

By: Senator(s) Carmichael

To: Insurance;
Appropriations

SENATE BILL NO. 2141

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.** For employees who retire before July 1, 2006,
129 and for employees retiring due to work-related disability under
130 the Public Employees' Retirement System, the same health insurance
131 coverage as for all other active employees and their dependents
132 shall be available to retired employees and all dependents under
133 age sixty-five (65) years who are not eligible for Medicare
134 benefits, the level of benefits to be the same level as for all
135 other active participants. For employees who retire on or after
136 July 1, 2006, and not retiring due to work-related disability
137 under the Public Employees' Retirement System, the same health
138 insurance coverage as for all other active employees and their
139 dependents shall be available to such retiring employees and all
140 dependents under age sixty-five (65) years who are not eligible
141 for Medicare benefits only if the retiring employees were
142 participants in the State and School Employees Health Insurance
143 Plan for four (4) years or more before their retirement, the level
144 of benefits to be the same level as for all other active
145 participants. This section will apply to those employees who
146 retire due to one hundred percent (100%) medical disability as
147 well as those employees electing early retirement.

148 (e) **Medical benefits for retired employees and**
149 **dependents over age sixty-five (65) years or otherwise eligible**
150 **for Medicare benefits.** For employees who retire before July 1,
151 2006, and for employees retiring due to work-related disability
152 under the Public Employees' Retirement System, the health
153 insurance coverage available to retired employees over age
154 sixty-five (65) years or otherwise eligible for Medicare benefits,
155 and all dependents over age sixty-five (65) years or otherwise
156 eligible for Medicare benefits, shall be the major medical
157 coverage with the lifetime maximum of One Million Dollars
158 (\$1,000,000.00). For employees retiring on or after July 1, 2006,

159 and not retiring due to work-related disability under the Public
160 Employees' Retirement System, the health insurance coverage
161 described herein shall be available to such retiring employees
162 only if they were participants in the State and School Employees
163 Health Insurance Plan for four (4) years or more and are over age
164 sixty-five (65) years or otherwise eligible for Medicare benefits,
165 and to all dependents over age sixty-five (65) years or otherwise
166 eligible for Medicare benefits. Benefits shall be reduced by
167 Medicare benefits as though such Medicare benefits were the base
168 plan.

169 All covered individuals shall be assumed to have full
170 Medicare coverage, Parts A and B; and any Medicare payments under
171 both Parts A and B shall be computed to reduce benefits payable
172 under this plan.

173 (2) Nonduplication of benefits--reduction of benefits by
174 Title XIX benefits: When benefits would be payable under more
175 than one (1) group plan, benefits under those plans will be
176 coordinated to the extent that the total benefits under all plans
177 will not exceed the total expenses incurred.

178 Benefits for hospital or surgical or medical benefits shall
179 be reduced by any similar benefits payable in accordance with
180 Title XIX of the Social Security Act or under any amendments
181 thereto, or any implementing legislation.

182 Benefits for hospital or surgical or medical benefits shall
183 be reduced by any similar benefits payable by workers'
184 compensation.

185 (3) Beginning on July 1, 2006, the board shall provide that
186 the plan include coverage for hyperbaric oxygen therapy for
187 children with cerebral palsy. The benefit provided in this
188 subsection shall be subject to the same annual deductibles or
189 coinsurance established for all other covered benefits within the
190 plan.

191 (4) (a) Schedule of life insurance benefits--group term:
192 The amount of term life insurance for each active employee of a
193 department, agency or institution of the state government shall
194 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
195 twice the amount of the employee's annual wage to the next highest
196 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
197 case less than Thirty Thousand Dollars (\$30,000.00), with a like
198 amount for accidental death and dismemberment on a
199 twenty-four-hour basis. The plan will further contain a premium
200 waiver provision if a covered employee becomes totally and
201 permanently disabled prior to age sixty-five (65) years.
202 Employees retiring after June 30, 1999, shall be eligible to
203 continue life insurance coverage in an amount of Five Thousand
204 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
205 Thousand Dollars (\$20,000.00) into retirement.

206 (b) Effective October 1, 1999, schedule of life
207 insurance benefits--group term: The amount of term life insurance
208 for each active employee of any school district, community/junior
209 college, public library or university-based program authorized
210 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
211 children or any regular nonstudent bus driver shall not be in
212 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
213 amount of the employee's annual wage to the next highest One
214 Thousand Dollars (\$1,000.00), whichever may be less, but in no
215 case less than Thirty Thousand Dollars (\$30,000.00), with a like
216 amount for accidental death and dismemberment on a
217 twenty-four-hour basis. The plan will further contain a premium
218 waiver provision if a covered employee of any school district,
219 community/junior college, public library or university-based
220 program authorized under Section 37-23-31 for deaf, aphasic and
221 emotionally disturbed children or any regular nonstudent bus
222 driver becomes totally and permanently disabled prior to age
223 sixty-five (65) years. Employees of any school district,

224 community/junior college, public library or university-based
225 program authorized under Section 37-23-31 for deaf, aphasic and
226 emotionally disturbed children or any regular nonstudent bus
227 driver retiring after September 30, 1999, shall be eligible to
228 continue life insurance coverage in an amount of Five Thousand
229 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
230 Thousand Dollars (\$20,000.00) into retirement.

231 (5) Any eligible employee who on March 1, 1971, was
232 participating in a group life insurance program which has
233 provisions different from those included herein and for which the
234 State of Mississippi was paying a part of the premium may, at his
235 discretion, continue to participate in such plan. Such employee
236 shall pay in full all additional costs, if any, above the minimum
237 program established by this article. Under no circumstances shall
238 any individual who begins employment with the state after March 1,
239 1971, be eligible for the provisions of this subsection.

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

242 (7) Any premium differentials, differences in coverages,
243 discounts determined by risk or by any other factors shall be
244 uniformly applied to all active employees participating in the
245 insurance plan. It is the intent of the Legislature that the
246 state contribution to the plan be the same for each employee
247 throughout the state.

248 (8) On October 1, 1999, any school district,
249 community/junior college district or public library may elect to
250 remain with an existing policy or policies of group life insurance
251 with an insurance company approved by the State and School
252 Employees Health Insurance Management Board, in lieu of
253 participation in the State and School Life Insurance Plan. On or
254 after July 1, 2004, until October 1, 2004, any school district,
255 community/junior college district or public library may elect to
256 choose a policy or policies of group life insurance existing on

257 October 1, 1999, with an insurance company approved by the State
258 and School Employees Health Insurance Management Board in lieu of
259 participation in the State and School Life Insurance Plan. The
260 state's contribution of up to fifty percent (50%) of the active
261 employee's premium under the State and School Life Insurance Plan
262 may be applied toward the cost of coverage for full-time employees
263 participating in the approved life insurance company group plan.
264 For purposes of this subsection (8), "life insurance company group
265 plan" means a plan administered or sold by a private insurance
266 company. After October 1, 1999, the board may assess charges in
267 addition to the existing State and School Life Insurance Plan
268 rates to such employees as a condition of enrollment in the State
269 and School Life Insurance Plan. In order for any life insurance
270 company group plan to be approved by the State and School
271 Employees Health Insurance Management Board under this subsection
272 (8), it shall meet the following criteria:

273 (a) The insurance company offering the group life
274 insurance plan shall be rated "A-" or better by A.M. Best state
275 insurance rating service and be licensed as an admitted carrier in
276 the State of Mississippi by the Mississippi Department of
277 Insurance.

278 (b) The insurance company group life insurance plan
279 shall provide the same life insurance, accidental death and
280 dismemberment insurance and waiver of premium benefits as provided
281 in the State and School Life Insurance Plan.

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

285 (d) The insurance company group life insurance plan
286 shall have one (1) composite rate per One Thousand Dollars
287 (\$1,000.00) of coverage for active employees regardless of age and
288 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
289 coverage for all retirees regardless of age or type of retiree.

290 (e) The insurance company and its group life insurance
291 plan shall comply with any administrative requirements of the
292 State and School Employees Health Insurance Management Board. In
293 the event any insurance company providing group life insurance
294 benefits to employees under this subsection (8) fails to comply
295 with any requirements specified herein or any administrative
296 requirements of the board, the state shall discontinue providing
297 funding for the cost of such insurance.

298 **[From and after July 1 of the year in which Section 25-11-143**
299 **becomes effective as provided in subsection (1) of Section**
300 **25-11-143, this section shall read as follows:]**

301 25-15-9. (1) (a) The board shall design a plan of health
302 insurance for state employees that provides benefits for
303 semiprivate rooms in addition to other incidental coverages that
304 the board deems necessary. The amount of the coverages shall be
305 in such reasonable amount as may be determined by the board to be
306 adequate, after due consideration of current health costs in
307 Mississippi. The plan shall also include major medical benefits
308 in such amounts as the board shall determine. The board is also
309 authorized to accept bids for such alternate coverage and optional
310 benefits as the board deems proper. Any contract for alternative
311 coverage and optional benefits shall be awarded by the board after
312 it has carefully studied and evaluated the bids and selected the
313 best and most cost-effective bid. The board may reject all such
314 bids; however, the board shall notify all bidders of the rejection
315 and shall actively solicit new bids if all bids are rejected. The
316 board may employ or contract for such consulting or actuarial
317 services as may be necessary to formulate the plan, and to assist
318 the board in the preparation of specifications and in the process
319 of advertising for the bids for the plan. Those contracts shall
320 be solicited and entered into in accordance with Section 25-15-5.
321 The board shall keep a record of all persons, agents and
322 corporations who contract with or assist the board in preparing

323 and developing the plan. The board in a timely manner shall
324 provide copies of this record to the members of the advisory
325 council created in this section and those legislators, or their
326 designees, who may attend meetings of the advisory council. The
327 board shall provide copies of this record in the solicitation of
328 bids for the administration or servicing of the self-insured
329 program. Each person, agent or corporation that, during the
330 previous fiscal year, has assisted in the development of the plan
331 or employed or compensated any person who assisted in the
332 development of the plan, and that bids on the administration or
333 servicing of the plan, shall submit to the board a statement
334 accompanying the bid explaining in detail its participation with
335 the development of the plan. This statement shall include the
336 amount of compensation paid by the bidder to any such employee
337 during the previous fiscal year. The board shall make all such
338 information available to the members of the advisory council and
339 those legislators, or their designees, who may attend meetings of
340 the advisory council before any action is taken by the board on
341 the bids submitted. The failure of any bidder to fully and
342 accurately comply with this paragraph shall result in the
343 rejection of any bid submitted by that bidder or the cancellation
344 of any contract executed when the failure is discovered after the
345 acceptance of that bid. The board is authorized to promulgate
346 rules and regulations to implement the provisions of this
347 subsection.

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

351 Any corporation, association, company or individual that
352 contracts with the board for the third-party claims administration
353 of the self-insured plan shall prepare and keep on file an
354 explanation of benefits for each claim processed. The explanation
355 of benefits shall contain such information relative to each

356 processed claim which the board deems necessary, and, at a
357 minimum, each explanation shall provide the claimant's name, claim
358 number, provider number, provider name, service dates, type of
359 services, amount of charges, amount allowed to the claimant and
360 reason codes. The information contained in the explanation of
361 benefits shall be available for inspection upon request by the
362 board. The board shall have access to all claims information
363 utilized in the issuance of payments to employees and providers.

364 (b) There is created an advisory council to advise the
365 board in the formulation of the State and School Employees Health
366 Insurance Plan. The council shall be composed of the State
367 Insurance Commissioner or his designee, an employee-representative
368 of the state institutions of higher learning appointed by the
369 board of trustees thereof, an employee-representative of the
370 Mississippi Department of Transportation appointed by the director
371 thereof, an employee-representative of the State Tax Commission
372 appointed by the Commissioner of Revenue, an
373 employee-representative of the State Department of Health
374 appointed by the State Health Officer, an employee-representative
375 of the Mississippi Department of Corrections appointed by the
376 Commissioner of Corrections, and an employee-representative of the
377 Mississippi Department of Human Services appointed by the
378 Executive Director of Human Services, two (2) certificated public
379 school administrators appointed by the State Board of Education,
380 two (2) certificated classroom teachers appointed by the State
381 Board of Education, a noncertificated school employee appointed by
382 the State Board of Education and a community/junior college
383 employee appointed by the State Board for Community and Junior
384 Colleges.

385 The Lieutenant Governor may designate the Secretary of the
386 Senate, the Chairman of the Senate Appropriations Committee, the
387 Chairman of the Senate Education Committee and the Chairman of the
388 Senate Insurance Committee, and the Speaker of the House of

389 Representatives may designate the Clerk of the House, the Chairman
390 of the House Appropriations Committee, the Chairman of the House
391 Education Committee and the Chairman of the House Insurance
392 Committee, to attend any meeting of the State and School Employees
393 Insurance Advisory Council. The appointing authorities may
394 designate an alternate member from their respective houses to
395 serve when the regular designee is unable to attend such meetings
396 of the council. Those designees shall have no jurisdiction or
397 vote on any matter within the jurisdiction of the council. For
398 attending meetings of the council, those legislators shall receive
399 per diem and expenses, which shall be paid from the contingent
400 expense funds of their respective houses in the same amounts as
401 provided for committee meetings when the Legislature is not in
402 session; however, no per diem and expenses for attending meetings
403 of the council will be paid while the Legislature is in session.
404 No per diem and expenses will be paid except for attending
405 meetings of the council without prior approval of the proper
406 committee in their respective houses.

407 (c) No change in the terms of the State and School
408 Employees Health Insurance Plan may be made effective unless the
409 board, or its designee, has provided notice to the State and
410 School Employees Health Insurance Advisory Council and has called
411 a meeting of the council at least fifteen (15) days before the
412 effective date of the change. If the State and School Employees
413 Health Insurance Advisory Council does not meet to advise the
414 board on the proposed changes, the changes to the plan will become
415 effective at such time as the board has informed the council that
416 the changes will become effective.

417 (2) Nonduplication of benefits--reduction of benefits by
418 Title XIX benefits: When benefits would be payable under more
419 than one (1) group plan, benefits under those plans will be
420 coordinated to the extent that the total benefits under all plans
421 will not exceed the total expenses incurred.

422 Benefits for hospital or surgical or medical benefits shall
423 be reduced by any similar benefits payable in accordance with
424 Title XIX of the Social Security Act or under any amendments
425 thereto, or any implementing legislation.

426 Benefits for hospital or surgical or medical benefits shall
427 be reduced by any similar benefits payable by workers'
428 compensation.

429 (3) Beginning on July 1, 2006, the board shall provide that
430 the plan include coverage for hyperbaric oxygen therapy for
431 children with cerebral palsy. The benefit provided in this
432 subsection shall be subject to the same annual deductibles or
433 coinsurance established for all other covered benefits within the
434 plan.

435 (4) (a) Schedule of life insurance benefits--group term:
436 The amount of term life insurance for each active employee of a
437 department, agency or institution of the state government shall
438 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
439 twice the amount of the employee's annual wage to the next highest
440 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
441 case less than Thirty Thousand Dollars (\$30,000.00), with a like
442 amount for accidental death and dismemberment on a
443 twenty-four-hour basis.

444 (b) Effective October 1, 1999, schedule of life
445 insurance benefits--group term: The amount of term life insurance
446 for each active employee of any school district, community/junior
447 college, public library, university-based program authorized under
448 Section 37-23-31 for deaf, aphasic and emotionally disturbed
449 children, or any regular nonstudent bus driver shall not be in
450 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
451 amount of the employee's annual wage to the next highest One
452 Thousand Dollars (\$1,000.00), whichever may be less, but in no
453 case less than Thirty Thousand Dollars (\$30,000.00), with a like
454 amount for accidental death and dismemberment on a

455 twenty-four-hour basis. The plan will further contain a premium
456 waiver provision if a covered employee of any school district,
457 community/junior college, public library, university-based program
458 authorized under Section 37-23-31 for deaf, aphasic and
459 emotionally disturbed children, or any regular nonstudent bus
460 driver becomes totally and permanently disabled before age
461 sixty-five (65) years.

462 (5) Any eligible employee who on March 1, 1971, was
463 participating in a group life insurance program that has
464 provisions different from those included in this section and for
465 which the State of Mississippi was paying a part of the premium
466 may, at his discretion, continue to participate in that plan. The
467 employee shall pay in full all additional costs, if any, above the
468 minimum program established by this article. Under no
469 circumstances shall any individual who begins employment with the
470 state after March 1, 1971, be eligible for the provisions of this
471 subsection.

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

474 (7) Any premium differentials, differences in coverages,
475 discounts determined by risk or by any other factors shall be
476 uniformly applied to all active employees participating in the
477 insurance plan. It is the intent of the Legislature that the
478 state contribution to the plan be the same for each employee
479 throughout the state.

480 (8) On October 1, 1999, any school district,
481 community/junior college district or public library may elect to
482 remain with an existing policy or policies of group life insurance
483 with an insurance company approved by the State and School
484 Employees Health Insurance Management Board, in lieu of
485 participation in the State and School Life Insurance Plan. On or
486 after July 1, 2004, until October 1, 2004, any school district,
487 community/junior college district or public library may elect to

488 choose a policy or policies of group life insurance existing on
489 October 1, 1999, with an insurance company approved by the State
490 and School Employees Health Insurance Management Board in lieu of
491 participation in the State and School Life Insurance Plan. The
492 state's contribution of up to fifty percent (50%) of the active
493 employee's premium under the State and School Life Insurance Plan
494 may be applied toward the cost of coverage for full-time employees
495 participating in the approved life insurance company group plan.
496 For purposes of this subsection (8), "life insurance company group
497 plan" means a plan administered or sold by a private insurance
498 company. After October 1, 1999, the board may assess charges in
499 addition to the existing State and School Life Insurance Plan
500 rates to those employees as a condition of enrollment in the State
501 and School Life Insurance Plan. In order for any life insurance
502 company group plan to be approved by the State and School
503 Employees Health Insurance Management Board under this subsection
504 (8), it shall meet the following criteria:

505 (a) The insurance company offering the group life
506 insurance plan shall be rated "A-" or better by A.M. Best state
507 insurance rating service and be licensed as an admitted carrier in
508 the State of Mississippi by the Mississippi Department of
509 Insurance.

510 (b) The insurance company group life insurance plan
511 shall provide the same life insurance, accidental death and
512 dismemberment insurance and waiver of premium benefits as provided
513 in the State and School Life Insurance Plan.

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

517 (d) The insurance company group life insurance plan
518 shall have one (1) composite rate per One Thousand Dollars
519 (\$1,000.00) of coverage for active employees regardless of age.

520 (e) The insurance company and its group life insurance
521 plan shall comply with any administrative requirements of the
522 State and School Employees Health Insurance Management Board. If
523 any insurance company providing group life insurance benefits to
524 employees under this subsection (8) fails to comply with any
525 requirements specified in this subsection or any administrative
526 requirements of the board, the state shall discontinue providing
527 funding for the cost of that insurance.

528 **SECTION 2.** This act shall take effect and be in force from
529 and after July 1, 2006.