attending meetings
432 of the council will be paid while the Legislature is in session.
433 No per diem and expenses will be paid except for attending
434 meetings of the council without prior approval of the proper
435 committee in their respective houses.

436 (c) No change in the terms of the State and School
437 Employees Health Insurance Plan may be made effective unless the
438 board, or its designee, has provided notice to the State and
439 School Employees Health Insurance Advisory Council and has called
440 a meeting of the council at least fifteen (15) days before the
441 effective date of the change. If the State and School Employees
442 Health Insurance Advisory Council does not meet to advise the
443 board on the proposed changes, the changes to the plan will become
444 effective at such time as the board has informed the council that
445 the changes will become effective.

446 (2) Nonduplication of benefits--reduction of benefits by
447 Title XIX benefits: When benefits would be payable under more
448 than one (1) group plan, benefits under those plans will be
449 coordinated to the extent that the total benefits under all plans
450 will not exceed the total expenses incurred.

451 Benefits for hospital or surgical or medical benefits shall
452 be reduced by any similar benefits payable in accordance with
453 Title XIX of the Social Security Act or under any amendments
454 thereto, or any implementing legislation.

455 Benefits for hospital or surgical or medical benefits shall
456 be reduced by any similar benefits payable by workers'
457 compensation.

458 (3) (a) Schedule of life insurance benefits--group term:
459 The amount of term life insurance for each active employee of a
460 department, agency or institution of the state government shall
461 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
462 twice the amount of the employee's annual wage to the next highest
463 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
464 case less than Thirty Thousand Dollars (\$30,000.00), with a like
465 amount for accidental death and dismemberment on a
466 twenty-four-hour basis.

467 (b) Effective October 1, 1999, schedule of life
468 insurance benefits--group term: The amount of term life insurance
469 for each active employee of any school district, community/junior
470 college, public library, university-based program authorized under
471 Section 37-23-31 for deaf, aphasic and emotionally disturbed
472 children, or any regular nonstudent bus driver shall not be in
473 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
474 amount of the employee's annual wage to the next highest One
475 Thousand Dollars (\$1,000.00), whichever may be less, but in no
476 case less than Thirty Thousand Dollars (\$30,000.00), with a like
477 amount for accidental death and dismemberment on a
478 twenty-four-hour basis. The plan will further contain a premium
479 waiver provision if a covered employee of any school district,
480 community/junior college, public library, university-based program
481 authorized under Section 37-23-31 for deaf, aphasic and
482 emotionally disturbed children, or any regular nonstudent bus
483 driver becomes totally and permanently disabled before age
484 sixty-five (65) years.

485 (4) Any eligible employee who on March 1, 1971, was
486 participating in a group life insurance program that has
487 provisions different from those included in this section and for

488 which the State of Mississippi was paying a part of the premium
489 may, at his discretion, continue to participate in that plan. The
490 employee shall pay in full all additional costs, if any, above the
491 minimum program established by this article. Under no
492 circumstances shall any individual who begins employment with the
493 state after March 1, 1971, be eligible for the provisions of this
494 paragraph.

495 (5) The board may offer medical savings accounts as defined
496 in Section 71-9-3 as a plan option.

497 (6) Any premium differentials, differences in coverages,
498 discounts determined by risk or by any other factors shall be
499 uniformly applied to all active employees participating in the
500 insurance plan. It is the intent of the Legislature that the
501 state contribution to the plan be the same for each employee
502 throughout the state.

503 (7) On October 1, 1999, any school district,
504 community/junior college district or public library may elect to
505 remain with an existing policy or policies of group life insurance
506 with an insurance company approved by the State and School
507 Employees Health Insurance Management Board, in lieu of
508 participation in the State and School Life Insurance Plan. The
509 state's contribution of up to fifty percent (50%) of the active
510 employee's premium under the State and School Life Insurance Plan
511 may be applied toward the cost of coverage for full-time employees
512 participating in the approved life insurance company group plan.
513 For purposes of this subsection (7), "life insurance company group
514 plan" means a plan administered or sold by a private insurance
515 company. After October 1, 1999, the board may assess charges in
516 addition to the existing State and School Life Insurance Plan
517 rates to those employees as a condition of enrollment in the State
518 and School Life Insurance Plan. In order for any life insurance
519 company group plan existing as of October 1, 1999, to be approved
520 by the State and School Employees Health Insurance Management

521 Board under this subsection (7), it shall meet the following
522 criteria:

523 (a) The insurance company offering the group life
524 insurance plan shall be rated "A-" or better by A.M. Best state
525 insurance rating service and be licensed as an admitted carrier in
526 the State of Mississippi by the Mississippi Department of
527 Insurance.

528 (b) The insurance company group life insurance plan
529 shall provide the same life insurance, accidental death and
530 dismemberment insurance and waiver of premium benefits as provided
531 in the State and School Life Insurance Plan.

532 (c) The insurance company group life insurance plan
533 shall be fully insured, and no form of self-funding life insurance
534 by such company shall be approved.

535 (d) The insurance company group life insurance plan
536 shall have one (1) composite rate per One Thousand Dollars
537 (\$1,000.00) of coverage for active employees regardless of age.

538 (e) The insurance company and its group life insurance
539 plan shall comply with any administrative requirements of the
540 State and School Employees Health Insurance Management Board. If
541 any insurance company providing group life insurance benefits to
542 employees under this subsection (7) fails to comply with any
543 requirements specified in this subsection or any administrative
544 requirements of the board, the state shall discontinue providing
545 funding for the cost of that insurance.

546 **SECTION 3.** This act shall take effect and be in force from
547 and after July 1, 2004.