

By: Senator(s) Dearing

To: Insurance;
Appropriations

SENATE BILL NO. 2190

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 INCREASE THE AMOUNTS OF LIFE INSURANCE FOR WHICH RETIREES ARE
3 ELIGIBLE UNDER THE STATE AND SCHOOL EMPLOYEES LIFE INSURANCE PLAN;
4 TO REVISE THE DEFINITION OF THE TERM "ANNUAL WAGE" AS IT RELATES
5 TO THE STATE AND SCHOOL EMPLOYEES LIFE INSURANCE PLAN; AND FOR
6 RELATED PURPOSES.

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

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

10 [Through June 30 of the year in which Section 25-11-143
11 becomes effective as provided in subsection (1) of Section
12 25-11-143, this section shall read as follows:]

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

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

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

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

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

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

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

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

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

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

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

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

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

164 (3) (a) Schedule of life insurance benefits--group term:
165 The amount of term life insurance for each active employee of a
166 department, agency or institution of the state government shall
167 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
168 twice the amount of the employee's annual wage to the next highest
169 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
170 case less than Thirty Thousand Dollars (\$30,000.00), with a like
171 amount for accidental death and dismemberment on a
172 twenty-four-hour basis. The plan will further contain a premium
173 waiver provision if a covered employee becomes totally and
174 permanently disabled prior to age sixty-five (65) years.
175 Employees retiring after June 30, 1999, shall be eligible to
176 continue life insurance coverage in an amount of Ten Thousand
177 Dollars (\$10,000.00), Twenty-five Thousand Dollars (\$25,000.00) or
178 One Hundred Thousand Dollars (\$100,000.00) into retirement.

179 (b) Effective October 1, 1999, schedule of life
180 insurance benefits--group term: The amount of term life insurance
181 for each active employee of any school district, community/junior
182 college, public library or university-based program authorized
183 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
184 children or any regular nonstudent bus driver shall not be in
185 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
186 amount of the employee's annual wage to the next highest One
187 Thousand Dollars (\$1,000.00), whichever may be less, but in no
188 case less than Thirty Thousand Dollars (\$30,000.00), with a like
189 amount for accidental death and dismemberment on a
190 twenty-four-hour basis. The plan will further contain a premium
191 waiver provision if a covered employee of any school district,
192 community/junior college, public library or university-based
193 program authorized under Section 37-23-31 for deaf, aphasic and

194 emotionally disturbed children or any regular nonstudent bus
195 driver becomes totally and permanently disabled prior to age
196 sixty-five (65) years. Employees of any school district,
197 community/junior college, public library or university-based
198 program authorized under Section 37-23-31 for deaf, aphasic and
199 emotionally disturbed children or any regular nonstudent bus
200 driver retiring after September 30, 1999, shall be eligible to
201 continue life insurance coverage in an amount of Ten Thousand
202 Dollars (\$10,000.00), Twenty-five Thousand Dollars (\$25,000.00) or
203 One Hundred Thousand Dollars (\$100,000.00) into retirement.

204 (c) For the purposes of this subsection (3), the term
205 "annual wage" shall mean the amount listed as social security
206 wages on the employee's W-2 Form for the prior calendar year, or
207 the employee's current annual salary if the employee has been
208 employed for less than one (1) calendar year.

209 (4) Any eligible employee who on March 1, 1971, was
210 participating in a group life insurance program which has
211 provisions different from those included herein and for which the
212 State of Mississippi was paying a part of the premium may, at his
213 discretion, continue to participate in such plan. Such employee
214 shall pay in full all additional costs, if any, above the minimum
215 program established by this article. Under no circumstances shall
216 any individual who begins employment with the state after March 1,
217 1971, be eligible for the provisions of this paragraph.

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

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

226 (7) On October 1, 1999, any school district,
227 community/junior college district or public library may elect to
228 remain with an existing policy or policies of group life insurance
229 with an insurance company approved by the State and School
230 Employees Health Insurance Management Board, in lieu of
231 participation in the State and School Life Insurance Plan. On or
232 after July 1, 2004, until October 1, 2004, any school district,
233 community/junior college district or public library may elect to
234 choose a policy or policies of group life insurance existing on
235 October 1, 1999, with an insurance company approved by the State
236 and School Employees Health Insurance Management Board in lieu of
237 participation in the State and School Life Insurance Plan. The
238 state's contribution of up to fifty percent (50%) of the active
239 employee's premium under the State and School Life Insurance Plan
240 may be applied toward the cost of coverage for full-time employees
241 participating in the approved life insurance company group plan.
242 For purposes of this subsection (7), "life insurance company group
243 plan" means a plan administered or sold by a private insurance
244 company. After October 1, 1999, the board may assess charges in
245 addition to the existing State and School Life Insurance Plan
246 rates to such employees as a condition of enrollment in the State
247 and School Life Insurance Plan. In order for any life insurance
248 company group plan to be approved by the State and School
249 Employees Health Insurance Management Board under this subsection
250 (7), it shall meet the following criteria:

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

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

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

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

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

268 (e) The insurance company and its group life insurance
269 plan shall comply with any administrative requirements of the
270 State and School Employees Health Insurance Management Board. In
271 the event any insurance company providing group life insurance
272 benefits to employees under this subsection (7) fails to comply
273 with any requirements specified herein or any administrative
274 requirements of the board, the state shall discontinue providing
275 funding for the cost of such insurance.

276 **[From and after July 1 of the year in which Section 25-11-143**
277 **becomes effective as provided in subsection (1) of Section**
278 **25-11-143, this section shall read as follows:]**

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

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

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

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

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

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

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

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

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

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

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

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

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

407 (3) (a) Schedule of life insurance benefits--group term:
408 The amount of term life insurance for each active employee of a
409 department, agency or institution of the state government shall
410 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
411 twice the amount of the employee's annual wage to the next highest
412 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
413 case less than Thirty Thousand Dollars (\$30,000.00), with a like
414 amount for accidental death and dismemberment on a
415 twenty-four-hour basis. Employees retiring after June 30, 1999,
416 shall be eligible to continue life insurance coverage in an amount
417 of Ten Thousand (\$10,000.00), Twenty-five Thousand Dollars
418 (\$25,000.00), Fifty Thousand Dollars (\$50,000.00) or One Hundred
419 Thousand Dollars (\$100,000.00) into retirement.

420 (b) Effective October 1, 1999, schedule of life
421 insurance benefits--group term: The amount of term life insurance
422 for each active employee of any school district, community/junior

423 college, public library, university-based program authorized under
424 Section 37-23-31 for deaf, aphasic and emotionally disturbed
425 children, or any regular nonstudent bus driver shall not be in
426 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
427 amount of the employee's annual wage to the next highest One
428 Thousand Dollars (\$1,000.00), whichever may be less, but in no
429 case less than Thirty Thousand Dollars (\$30,000.00), with a like
430 amount for accidental death and dismemberment on a
431 twenty-four-hour basis. The plan will further contain a premium
432 waiver provision if a covered employee of any school district,
433 community/junior college, public library, university-based program
434 authorized under Section 37-23-31 for deaf, aphasic and
435 emotionally disturbed children, or any regular nonstudent bus
436 driver becomes totally and permanently disabled before age
437 sixty-five (65) years. Employees of any school district,
438 community/junior college, public library or university-based
439 program authorized under Section 37-23-31 for deaf, aphasic and
440 emotionally disturbed children or any regular nonstudent bus
441 driver retiring after September 30, 1999, shall be eligible to
442 continue life insurance coverage in an amount of Ten Thousand
443 Dollars (\$10,000.00), Twenty-five Thousand Dollars (\$25,000.00),
444 Fifty Thousand Dollars (\$50,000.00) or One Hundred Thousand
445 Dollars (\$100,000.00) into retirement.

446 (c) For the purposes of this subsection (3), the term
447 "annual wage" shall mean the amount listed as social security
448 wages on the employee's W-2 Form for the prior calendar year, or
449 the employee's current annual salary if the employee has been
450 employed for less than one (1) calendar year.

451 (4) Any eligible employee who on March 1, 1971, was
452 participating in a group life insurance program that has
453 provisions different from those included in this section and for
454 which the State of Mississippi was paying a part of the premium
455 may, at his discretion, continue to participate in that plan. The

456 employee shall pay in full all additional costs, if any, above the
457 minimum program established by this article. Under no
458 circumstances shall any individual who begins employment with the
459 state after March 1, 1971, be eligible for the provisions of this
460 paragraph.

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

463 (6) Any premium differentials, differences in coverages,
464 discounts determined by risk or by any other factors shall be
465 uniformly applied to all active employees participating in the
466 insurance plan. It is the intent of the Legislature that the
467 state contribution to the plan be the same for each employee
468 throughout the state.

469 (7) On October 1, 1999, any school district,
470 community/junior college district or public library may elect to
471 remain with an existing policy or policies of group life insurance
472 with an insurance company approved by the State and School
473 Employees Health Insurance Management Board, in lieu of
474 participation in the State and School Life Insurance Plan. On or
475 after July 1, 2004, until October 1, 2004, any school district,
476 community/junior college district or public library may elect to
477 choose a policy or policies of group life insurance existing on
478 October 1, 1999, with an insurance company approved by the State
479 and School Employees Health Insurance Management Board in lieu of
480 participation in the State and School Life Insurance Plan. The
481 state's contribution of up to fifty percent (50%) of the active
482 employee's premium under the State and School Life Insurance Plan
483 may be applied toward the cost of coverage for full-time employees
484 participating in the approved life insurance company group plan.
485 For purposes of this subsection (7), "life insurance company group
486 plan" means a plan administered or sold by a private insurance
487 company. After October 1, 1999, the board may assess charges in
488 addition to the existing State and School Life Insurance Plan

489 rates to those employees as a condition of enrollment in the State
490 and School Life Insurance Plan. In order for any life insurance
491 company group plan to be approved by the State and School
492 Employees Health Insurance Management Board under this subsection
493 (7), it shall meet the following criteria:

494 (a) The insurance company offering the group life
495 insurance plan shall be rated "A-" or better by A.M. Best state
496 insurance rating service and be licensed as an admitted carrier in
497 the State of Mississippi by the Mississippi Department of
498 Insurance.

499 (b) The insurance company group life insurance plan
500 shall provide the same life insurance, accidental death and
501 dismemberment insurance and waiver of premium benefits as provided
502 in the State and School Life Insurance Plan.

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

506 (d) The insurance company group life insurance plan
507 shall have one (1) composite rate per One Thousand Dollars
508 (\$1,000.00) of coverage for active employees regardless of age.

509 (e) The insurance company and its group life insurance
510 plan shall comply with any administrative requirements of the
511 State and School Employees Health Insurance Management Board. If
512 any insurance company providing group life insurance benefits to
513 employees under this subsection (7) fails to comply with any
514 requirements specified in this subsection or any administrative
515 requirements of the board, the state shall discontinue providing
516 funding for the cost of that insurance.

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