

By: Senator(s) Carmichael

To: Insurance;
Appropriations

SENATE BILL NO. 2148

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE COVERAGE FOR HYPERBARIC OXYGEN THERAPY FOR CHILDREN WITH
3 CEREBRAL PALSY UNDER THE STATE AND SCHOOL EMPLOYEES HEALTH
4 INSURANCE PLAN; AND FOR RELATED PURPOSES.

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

6 SECTION 1. Section 25-15-9, Mississippi Code of 1972, is
7 amended as follows:

8 [Through June 30 of the year in which Section 25-11-143
9 becomes effective as provided in subsection (1) of Section
10 25-11-143, this section shall read as follows:]

11 25-15-9. (1) (a) The board shall design a plan of health
12 insurance for state employees which provides benefits for
13 semiprivate rooms in addition to other incidental coverages which
14 the board deems necessary. The amount of the coverages shall be
15 in such reasonable amount as may be determined by the board to be
16 adequate, after due consideration of current health costs in
17 Mississippi. The plan shall also include major medical benefits
18 in such amounts as the board shall determine. The board is also
19 authorized to accept bids for such alternate coverage and optional
20 benefits as the board shall deem proper. Any contract for
21 alternative coverage and optional benefits shall be awarded by the
22 board after it has carefully studied and evaluated the bids and
23 selected the best and most cost-effective bid. The board may
24 reject all such bids; however, the board shall notify all bidders
25 of the rejection and shall actively solicit new bids if all bids
26 are rejected. The board may employ or contract for such
27 consulting or actuarial services as may be necessary to formulate
28 the plan, and to assist the board in the preparation of

29 specifications and in the process of advertising for the bids for
30 the plan. Such contracts shall be solicited and entered into in
31 accordance with Section 25-15-5. The board shall keep a record of
32 all persons, agents and corporations who contract with or assist
33 the board in preparing and developing the plan. The board in a
34 timely manner shall provide copies of this record to the members
35 of the advisory council created in this section and those
36 legislators, or their designees, who may attend meetings of the
37 advisory council. The board shall provide copies of this record
38 in the solicitation of bids for the administration or servicing of
39 the self-insured program. Each person, agent or corporation
40 which, during the previous fiscal year, has assisted in the
41 development of the plan or employed or compensated any person who
42 assisted in the development of the plan, and which bids on the
43 administration or servicing of the plan, shall submit to the board
44 a statement accompanying the bid explaining in detail its
45 participation with the development of the plan. This statement
46 shall include the amount of compensation paid by the bidder to any
47 such employee during the previous fiscal year. The board shall
48 make all such information available to the members of the advisory
49 council and those legislators, or their designees, who may attend
50 meetings of the advisory council before any action is taken by the
51 board on the bids submitted. The failure of any bidder to fully
52 and accurately comply with this paragraph shall result in the
53 rejection of any bid submitted by that bidder or the cancellation
54 of any contract executed when the failure is discovered after the
55 acceptance of that bid. The board is authorized to promulgate
56 rules and regulations to implement the provisions of this
57 subsection.

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

61 Any corporation, association, company or individual that
62 contracts with the board for the third-party claims administration
63 of the self-insured plan shall prepare and keep on file an
64 explanation of benefits for each claim processed. The explanation
65 of benefits shall contain such information relative to each
66 processed claim which the board deems necessary, and, at a
67 minimum, each explanation shall provide the claimant's name, claim
68 number, provider number, provider name, service dates, type of
69 services, amount of charges, amount allowed to the claimant and
70 reason codes. The information contained in the explanation of
71 benefits shall be available for inspection upon request by the
72 board. The board shall have access to all claims information
73 utilized in the issuance of payments to employees and providers.

74 (b) There is created an advisory council to advise the
75 board in the formulation of the State and School Employees Health
76 Insurance Plan. The council shall be composed of the State
77 Insurance Commissioner or his designee, an employee-representative
78 of the institutions of higher learning appointed by the board of
79 trustees thereof, an employee-representative of the Department of
80 Transportation appointed by the director thereof, an
81 employee-representative of the State Tax Commission appointed by
82 the Commissioner of Revenue, an employee-representative of the
83 Mississippi Department of Health appointed by the State Health
84 Officer, an employee-representative of the Mississippi Department
85 of Corrections appointed by the Commissioner of Corrections, and
86 an employee-representative of the Department of Human Services
87 appointed by the Executive Director of Human Services, two (2)
88 certificated public school administrators appointed by the State
89 Board of Education, two (2) certificated classroom teachers
90 appointed by the State Board of Education, a noncertificated
91 school employee appointed by the State Board of Education and a
92 community/junior college employee appointed by the State Board for
93 Community and Junior Colleges.

94 The Lieutenant Governor may designate the Secretary of the
95 Senate, the Chairman of the Senate Appropriations Committee, the
96 Chairman of the Senate Education Committee and the Chairman of the
97 Senate Insurance Committee, and the Speaker of the House of
98 Representatives may designate the Clerk of the House, the Chairman
99 of the House Appropriations Committee, the Chairman of the House
100 Education Committee and the Chairman of the House Insurance
101 Committee, to attend any meeting of the State and School Employees
102 Insurance Advisory Council. The appointing authorities may
103 designate an alternate member from their respective houses to
104 serve when the regular designee is unable to attend such meetings
105 of the council. Such designees shall have no jurisdiction or vote
106 on any matter within the jurisdiction of the council. For
107 attending meetings of the council, such legislators shall receive
108 per diem and expenses which shall be paid from the contingent
109 expense funds of their respective houses in the same amounts as
110 provided for committee meetings when the Legislature is not in
111 session; however, no per diem and expenses for attending meetings
112 of the council will be paid while the Legislature is in session.
113 No per diem and expenses will be paid except for attending
114 meetings of the council without prior approval of the proper
115 committee in their respective houses.

116 (c) No change in the terms of the State and School
117 Employees Health Insurance Plan may be made effective unless the
118 board, or its designee, has provided notice to the State and
119 School Employees Health Insurance Advisory Council and has called
120 a meeting of the council at least fifteen (15) days before the
121 effective date of such change. In the event that the State and
122 School Employees Health Insurance Advisory Council does not meet
123 to advise the board on the proposed changes, the changes to the
124 plan shall become effective at such time as the board has informed
125 the council that the changes shall become effective.

126 (d) **Medical benefits for retired employees and**
127 **dependents under age sixty-five (65) years and not eligible for**
128 **Medicare benefits.** The same health insurance coverage as for all
129 other active employees and their dependents shall be available to
130 retired employees and all dependents under age sixty-five (65)
131 years who are not eligible for Medicare benefits, the level of
132 benefits to be the same level as for all other active
133 participants. This section will apply to those employees who
134 retire due to one hundred percent (100%) medical disability as
135 well as those employees electing early retirement.

136 (e) **Medical benefits for retired employees and**
137 **dependents over age sixty-five (65) years or otherwise eligible**
138 **for Medicare benefits.** The health insurance coverage available to
139 retired employees over age sixty-five (65) years or otherwise
140 eligible for Medicare benefits, and all dependents over age
141 sixty-five (65) years or otherwise eligible for Medicare benefits,
142 shall be the major medical coverage with the lifetime maximum of
143 One Million Dollars (\$1,000,000.00). Benefits shall be reduced by
144 Medicare benefits as though such Medicare benefits were the base
145 plan.

146 All covered individuals shall be assumed to have full
147 Medicare coverage, Parts A and B; and any Medicare payments under
148 both Parts A and B shall be computed to reduce benefits payable
149 under this plan.

150 (2) Nonduplication of benefits--reduction of benefits by
151 Title XIX benefits: When benefits would be payable under more
152 than one (1) group plan, benefits under those plans will be
153 coordinated to the extent that the total benefits under all plans
154 will not exceed the total expenses incurred.

155 Benefits for hospital or surgical or medical benefits shall
156 be reduced by any similar benefits payable in accordance with
157 Title XIX of the Social Security Act or under any amendments
158 thereto, or any implementing legislation.

159 Benefits for hospital or surgical or medical benefits shall
160 be reduced by any similar benefits payable by workers'
161 compensation.

162 (3) Beginning on July 1, 2005, the board shall provide that
163 the plan include coverage for hyperbaric oxygen therapy for
164 children with cerebral palsy. The benefit provided in this
165 subsection shall be subject to the same annual deductibles or
166 coinsurance established for all other covered benefits within the
167 plan.

168 (4) (a) Schedule of life insurance benefits--group term:
169 The amount of term life insurance for each active employee of a
170 department, agency or institution of the state government shall
171 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
172 twice the amount of the employee's annual wage to the next highest
173 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
174 case less than Thirty Thousand Dollars (\$30,000.00), with a like
175 amount for accidental death and dismemberment on a
176 twenty-four-hour basis. The plan will further contain a premium
177 waiver provision if a covered employee becomes totally and
178 permanently disabled prior to age sixty-five (65) years.
179 Employees retiring after June 30, 1999, shall be eligible to
180 continue life insurance coverage in an amount of Five Thousand
181 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
182 Thousand Dollars (\$20,000.00) into retirement.

183 (b) Effective October 1, 1999, schedule of life
184 insurance benefits--group term: The amount of term life insurance
185 for each active employee of any school district, community/junior
186 college, public library or university-based program authorized
187 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
188 children or any regular nonstudent bus driver shall not be in
189 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
190 amount of the employee's annual wage to the next highest One
191 Thousand Dollars (\$1,000.00), whichever may be less, but in no

192 case less than Thirty Thousand Dollars (\$30,000.00), with a like
193 amount for accidental death and dismemberment on a
194 twenty-four-hour basis. The plan will further contain a premium
195 waiver provision if a covered employee of any school district,
196 community/junior college, public library or university-based
197 program authorized under Section 37-23-31 for deaf, aphasic and
198 emotionally disturbed children or any regular nonstudent bus
199 driver becomes totally and permanently disabled prior to age
200 sixty-five (65) years. Employees of any school district,
201 community/junior college, public library or university-based
202 program authorized under Section 37-23-31 for deaf, aphasic and
203 emotionally disturbed children or any regular nonstudent bus
204 driver retiring after September 30, 1999, shall be eligible to
205 continue life insurance coverage in an amount of Five Thousand
206 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
207 Thousand Dollars (\$20,000.00) into retirement.

208 (5) Any eligible employee who on March 1, 1971, was
209 participating in a group life insurance program which has
210 provisions different from those included herein and for which the
211 State of Mississippi was paying a part of the premium may, at his
212 discretion, continue to participate in such plan. Such employee
213 shall pay in full all additional costs, if any, above the minimum
214 program established by this article. Under no circumstances shall
215 any individual who begins employment with the state after March 1,
216 1971, be eligible for the provisions of this paragraph.

217 (6) The board may offer medical savings accounts as defined
218 in Section 71-9-3 as a plan option.

219 (7) Any premium differentials, differences in coverages,
220 discounts determined by risk or by any other factors shall be
221 uniformly applied to all active employees participating in the
222 insurance plan. It is the intent of the Legislature that the
223 state contribution to the plan be the same for each employee
224 throughout the state.

225 (8) On October 1, 1999, any school district,
226 community/junior college district or public library may elect to
227 remain with an existing policy or policies of group life insurance
228 with an insurance company approved by the State and School
229 Employees Health Insurance Management Board, in lieu of
230 participation in the State and School Life Insurance Plan. On or
231 after July 1, 2004, until October 1, 2004, any school district,
232 community/junior college district or public library may elect to
233 choose a policy or policies of group life insurance existing on
234 October 1, 1999, with an insurance company approved by the State
235 and School Employees Health Insurance Management Board in lieu of
236 participation in the State and School Life Insurance Plan. The
237 state's contribution of up to fifty percent (50%) of the active
238 employee's premium under the State and School Life Insurance Plan
239 may be applied toward the cost of coverage for full-time employees
240 participating in the approved life insurance company group plan.
241 For purposes of this subsection (8), "life insurance company group
242 plan" means a plan administered or sold by a private insurance
243 company. After October 1, 1999, the board may assess charges in
244 addition to the existing State and School Life Insurance Plan
245 rates to such employees as a condition of enrollment in the State
246 and School Life Insurance Plan. In order for any life insurance
247 company group plan to be approved by the State and School
248 Employees Health Insurance Management Board under this subsection
249 (8), it shall meet the following criteria:

250 (a) The insurance company offering the group life
251 insurance plan shall be rated "A-" or better by A.M. Best state
252 insurance rating service and be licensed as an admitted carrier in
253 the State of Mississippi by the Mississippi Department of
254 Insurance.

255 (b) The insurance company group life insurance plan
256 shall provide the same life insurance, accidental death and

257 dismemberment insurance and waiver of premium benefits as provided
258 in the State and School Life Insurance Plan.

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

262 (d) The insurance company group life insurance plan
263 shall have one (1) composite rate per One Thousand Dollars
264 (\$1,000.00) of coverage for active employees regardless of age and
265 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
266 coverage for all retirees regardless of age or type of retiree.

267 (e) The insurance company and its group life insurance
268 plan shall comply with any administrative requirements of the
269 State and School Employees Health Insurance Management Board. In
270 the event any insurance company providing group life insurance
271 benefits to employees under this subsection (8) fails to comply
272 with any requirements specified herein or any administrative
273 requirements of the board, the state shall discontinue providing
274 funding for the cost of such insurance.

275 **[From and after July 1 of the year in which Section 25-11-143**
276 **becomes effective as provided in subsection (1) of Section**
277 **25-11-143, this section shall read as follows:]**

278 25-15-9. (1) (a) The board shall design a plan of health
279 insurance for state employees that provides benefits for
280 semiprivate rooms in addition to other incidental coverages that
281 the board deems necessary. The amount of the coverages shall be
282 in such reasonable amount as may be determined by the board to be
283 adequate, after due consideration of current health costs in
284 Mississippi. The plan shall also include major medical benefits
285 in such amounts as the board shall determine. The board is also
286 authorized to accept bids for such alternate coverage and optional
287 benefits as the board deems proper. Any contract for alternative
288 coverage and optional benefits shall be awarded by the board after
289 it has carefully studied and evaluated the bids and selected the

290 best and most cost-effective bid. The board may reject all such
291 bids; however, the board shall notify all bidders of the rejection
292 and shall actively solicit new bids if all bids are rejected. The
293 board may employ or contract for such consulting or actuarial
294 services as may be necessary to formulate the plan, and to assist
295 the board in the preparation of specifications and in the process
296 of advertising for the bids for the plan. Those contracts shall
297 be solicited and entered into in accordance with Section 25-15-5.
298 The board shall keep a record of all persons, agents and
299 corporations who contract with or assist the board in preparing
300 and developing the plan. The board in a timely manner shall
301 provide copies of this record to the members of the advisory
302 council created in this section and those legislators, or their
303 designees, who may attend meetings of the advisory council. The
304 board shall provide copies of this record in the solicitation of
305 bids for the administration or servicing of the self-insured
306 program. Each person, agent or corporation that, during the
307 previous fiscal year, has assisted in the development of the plan
308 or employed or compensated any person who assisted in the
309 development of the plan, and that bids on the administration or
310 servicing of the plan, shall submit to the board a statement
311 accompanying the bid explaining in detail its participation with
312 the development of the plan. This statement shall include the
313 amount of compensation paid by the bidder to any such employee
314 during the previous fiscal year. The board shall make all such
315 information available to the members of the advisory council and
316 those legislators, or their designees, who may attend meetings of
317 the advisory council before any action is taken by the board on
318 the bids submitted. The failure of any bidder to fully and
319 accurately comply with this paragraph shall result in the
320 rejection of any bid submitted by that bidder or the cancellation
321 of any contract executed when the failure is discovered after the
322 acceptance of that bid. The board is authorized to promulgate

323 rules and regulations to implement the provisions of this
324 subsection.

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

328 Any corporation, association, company or individual that
329 contracts with the board for the third-party claims administration
330 of the self-insured plan shall prepare and keep on file an
331 explanation of benefits for each claim processed. The explanation
332 of benefits shall contain such information relative to each
333 processed claim which the board deems necessary, and, at a
334 minimum, each explanation shall provide the claimant's name, claim
335 number, provider number, provider name, service dates, type of
336 services, amount of charges, amount allowed to the claimant and
337 reason codes. The information contained in the explanation of
338 benefits shall be available for inspection upon request by the
339 board. The board shall have access to all claims information
340 utilized in the issuance of payments to employees and providers.

341 (b) There is created an advisory council to advise the
342 board in the formulation of the State and School Employees Health
343 Insurance Plan. The council shall be composed of the State
344 Insurance Commissioner or his designee, an employee-representative
345 of the state institutions of higher learning appointed by the
346 board of trustees thereof, an employee-representative of the
347 Mississippi Department of Transportation appointed by the director
348 thereof, an employee-representative of the State Tax Commission
349 appointed by the Commissioner of Revenue, an
350 employee-representative of the State Department of Health
351 appointed by the State Health Officer, an employee-representative
352 of the Mississippi Department of Corrections appointed by the
353 Commissioner of Corrections, and an employee-representative of the
354 Mississippi Department of Human Services appointed by the
355 Executive Director of Human Services, two (2) certificated public

356 school administrators appointed by the State Board of Education,
357 two (2) certificated classroom teachers appointed by the State
358 Board of Education, a noncertificated school employee appointed by
359 the State Board of Education and a community/junior college
360 employee appointed by the State Board for Community and Junior
361 Colleges.

362 The Lieutenant Governor may designate the Secretary of the
363 Senate, the Chairman of the Senate Appropriations Committee, the
364 Chairman of the Senate Education Committee and the Chairman of the
365 Senate Insurance Committee, and the Speaker of the House of
366 Representatives may designate the Clerk of the House, the Chairman
367 of the House Appropriations Committee, the Chairman of the House
368 Education Committee and the Chairman of the House Insurance
369 Committee, to attend any meeting of the State and School Employees
370 Insurance Advisory Council. The appointing authorities may
371 designate an alternate member from their respective houses to
372 serve when the regular designee is unable to attend such meetings
373 of the council. Those designees shall have no jurisdiction or
374 vote on any matter within the jurisdiction of the council. For
375 attending meetings of the council, those legislators shall receive
376 per diem and expenses, which shall be paid from the contingent
377 expense funds of their respective houses in the same amounts as
378 provided for committee meetings when the Legislature is not in
379 session; however, no per diem and expenses for attending meetings
380 of the council will be paid while the Legislature is in session.
381 No per diem and expenses will be paid except for attending
382 meetings of the council without prior approval of the proper
383 committee in their respective houses.

384 (c) No change in the terms of the State and School
385 Employees Health Insurance Plan may be made effective unless the
386 board, or its designee, has provided notice to the State and
387 School Employees Health Insurance Advisory Council and has called
388 a meeting of the council at least fifteen (15) days before the

389 effective date of the change. If the State and School Employees
390 Health Insurance Advisory Council does not meet to advise the
391 board on the proposed changes, the changes to the plan will become
392 effective at such time as the board has informed the council that
393 the changes will become effective.

394 (2) Nonduplication of benefits--reduction of benefits by
395 Title XIX benefits: When benefits would be payable under more
396 than one (1) group plan, benefits under those plans will be
397 coordinated to the extent that the total benefits under all plans
398 will not exceed the total expenses incurred.

399 Benefits for hospital or surgical or medical benefits shall
400 be reduced by any similar benefits payable in accordance with
401 Title XIX of the Social Security Act or under any amendments
402 thereto, or any implementing legislation.

403 Benefits for hospital or surgical or medical benefits shall
404 be reduced by any similar benefits payable by workers'
405 compensation.

406 (3) Beginning on July 1, 2005, the board shall provide that
407 the plan include coverage for hyperbaric oxygen therapy for
408 children with cerebral palsy. The benefit provided in this
409 subsection shall be subject to the same annual deductibles or
410 coinsurance established for all other covered benefits within the
411 plan.

412 (4) (a) Schedule of life insurance benefits--group term:
413 The amount of term life insurance for each active employee of a
414 department, agency or institution of the state government shall
415 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
416 twice the amount of the employee's annual wage to the next highest
417 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
418 case less than Thirty Thousand Dollars (\$30,000.00), with a like
419 amount for accidental death and dismemberment on a
420 twenty-four-hour basis.

421 (b) Effective October 1, 1999, schedule of life
422 insurance benefits--group term: The amount of term life insurance
423 for each active employee of any school district, community/junior
424 college, public library, university-based program authorized under
425 Section 37-23-31 for deaf, aphasic and emotionally disturbed
426 children, or any regular nonstudent bus driver shall not be in
427 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
428 amount of the employee's annual wage to the next highest One
429 Thousand Dollars (\$1,000.00), whichever may be less, but in no
430 case less than Thirty Thousand Dollars (\$30,000.00), with a like
431 amount for accidental death and dismemberment on a
432 twenty-four-hour basis. The plan will further contain a premium
433 waiver provision if a covered employee of any school district,
434 community/junior college, public library, university-based program
435 authorized under Section 37-23-31 for deaf, aphasic and
436 emotionally disturbed children, or any regular nonstudent bus
437 driver becomes totally and permanently disabled before age
438 sixty-five (65) years.

439 (5) Any eligible employee who on March 1, 1971, was
440 participating in a group life insurance program that has
441 provisions different from those included in this section and for
442 which the State of Mississippi was paying a part of the premium
443 may, at his discretion, continue to participate in that plan. The
444 employee shall pay in full all additional costs, if any, above the
445 minimum program established by this article. Under no
446 circumstances shall any individual who begins employment with the
447 state after March 1, 1971, be eligible for the provisions of this
448 paragraph.

449 (6) The board may offer medical savings accounts as defined
450 in Section 71-9-3 as a plan option.

451 (7) Any premium differentials, differences in coverages,
452 discounts determined by risk or by any other factors shall be
453 uniformly applied to all active employees participating in the

454 insurance plan. It is the intent of the Legislature that the
455 state contribution to the plan be the same for each employee
456 throughout the state.

457 (8) On October 1, 1999, any school district,
458 community/junior college district or public library may elect to
459 remain with an existing policy or policies of group life insurance
460 with an insurance company approved by the State and School
461 Employees Health Insurance Management Board, in lieu of
462 participation in the State and School Life Insurance Plan. On or
463 after July 1, 2004, until October 1, 2004, any school district,
464 community/junior college district or public library may elect to
465 choose a policy or policies of group life insurance existing on
466 October 1, 1999, with an insurance company approved by the State
467 and School Employees Health Insurance Management Board in lieu of
468 participation in the State and School Life Insurance Plan. The
469 state's contribution of up to fifty percent (50%) of the active
470 employee's premium under the State and School Life Insurance Plan
471 may be applied toward the cost of coverage for full-time employees
472 participating in the approved life insurance company group plan.
473 For purposes of this subsection (8), "life insurance company group
474 plan" means a plan administered or sold by a private insurance
475 company. After October 1, 1999, the board may assess charges in
476 addition to the existing State and School Life Insurance Plan
477 rates to those employees as a condition of enrollment in the State
478 and School Life Insurance Plan. In order for any life insurance
479 company group plan to be approved by the State and School
480 Employees Health Insurance Management Board under this subsection
481 (8), it shall meet the following criteria:

482 (a) The insurance company offering the group life
483 insurance plan shall be rated "A-" or better by A.M. Best state
484 insurance rating service and be licensed as an admitted carrier in
485 the State of Mississippi by the Mississippi Department of
486 Insurance.

487 (b) The insurance company group life insurance plan
488 shall provide the same life insurance, accidental death and
489 dismemberment insurance and waiver of premium benefits as provided
490 in the State and School Life Insurance Plan.

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

494 (d) The insurance company group life insurance plan
495 shall have one (1) composite rate per One Thousand Dollars
496 (\$1,000.00) of coverage for active employees regardless of age.

497 (e) The insurance company and its group life insurance
498 plan shall comply with any administrative requirements of the
499 State and School Employees Health Insurance Management Board. If
500 any insurance company providing group life insurance benefits to
501 employees under this subsection (8) fails to comply with any
502 requirements specified in this subsection or any administrative
503 requirements of the board, the state shall discontinue providing
504 funding for the cost of that insurance.

505 **SECTION 2.** This act shall take effect and be in force from
506 and after July 1, 2005.