

By: Senator(s) Dearing, Morgan, Posey, Kirby

To: Insurance;  
Appropriations

SENATE BILL NO. 2186

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO  
2 REQUIRE THE STATE EMPLOYEES HEALTH INSURANCE MANAGEMENT BOARD TO  
3 DESIGN A PLAN OF LONG-TERM CARE INSURANCE FOR ACTIVE AND RETIRED  
4 EMPLOYEES; 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, 2005,  
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, 2005, 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 2005, 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, 2005,

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) (a) Schedule of life insurance benefits--group term:  
186 The amount of term life insurance for each active employee of a  
187 department, agency or institution of the state government shall  
188 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or  
189 twice the amount of the employee's annual wage to the next highest  
190 One Thousand Dollars (\$1,000.00), whichever may be less, but in no  
191 case less than Thirty Thousand Dollars (\$30,000.00), with a like

192 amount for accidental death and dismemberment on a  
193 twenty-four-hour basis. The plan will further contain a premium  
194 waiver provision if a covered employee becomes totally and  
195 permanently disabled prior to age sixty-five (65) years.  
196 Employees retiring after June 30, 1999, shall be eligible to  
197 continue life insurance coverage in an amount of Five Thousand  
198 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty  
199 Thousand Dollars (\$20,000.00) into retirement.

200 (b) Effective October 1, 1999, schedule of life  
201 insurance benefits--group term: The amount of term life insurance  
202 for each active employee of any school district, community/junior  
203 college, public library or university-based program authorized  
204 under Section 37-23-31 for deaf, aphasic and emotionally disturbed  
205 children or any regular nonstudent bus driver shall not be in  
206 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the  
207 amount of the employee's annual wage to the next highest One  
208 Thousand Dollars (\$1,000.00), whichever may be less, but in no  
209 case less than Thirty Thousand Dollars (\$30,000.00), with a like  
210 amount for accidental death and dismemberment on a  
211 twenty-four-hour basis. The plan will further contain a premium  
212 waiver provision if a covered employee of any school district,  
213 community/junior college, public library or university-based  
214 program authorized under Section 37-23-31 for deaf, aphasic and  
215 emotionally disturbed children or any regular nonstudent bus  
216 driver becomes totally and permanently disabled prior to age  
217 sixty-five (65) years. Employees of any school district,  
218 community/junior college, public library or university-based  
219 program authorized under Section 37-23-31 for deaf, aphasic and  
220 emotionally disturbed children or any regular nonstudent bus  
221 driver retiring after September 30, 1999, shall be eligible to  
222 continue life insurance coverage in an amount of Five Thousand  
223 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty  
224 Thousand Dollars (\$20,000.00) into retirement.

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

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

236 (6) Any premium differentials, differences in coverages,  
237 discounts determined by risk or by any other factors shall be  
238 uniformly applied to all active employees participating in the  
239 insurance plan. It is the intent of the Legislature that the  
240 state contribution to the plan be the same for each employee  
241 throughout the state.

242 (7) On October 1, 1999, any school district,  
243 community/junior college district or public library may elect to  
244 remain with an existing policy or policies of group life insurance  
245 with an insurance company approved by the State and School  
246 Employees Health Insurance Management Board, in lieu of  
247 participation in the State and School Life Insurance Plan. On or  
248 after July 1, 2004, until October 1, 2004, any school district,  
249 community/junior college district or public library may elect to  
250 choose a policy or policies of group life insurance existing on  
251 October 1, 1999, with an insurance company approved by the State  
252 and School Employees Health Insurance Management Board in lieu of  
253 participation in the State and School Life Insurance Plan. The  
254 state's contribution of up to fifty percent (50%) of the active  
255 employee's premium under the State and School Life Insurance Plan  
256 may be applied toward the cost of coverage for full-time employees  
257 participating in the approved life insurance company group plan.

258 For purposes of this subsection (7), "life insurance company group  
259 plan" means a plan administered or sold by a private insurance  
260 company. After October 1, 1999, the board may assess charges in  
261 addition to the existing State and School Life Insurance Plan  
262 rates to such employees as a condition of enrollment in the State  
263 and School Life Insurance Plan. In order for any life insurance  
264 company group plan to be approved by the State and School  
265 Employees Health Insurance Management Board under this subsection  
266 (7), it shall meet the following criteria:

267 (a) The insurance company offering the group life  
268 insurance plan shall be rated "A-" or better by A.M. Best state  
269 insurance rating service and be licensed as an admitted carrier in  
270 the State of Mississippi by the Mississippi Department of  
271 Insurance.

272 (b) The insurance company group life insurance plan  
273 shall provide the same life insurance, accidental death and  
274 dismemberment insurance and waiver of premium benefits as provided  
275 in the State and School Life Insurance Plan.

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

279 (d) The insurance company group life insurance plan  
280 shall have one (1) composite rate per One Thousand Dollars  
281 (\$1,000.00) of coverage for active employees regardless of age and  
282 one (1) composite rate per One Thousand Dollars (\$1,000.00) of  
283 coverage for all retirees regardless of age or type of retiree.

284 (e) The insurance company and its group life insurance  
285 plan shall comply with any administrative requirements of the  
286 State and School Employees Health Insurance Management Board. In  
287 the event any insurance company providing group life insurance  
288 benefits to employees under this subsection (7) fails to comply  
289 with any requirements specified herein or any administrative

290 requirements of the board, the state shall discontinue providing  
291 funding for the cost of such insurance.

292 (8) The board shall design and offer a plan of long-term  
293 care insurance for active and retired employees which shall  
294 provide benefits that include, but are not limited to, home health  
295 services, assisted living services and nursing home services. The  
296 plan shall also provide inflation protection to ensure that the  
297 plan continues to provide meaningful benefits in the future. The  
298 board may employ or contract for such consulting or actuarial  
299 services as may be necessary to formulate the plan.

300 **[From and after July 1 of the year in which Section 25-11-143**  
301 **becomes effective as provided in subsection (1) of Section**  
302 **25-11-143, this section shall read as follows:]**

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

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

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

353 Any corporation, association, company or individual that  
354 contracts with the board for the third-party claims administration  
355 of the self-insured plan shall prepare and keep on file an

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

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

387 The Lieutenant Governor may designate the Secretary of the  
388 Senate, the Chairman of the Senate Appropriations Committee, the

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

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

419 (2) Nonduplication of benefits--reduction of benefits by  
420 Title XIX benefits: When benefits would be payable under more  
421 than one (1) group plan, benefits under those plans will be

422 coordinated to the extent that the total benefits under all plans  
423 will not exceed the total expenses incurred.

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

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

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

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

455 emotionally disturbed children, or any regular nonstudent bus  
456 driver becomes totally and permanently disabled before age  
457 sixty-five (65) years.

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

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

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

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

488 state's contribution of up to fifty percent (50%) of the active  
489 employee's premium under the State and School Life Insurance Plan  
490 may be applied toward the cost of coverage for full-time employees  
491 participating in the approved life insurance company group plan.  
492 For purposes of this subsection (7), "life insurance company group  
493 plan" means a plan administered or sold by a private insurance  
494 company. After October 1, 1999, the board may assess charges in  
495 addition to the existing State and School Life Insurance Plan  
496 rates to those employees as a condition of enrollment in the State  
497 and School Life Insurance Plan. In order for any life insurance  
498 company group plan to be approved by the State and School  
499 Employees Health Insurance Management Board under this subsection  
500 (7), it shall meet the following criteria:

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

506 (b) The insurance company group life insurance plan  
507 shall provide the same life insurance, accidental death and  
508 dismemberment insurance and waiver of premium benefits as provided  
509 in the State and School Life Insurance Plan.

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

513 (d) The insurance company group life insurance plan  
514 shall have one (1) composite rate per One Thousand Dollars  
515 (\$1,000.00) of coverage for active employees regardless of age.

516 (e) The insurance company and its group life insurance  
517 plan shall comply with any administrative requirements of the  
518 State and School Employees Health Insurance Management Board. If  
519 any insurance company providing group life insurance benefits to  
520 employees under this subsection (7) fails to comply with any

521 requirements specified in this subsection or any administrative  
522 requirements of the board, the state shall discontinue providing  
523 funding for the cost of that insurance.

524 (8) The board shall design and offer a plan of long-term  
525 care insurance for active and retired employees which provides  
526 benefits that include, but are not limited to, home health  
527 services, assisted living services and nursing home services. The  
528 plan shall also provide inflation protection to ensure that the  
529 plan continues to provide meaningful benefits in the future. The  
530 board may employ or contract for such consulting or actuarial  
531 services as may be necessary to formulate the plan.

532 **SECTION 2.** This act shall take effect and be in force from  
533 and after July 1, 2007.