

By: Senator(s) Williamson, Dawkins

To: Insurance;
Appropriations

SENATE BILL NO. 2360

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

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

10 **SECTION 1.** (1) All individual and group health insurance
11 policies providing coverage on an expense-incurred basis,
12 individual and group service or indemnity type contracts issued by
13 a nonprofit corporation, individual and group service contracts
14 issued by a health maintenance organization, all self-insured
15 group arrangements to the extent not preempted by federal law and
16 all managed health care delivery entities of any type or
17 description that are delivered, issued for delivery, continued or
18 renewed on or after July 1, 2006, and providing coverage to any
19 resident of this state shall provide benefits or coverage for all
20 colorectal cancer examinations and laboratory tests specified in
21 current American Cancer Society (ACS) guidelines for colorectal
22 cancer screening of asymptomatic individuals. Coverage of
23 benefits shall be provided for all such colorectal screening
24 examinations and tests that are administered at a frequency
25 identified in the current ACS guidelines for colorectal cancer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

185 (d) **Medical benefits for retired employees and**
186 **dependents under age sixty-five (65) years and not eligible for**
187 **Medicare benefits.** For employees who retire before July 1, 2005,
188 and for employees retiring due to work-related disability under
189 the Public Employees' Retirement System, the same health insurance
190 coverage as for all other active employees and their dependents
191 shall be available to retired employees and all dependents under
192 age sixty-five (65) years who are not eligible for Medicare

193 benefits, the level of benefits to be the same level as for all
194 other active participants. For employees who retire on or after
195 July 1, 2005, and not retiring due to work-related disability
196 under the Public Employees' Retirement System, the same health
197 insurance coverage as for all other active employees and their
198 dependents shall be available to such retiring employees and all
199 dependents under age sixty-five (65) years who are not eligible
200 for Medicare benefits only if the retiring employees were
201 participants in the State and School Employees Health Insurance
202 Plan for four (4) years or more before their retirement, the level
203 of benefits to be the same level as for all other active
204 participants. This section will apply to those employees who
205 retire due to one hundred percent (100%) medical disability as
206 well as those employees electing early retirement.

207 (e) **Medical benefits for retired employees and**
208 **dependents over age sixty-five (65) years or otherwise eligible**
209 **for Medicare benefits.** For employees who retire before July 1,
210 2005, and for employees retiring due to work-related disability
211 under the Public Employees' Retirement System, the health
212 insurance coverage available to retired employees over age
213 sixty-five (65) years or otherwise eligible for Medicare benefits,
214 and all dependents over age sixty-five (65) years or otherwise
215 eligible for Medicare benefits, shall be the major medical
216 coverage with the lifetime maximum of One Million Dollars
217 (\$1,000,000.00). For employees retiring on or after July 1, 2005,
218 and not retiring due to work-related disability under the Public
219 Employees' Retirement System, the health insurance coverage
220 described herein shall be available to such retiring employees
221 only if they were participants in the State and School Employees
222 Health Insurance Plan for four (4) years or more and are over age
223 sixty-five (65) years or otherwise eligible for Medicare benefits,
224 and to all dependents over age sixty-five (65) years or otherwise
225 eligible for Medicare benefits. Benefits shall be reduced by

226 Medicare benefits as though such Medicare benefits were the base
227 plan.

228 All covered individuals shall be assumed to have full
229 Medicare coverage, Parts A and B; and any Medicare payments under
230 both Parts A and B shall be computed to reduce benefits payable
231 under this plan.

232 (2) Nonduplication of benefits--reduction of benefits by
233 Title XIX benefits: When benefits would be payable under more
234 than one (1) group plan, benefits under those plans will be
235 coordinated to the extent that the total benefits under all plans
236 will not exceed the total expenses incurred.

237 Benefits for hospital or surgical or medical benefits shall
238 be reduced by any similar benefits payable in accordance with
239 Title XIX of the Social Security Act or under any amendments
240 thereto, or any implementing legislation.

241 Benefits for hospital or surgical or medical benefits shall
242 be reduced by any similar benefits payable by workers'
243 compensation.

244 (3) (a) Schedule of life insurance benefits--group term:
245 The amount of term life insurance for each active employee of a
246 department, agency or institution of the state government shall
247 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
248 twice the amount of the employee's annual wage to the next highest
249 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
250 case less than Thirty Thousand Dollars (\$30,000.00), with a like
251 amount for accidental death and dismemberment on a
252 twenty-four-hour basis. The plan will further contain a premium
253 waiver provision if a covered employee becomes totally and
254 permanently disabled prior to age sixty-five (65) years.
255 Employees retiring after June 30, 1999, shall be eligible to
256 continue life insurance coverage in an amount of Five Thousand
257 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
258 Thousand Dollars (\$20,000.00) into retirement.

259 (b) Effective October 1, 1999, schedule of life
260 insurance benefits--group term: The amount of term life insurance
261 for each active employee of any school district, community/junior
262 college, public library or university-based program authorized
263 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
264 children or any regular nonstudent bus driver shall not be in
265 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
266 amount of the employee's annual wage to the next highest One
267 Thousand Dollars (\$1,000.00), whichever may be less, but in no
268 case less than Thirty Thousand Dollars (\$30,000.00), with a like
269 amount for accidental death and dismemberment on a
270 twenty-four-hour basis. The plan will further contain a premium
271 waiver provision if a covered employee of any school district,
272 community/junior college, public library or university-based
273 program authorized under Section 37-23-31 for deaf, aphasic and
274 emotionally disturbed children or any regular nonstudent bus
275 driver becomes totally and permanently disabled prior to age
276 sixty-five (65) years. Employees of any school district,
277 community/junior college, public library or university-based
278 program authorized under Section 37-23-31 for deaf, aphasic and
279 emotionally disturbed children or any regular nonstudent bus
280 driver retiring after September 30, 1999, shall be eligible to
281 continue life insurance coverage in an amount of Five Thousand
282 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
283 Thousand Dollars (\$20,000.00) into retirement.

284 (4) Any eligible employee who on March 1, 1971, was
285 participating in a group life insurance program which has
286 provisions different from those included herein and for which the
287 State of Mississippi was paying a part of the premium may, at his
288 discretion, continue to participate in such plan. Such employee
289 shall pay in full all additional costs, if any, above the minimum
290 program established by this article. Under no circumstances shall

291 any individual who begins employment with the state after March 1,
292 1971, be eligible for the provisions of this subsection.

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

295 (6) Any premium differentials, differences in coverages,
296 discounts determined by risk or by any other factors shall be
297 uniformly applied to all active employees participating in the
298 insurance plan. It is the intent of the Legislature that the
299 state contribution to the plan be the same for each employee
300 throughout the state.

301 (7) On October 1, 1999, any school district,
302 community/junior college district or public library may elect to
303 remain with an existing policy or policies of group life insurance
304 with an insurance company approved by the State and School
305 Employees Health Insurance Management Board, in lieu of
306 participation in the State and School Life Insurance Plan. On or
307 after July 1, 2004, until October 1, 2004, any school district,
308 community/junior college district or public library may elect to
309 choose a policy or policies of group life insurance existing on
310 October 1, 1999, with an insurance company approved by the State
311 and School Employees Health Insurance Management Board in lieu of
312 participation in the State and School Life Insurance Plan. The
313 state's contribution of up to fifty percent (50%) of the active
314 employee's premium under the State and School Life Insurance Plan
315 may be applied toward the cost of coverage for full-time employees
316 participating in the approved life insurance company group plan.
317 For purposes of this subsection (7), "life insurance company group
318 plan" means a plan administered or sold by a private insurance
319 company. After October 1, 1999, the board may assess charges in
320 addition to the existing State and School Life Insurance Plan
321 rates to such employees as a condition of enrollment in the State
322 and School Life Insurance Plan. In order for any life insurance
323 company group plan to be approved by the State and School

324 Employees Health Insurance Management Board under this subsection
325 (7), it shall meet the following criteria:

326 (a) The insurance company offering the group life
327 insurance plan shall be rated "A-" or better by A.M. Best state
328 insurance rating service and be licensed as an admitted carrier in
329 the State of Mississippi by the Mississippi Department of
330 Insurance.

331 (b) The insurance company group life insurance plan
332 shall provide the same life insurance, accidental death and
333 dismemberment insurance and waiver of premium benefits as provided
334 in the State and School Life Insurance Plan.

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

338 (d) The insurance company group life insurance plan
339 shall have one (1) composite rate per One Thousand Dollars
340 (\$1,000.00) of coverage for active employees regardless of age and
341 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
342 coverage for all retirees regardless of age or type of retiree.

343 (e) The insurance company and its group life insurance
344 plan shall comply with any administrative requirements of the
345 State and School Employees Health Insurance Management Board. In
346 the event any insurance company providing group life insurance
347 benefits to employees under this subsection (7) fails to comply
348 with any requirements specified herein or any administrative
349 requirements of the board, the state shall discontinue providing
350 funding for the cost of such insurance.

351 **[From and after July 1 of the year in which Section 25-11-143**
352 **becomes effective as provided in subsection (1) of Section**
353 **25-11-143, this section shall read as follows:]**

354 25-15-9. (1) (a) The board shall design a plan of health
355 insurance for state employees that provides benefits for
356 semiprivate rooms in addition to other incidental coverages that

357 the board deems necessary. The amount of the coverages shall be
358 in such reasonable amount as may be determined by the board to be
359 adequate, after due consideration of current health costs in
360 Mississippi. The plan shall also include major medical benefits
361 in such amounts as the board shall determine. The plan shall also
362 include coverage of all colorectal cancer examinations and
363 laboratory tests at a frequency specified in current American
364 Cancer Society (ACS) guidelines for colorectal cancer screening of
365 asymptomatic individuals. The board is also authorized to accept
366 bids for such alternate coverage and optional benefits as the
367 board deems proper. Any contract for alternative coverage and
368 optional benefits shall be awarded by the board after it has
369 carefully studied and evaluated the bids and selected the best and
370 most cost-effective bid. The board may reject all such bids;
371 however, the board shall notify all bidders of the rejection and
372 shall actively solicit new bids if all bids are rejected. The
373 board may employ or contract for such consulting or actuarial
374 services as may be necessary to formulate the plan, and to assist
375 the board in the preparation of specifications and in the process
376 of advertising for the bids for the plan. Those contracts shall
377 be solicited and entered into in accordance with Section 25-15-5.
378 The board shall keep a record of all persons, agents and
379 corporations who contract with or assist the board in preparing
380 and developing the plan. The board in a timely manner shall
381 provide copies of this record to the members of the advisory
382 council created in this section and those legislators, or their
383 designees, who may attend meetings of the advisory council. The
384 board shall provide copies of this record in the solicitation of
385 bids for the administration or servicing of the self-insured
386 program. Each person, agent or corporation that, during the
387 previous fiscal year, has assisted in the development of the plan
388 or employed or compensated any person who assisted in the
389 development of the plan, and that bids on the administration or

390 servicing of the plan, shall submit to the board a statement
391 accompanying the bid explaining in detail its participation with
392 the development of the plan. This statement shall include the
393 amount of compensation paid by the bidder to any such employee
394 during the previous fiscal year. The board shall make all such
395 information available to the members of the advisory council and
396 those legislators, or their designees, who may attend meetings of
397 the advisory council before any action is taken by the board on
398 the bids submitted. The failure of any bidder to fully and
399 accurately comply with this paragraph shall result in the
400 rejection of any bid submitted by that bidder or the cancellation
401 of any contract executed when the failure is discovered after the
402 acceptance of that bid. The board is authorized to promulgate
403 rules and regulations to implement the provisions of this
404 subsection.

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

408 Any corporation, association, company or individual that
409 contracts with the board for the third-party claims administration
410 of the self-insured plan shall prepare and keep on file an
411 explanation of benefits for each claim processed. The explanation
412 of benefits shall contain such information relative to each
413 processed claim which the board deems necessary, and, at a
414 minimum, each explanation shall provide the claimant's name, claim
415 number, provider number, provider name, service dates, type of
416 services, amount of charges, amount allowed to the claimant and
417 reason codes. The information contained in the explanation of
418 benefits shall be available for inspection upon request by the
419 board. The board shall have access to all claims information
420 utilized in the issuance of payments to employees and providers.

421 (b) There is created an advisory council to advise the
422 board in the formulation of the State and School Employees Health

423 Insurance Plan. The council shall be composed of the State
424 Insurance Commissioner or his designee, an employee-representative
425 of the state institutions of higher learning appointed by the
426 board of trustees thereof, an employee-representative of the
427 Mississippi Department of Transportation appointed by the director
428 thereof, an employee-representative of the State Tax Commission
429 appointed by the Commissioner of Revenue, an
430 employee-representative of the State Department of Health
431 appointed by the State Health Officer, an employee-representative
432 of the Mississippi Department of Corrections appointed by the
433 Commissioner of Corrections, and an employee-representative of the
434 Mississippi Department of Human Services appointed by the
435 Executive Director of Human Services, two (2) certificated public
436 school administrators appointed by the State Board of Education,
437 two (2) certificated classroom teachers appointed by the State
438 Board of Education, a noncertificated school employee appointed by
439 the State Board of Education and a community/junior college
440 employee appointed by the State Board for Community and Junior
441 Colleges.

442 The Lieutenant Governor may designate the Secretary of the
443 Senate, the Chairman of the Senate Appropriations Committee, the
444 Chairman of the Senate Education Committee and the Chairman of the
445 Senate Insurance Committee, and the Speaker of the House of
446 Representatives may designate the Clerk of the House, the Chairman
447 of the House Appropriations Committee, the Chairman of the House
448 Education Committee and the Chairman of the House Insurance
449 Committee, to attend any meeting of the State and School Employees
450 Insurance Advisory Council. The appointing authorities may
451 designate an alternate member from their respective houses to
452 serve when the regular designee is unable to attend such meetings
453 of the council. Those designees shall have no jurisdiction or
454 vote on any matter within the jurisdiction of the council. For
455 attending meetings of the council, those legislators shall receive

456 per diem and expenses, which shall be paid from the contingent
457 expense funds of their respective houses in the same amounts as
458 provided for committee meetings when the Legislature is not in
459 session; however, no per diem and expenses for attending meetings
460 of the council will be paid while the Legislature is in session.
461 No per diem and expenses will be paid except for attending
462 meetings of the council without prior approval of the proper
463 committee in their respective houses.

464 (c) No change in the terms of the State and School
465 Employees Health Insurance Plan may be made effective unless the
466 board, or its designee, has provided notice to the State and
467 School Employees Health Insurance Advisory Council and has called
468 a meeting of the council at least fifteen (15) days before the
469 effective date of the change. If the State and School Employees
470 Health Insurance Advisory Council does not meet to advise the
471 board on the proposed changes, the changes to the plan will become
472 effective at such time as the board has informed the council that
473 the changes will become effective.

474 (2) Nonduplication of benefits--reduction of benefits by
475 Title XIX benefits: When benefits would be payable under more
476 than one (1) group plan, benefits under those plans will be
477 coordinated to the extent that the total benefits under all plans
478 will not exceed the total expenses incurred.

479 Benefits for hospital or surgical or medical benefits shall
480 be reduced by any similar benefits payable in accordance with
481 Title XIX of the Social Security Act or under any amendments
482 thereto, or any implementing legislation.

483 Benefits for hospital or surgical or medical benefits shall
484 be reduced by any similar benefits payable by workers'
485 compensation.

486 (3) (a) Schedule of life insurance benefits--group term:
487 The amount of term life insurance for each active employee of a
488 department, agency or institution of the state government shall

489 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
490 twice the amount of the employee's annual wage to the next highest
491 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
492 case less than Thirty Thousand Dollars (\$30,000.00), with a like
493 amount for accidental death and dismemberment on a
494 twenty-four-hour basis.

495 (b) Effective October 1, 1999, schedule of life
496 insurance benefits--group term: The amount of term life insurance
497 for each active employee of any school district, community/junior
498 college, public library, university-based program authorized under
499 Section 37-23-31 for deaf, aphasic and emotionally disturbed
500 children, or any regular nonstudent bus driver shall not be in
501 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
502 amount of the employee's annual wage to the next highest One
503 Thousand Dollars (\$1,000.00), whichever may be less, but in no
504 case less than Thirty Thousand Dollars (\$30,000.00), with a like
505 amount for accidental death and dismemberment on a
506 twenty-four-hour basis. The plan will further contain a premium
507 waiver provision if a covered employee of any school district,
508 community/junior college, public library, university-based program
509 authorized under Section 37-23-31 for deaf, aphasic and
510 emotionally disturbed children, or any regular nonstudent bus
511 driver becomes totally and permanently disabled before age
512 sixty-five (65) years.

513 (4) Any eligible employee who on March 1, 1971, was
514 participating in a group life insurance program that has
515 provisions different from those included in this section and for
516 which the State of Mississippi was paying a part of the premium
517 may, at his discretion, continue to participate in that plan. The
518 employee shall pay in full all additional costs, if any, above the
519 minimum program established by this article. Under no
520 circumstances shall any individual who begins employment with the

521 state after March 1, 1971, be eligible for the provisions of this
522 subsection.

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

525 (6) Any premium differentials, differences in coverages,
526 discounts determined by risk or by any other factors shall be
527 uniformly applied to all active employees participating in the
528 insurance plan. It is the intent of the Legislature that the
529 state contribution to the plan be the same for each employee
530 throughout the state.

531 (7) On October 1, 1999, any school district,
532 community/junior college district or public library may elect to
533 remain with an existing policy or policies of group life insurance
534 with an insurance company approved by the State and School
535 Employees Health Insurance Management Board, in lieu of
536 participation in the State and School Life Insurance Plan. On or
537 after July 1, 2004, until October 1, 2004, any school district,
538 community/junior college district or public library may elect to
539 choose a policy or policies of group life insurance existing on
540 October 1, 1999, with an insurance company approved by the State
541 and School Employees Health Insurance Management Board in lieu of
542 participation in the State and School Life Insurance Plan. The
543 state's contribution of up to fifty percent (50%) of the active
544 employee's premium under the State and School Life Insurance Plan
545 may be applied toward the cost of coverage for full-time employees
546 participating in the approved life insurance company group plan.
547 For purposes of this subsection (7), "life insurance company group
548 plan" means a plan administered or sold by a private insurance
549 company. After October 1, 1999, the board may assess charges in
550 addition to the existing State and School Life Insurance Plan
551 rates to those employees as a condition of enrollment in the State
552 and School Life Insurance Plan. In order for any life insurance
553 company group plan to be approved by the State and School

554 Employees Health Insurance Management Board under this subsection
555 (7), it shall meet the following criteria:

556 (a) The insurance company offering the group life
557 insurance plan shall be rated "A-" or better by A.M. Best state
558 insurance rating service and be licensed as an admitted carrier in
559 the State of Mississippi by the Mississippi Department of
560 Insurance.

561 (b) The insurance company group life insurance plan
562 shall provide the same life insurance, accidental death and
563 dismemberment insurance and waiver of premium benefits as provided
564 in the State and School Life Insurance Plan.

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

568 (d) The insurance company group life insurance plan
569 shall have one (1) composite rate per One Thousand Dollars
570 (\$1,000.00) of coverage for active employees regardless of age.

571 (e) The insurance company and its group life insurance
572 plan shall comply with any administrative requirements of the
573 State and School Employees Health Insurance Management Board. If
574 any insurance company providing group life insurance benefits to
575 employees under this subsection (7) fails to comply with any
576 requirements specified in this subsection or any administrative
577 requirements of the board, the state shall discontinue providing
578 funding for the cost of that insurance.

579 **SECTION 3.** This act shall take effect and be in force from
580 and after July 1, 2006.