

By: Representatives Holland, Hines, Gardner

To: Public Health and Human
Services; AppropriationsCOMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1530

1 AN ACT TO ESTABLISH A PROGRAM DESIGNED TO ADDRESS THE PROBLEM
2 OF THE HIGH RATE OF OBESITY IN MISSISSIPPI, BY PROVIDING FOR THE
3 TREATMENT AND MANAGEMENT OF OBESITY AND RELATED CONDITIONS THROUGH
4 VARIOUS METHODS, INCLUDING THE USE OF BARIATRIC SURGERY AS A
5 TREATMENT OPTION; TO PROVIDE THAT THE PROGRAM SHALL BE CONDUCTED
6 BY THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE MANAGEMENT
7 BOARD THROUGH THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE
8 PLAN; TO PROVIDE THAT THE BOARD SHALL DEVELOP THE CRITERIA FOR
9 PATIENT AND FACILITY ELIGIBILITY FOR THE PROGRAM; TO SPECIFY THE
10 MINIMUM CRITERIA FOR PATIENTS TO BE ELIGIBLE FOR BARIATRIC SURGERY
11 IN THE PROGRAM; TO SPECIFY THE CRITERIA FOR MISSISSIPPI MEDICAL
12 CENTERS AND HOSPITALS TO BE ELIGIBLE FOR DELIVERY OF BARIATRIC
13 SURGERIES IN THE PROGRAM; TO PROVIDE THAT THE PROGRAM SHALL
14 APPROVE NOT MORE THAN ONE HUNDRED PATIENTS FROM DIFFERENT REGIONS
15 IN THE STATE IN THE PROGRAM DURING EACH OF THE FIRST TWO YEARS OF
16 THE PROGRAM; TO PROVIDE THAT THE BOARD SHALL REPORT BACK TO THE
17 CHAIRMEN OF THE HOUSE PUBLIC HEALTH AND HUMAN SERVICES COMMITTEE
18 AND THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE WITH DETAILED
19 INFORMATION ON INITIAL TRENDS OF THE PROGRAM; TO PROVIDE THAT
20 BEGINNING ON JULY 1, 2012, THE BENEFITS PROVIDED UNDER THE PROGRAM
21 SHALL BECOME A FULL BENEFIT FOR ALL PARTICIPANTS IN THE STATE AND
22 SCHOOL EMPLOYEES HEALTH INSURANCE PLAN WHO ARE ELIGIBLE FOR THE
23 PROGRAM; TO BRING FORWARD SECTION 25-15-9, MISSISSIPPI CODE OF
24 1972, WHICH PROVIDES FOR THE BENEFITS UNDER THE STATE AND SCHOOL
25 EMPLOYEES HEALTH INSURANCE PLAN; AND FOR RELATED PURPOSES.

26 WHEREAS, obesity is a very serious problem in Mississippi,
27 with more than thirty percent (30%) of our state's citizens being
28 overweight, which is the highest percentage in the country; and

29 WHEREAS, there are a number of unfavorable health conditions
30 and illnesses that are a direct result of obesity, such as heart
31 disease, hypertension and diabetes, and as a consequence of our
32 high rate of obesity, Mississippians have greater incidences of
33 those conditions and illnesses; and

34 WHEREAS, in addition to the human suffering caused by
35 obesity, there is a major economic expense to the state from the
36 high costs of treating the ailments that result from being
37 overweight; NOW, THEREFORE,



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

39 **SECTION 1.** (1) There is established a program designed to
40 address the problem of the high rate of obesity in Mississippi, by
41 providing for the treatment and management of obesity and related
42 conditions through various methods, including, but not limited to,
43 the use of bariatric surgery as a treatment option. The program
44 shall be conducted by the State and School Employees Health
45 Insurance Management Board (the "board") through the State and
46 School Employees Health Insurance Plan as provided in this
47 section.

48 (2) The board shall develop the criteria for patient and
49 facility eligibility for the program, which shall include, but not
50 be limited to, the American Association of Clinical
51 Endocrinologists, The Obesity Society, and American Society for
52 Metabolic & Bariatric Surgery (AACE/TOS/ASMBS) Guidelines for
53 Clinical Practice for the Perioperative Nutritional, Metabolic,
54 and Nonsurgical Support of the Bariatric Surgery Patient.

55 (3) The criteria for patients to be eligible for bariatric
56 surgery in the program shall include, but not be limited to:

57 (a) A body mass index (BMI) of greater than forty (40),
58 or greater than thirty-five (35) with two (2) co-morbidities such
59 as diabetes, hypertension, gastroesophageal reflux disease (GERD),
60 sleep apnea or asthma;

61 (b) Participation in the State and School Employees
62 Health Insurance Plan for at least one (1) year; and

63 (c) Two (2) weight loss attempts documented with the
64 patient's primary practitioner, using methods such as Weight
65 Watchers, the Atkins diet, the South Beach diet or Sugar Busters,
66 that have shown multiple attempts at sustained weight loss
67 failure.

68 (4) The criteria for Mississippi medical centers and
69 hospitals to be eligible for delivery of bariatric surgeries in
70 the program shall be as follows:



71 (a) Must be a nationally designated Center of
72 Excellence, or must have reached the criteria for that designation
73 and have the application awaiting approval and accepted by the
74 board as sufficient;

75 (b) Must meet other criteria developed by the board;
76 and

77 (c) Must have all the critical post-surgical patient
78 support in place including, but not limited to:

79 (i) A nutritionist/dietician for patient access;

80 (ii) Individual and group support meetings;

81 (iii) Development of personalized weight loss
82 goals and management/support for lifelong life style changes; and

83 (iv) A physical activity component.

84 (5) During the first year, the program shall approve not
85 more than one hundred (100) patients from different regions in the
86 state in the program based on the guidelines developed by the
87 board. During the second year, the program shall approve not more
88 than an additional one hundred (100) patients from different
89 regions in the state in the program based on the same guidelines.
90 At the end of the first two (2) years, the board shall report back
91 to the Chairmen of the House Public Health and Human Services
92 Committee and the Senate Public Health and Welfare Committee with
93 detailed information on initial trends of the program. The
94 required information shall include, but not be limited to:

95 (a) Pre-surgical prescription costs for each patient
96 associated with obesity and its co-morbidities;

97 (b) Post-surgical prescription cost reductions
98 associated with each patient's improved medical co-morbidities;

99 (c) Co-morbidities documented before surgery and the
100 resolution or improvement of those co-morbidities after surgery
101 including, but not limited to:



102 (i) Drug cost (expect to see a reduction or
103 elimination of drug therapy as the co-morbid conditions
104 improve/resolve as weight loss is achieved);

105 (ii) Each patient serves as his or her own
106 control, by comparing health care costs in the preceding two (2)
107 years (while obese, and with co-morbid conditions) and then post
108 surgery; and

109 (iii) Productivity (expect to see increased
110 productivity, such as less absenteeism and improved quality of
111 work) that can be translated to cost savings in the total picture,
112 not just health care dollars.

113 (6) To insure the least initial cost to the state in the
114 first two (2) years of implementation of the program, seventy-five
115 percent (75%) to eighty-five percent (85%) of participants should
116 be eligible for lap bands or other gastric banding.

117 (7) Beginning on July 1, 2012, the benefits provided under
118 this program shall become a full benefit for all participants in
119 the State and School Employees Health Insurance Plan who are
120 eligible for the program.

121 (8) This section shall stand repealed on July 1, 2012.

122 **SECTION 2.** Section 25-15-9, Mississippi Code of 1972, is
123 brought forward as follows:

124 **[Through June 30 of the year in which Section 25-11-143**
125 **becomes effective as provided in subsection (1) of Section**
126 **25-11-143, this section shall read as follows:]**

127 25-15-9. (1) (a) The board shall design a plan of health
128 insurance for state employees that provides benefits for
129 semiprivate rooms in addition to other incidental coverages that
130 the board deems necessary. The amount of the coverages shall be
131 in such reasonable amount as may be determined by the board to be
132 adequate, after due consideration of current health costs in
133 Mississippi. The plan shall also include major medical benefits
134 in such amounts as the board determines. The board is also



135 authorized to accept bids for such alternate coverage and optional
136 benefits as the board deems proper. Any contract for alternative
137 coverage and optional benefits shall be awarded by the board after
138 it has carefully studied and evaluated the bids and selected the
139 best and most cost-effective bid. The board may reject all of the
140 bids; however, the board shall notify all bidders of the rejection
141 and shall actively solicit new bids if all bids are rejected. The
142 board may employ or contract for such consulting or actuarial
143 services as may be necessary to formulate the plan, and to assist
144 the board in the preparation of specifications and in the process
145 of advertising for the bids for the plan. Those contracts shall
146 be solicited and entered into in accordance with Section 25-15-5.
147 The board shall keep a record of all persons, agents and
148 corporations who contract with or assist the board in preparing
149 and developing the plan. The board in a timely manner shall
150 provide copies of this record to the members of the advisory
151 council created in this section and those legislators, or their
152 designees, who may attend meetings of the advisory council. The
153 board shall provide copies of this record in the solicitation of
154 bids for the administration or servicing of the self-insured
155 program. Each person, agent or corporation that, during the
156 previous fiscal year, has assisted in the development of the plan
157 or employed or compensated any person who assisted in the
158 development of the plan, and that bids on the administration or
159 servicing of the plan, shall submit to the board a statement
160 accompanying the bid explaining in detail its participation with
161 the development of the plan. This statement shall include the
162 amount of compensation paid by the bidder to any such employee
163 during the previous fiscal year. The board shall make all such
164 information available to the members of the advisory council and
165 those legislators, or their designees, who may attend meetings of
166 the advisory council before any action is taken by the board on
167 the bids submitted. The failure of any bidder to fully and



168 accurately comply with this paragraph shall result in the
169 rejection of any bid submitted by that bidder or the cancellation
170 of any contract executed when the failure is discovered after the
171 acceptance of that bid. The board is authorized to promulgate
172 rules and regulations to implement the provisions of this
173 subsection.

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

177 Any corporation, association, company or individual that
178 contracts with the board for the third-party claims administration
179 of the self-insured plan shall prepare and keep on file an
180 explanation of benefits for each claim processed. The explanation
181 of benefits shall contain such information relative to each
182 processed claim that the board deems necessary, and, at a minimum,
183 each explanation shall provide the claimant's name, claim number,
184 provider number, provider name, service dates, type of services,
185 amount of charges, amount allowed to the claimant and reason
186 codes. The information contained in the explanation of benefits
187 shall be available for inspection upon request by the board. The
188 board shall have access to all claims information utilized in the
189 issuance of payments to employees and providers.

190 (b) There is created an advisory council to advise the
191 board in the formulation of the State and School Employees Health
192 Insurance Plan. The council shall be composed of the State
193 Insurance Commissioner, or his designee, an
194 employee-representative of the institutions of higher learning
195 appointed by the board of trustees thereof, an
196 employee-representative of the Department of Transportation
197 appointed by the director thereof, an employee-representative of
198 the State Tax Commission appointed by the Commissioner of Revenue,
199 an employee-representative of the Mississippi Department of Health
200 appointed by the State Health Officer, an employee-representative



201 of the Mississippi Department of Corrections appointed by the
202 Commissioner of Corrections, and an employee-representative of the
203 Department of Human Services appointed by the Executive Director
204 of Human Services, two (2) certificated public school
205 administrators appointed by the State Board of Education, two (2)
206 certificated classroom teachers appointed by the State Board of
207 Education, a noncertificated school employee appointed by the
208 State Board of Education and a community/junior college employee
209 appointed by the State Board for Community and Junior Colleges.

210 The Lieutenant Governor may designate the Secretary of the
211 Senate, the Chairman of the Senate Appropriations Committee, the
212 Chairman of the Senate Education Committee and the Chairman of the
213 Senate Insurance Committee, and the Speaker of the House of
214 Representatives may designate the Clerk of the House, the Chairman
215 of the House Appropriations Committee, the Chairman of the House
216 Education Committee and the Chairman of the House Insurance
217 Committee, to attend any meeting of the State and School Employees
218 Insurance Advisory Council. The appointing authorities may
219 designate an alternate member from their respective houses to
220 serve when the regular designee is unable to attend the meetings
221 of the council. Those designees shall have no jurisdiction or
222 vote on any matter within the jurisdiction of the council. For
223 attending meetings of the council, the legislators shall receive
224 per diem and expenses, which shall be paid from the contingent
225 expense funds of their respective houses in the same amounts as
226 provided for committee meetings when the Legislature is not in
227 session; however, no per diem and expenses for attending meetings
228 of the council will be paid while the Legislature is in session.
229 No per diem and expenses will be paid except for attending
230 meetings of the council without prior approval of the proper
231 committee in their respective houses.

232 (c) No change in the terms of the State and School
233 Employees Health Insurance Plan may be made effective unless the



234 board, or its designee, has provided notice to the State and
235 School Employees Health Insurance Advisory Council and has called
236 a meeting of the council at least fifteen (15) days before the
237 effective date of the change. If the State and School Employees
238 Health Insurance Advisory Council does not meet to advise the
239 board on the proposed changes, the changes to the plan shall
240 become effective at such time as the board has informed the
241 council that the changes shall become effective.

242 (d) **Medical benefits for retired employees and**
243 **dependents under age sixty-five (65) years and not eligible for**
244 **Medicare benefits.** For employees who retire before July 1, 2005,
245 and for employees retiring due to work-related disability under
246 the Public Employees' Retirement System, the same health insurance
247 coverage as for all other active employees and their dependents
248 shall be available to retired employees and all dependents under
249 age sixty-five (65) years who are not eligible for Medicare
250 benefits, the level of benefits to be the same level as for all
251 other active participants. For employees who retire on or after
252 July 1, 2005, and not retiring due to work-related disability
253 under the Public Employees' Retirement System, the same health
254 insurance coverage as for all other active employees and their
255 dependents shall be available to those retiring employees and all
256 dependents under age sixty-five (65) years who are not eligible
257 for Medicare benefits only if the retiring employees were
258 participants in the State and School Employees Health Insurance
259 Plan for four (4) years or more before their retirement, the level
260 of benefits to be the same level as for all other active
261 participants. This section will apply to those employees who
262 retire due to one hundred percent (100%) medical disability as
263 well as those employees electing early retirement.

264 (e) **Medical benefits for retired employees and**
265 **dependents over age sixty-five (65) years or otherwise eligible**
266 **for Medicare benefits.** For employees who retire before July 1,



267 2005, and for employees retiring due to work-related disability
268 under the Public Employees' Retirement System, the health
269 insurance coverage available to retired employees over age
270 sixty-five (65) years or otherwise eligible for Medicare benefits,
271 and all dependents over age sixty-five (65) years or otherwise
272 eligible for Medicare benefits, shall be the major medical
273 coverage. For employees retiring on or after July 1, 2005, and
274 not retiring due to work-related disability under the Public
275 Employees' Retirement System, the health insurance coverage
276 described in this paragraph (e) shall be available to those
277 retiring employees only if they were participants in the State and
278 School Employees Health Insurance Plan for four (4) years or more
279 and are over age sixty-five (65) years or otherwise eligible for
280 Medicare benefits, and to all dependents over age sixty-five (65)
281 years or otherwise eligible for Medicare benefits. Benefits shall
282 be reduced by Medicare benefits as though the Medicare benefits
283 were the base plan.

284 All covered individuals shall be assumed to have full
285 Medicare coverage, Parts A and B; and any Medicare payments under
286 both Parts A and B shall be computed to reduce benefits payable
287 under this plan.

288 (f) Lifetime maximum: The lifetime maximum amount of
289 benefits payable under the health insurance plan for each
290 participant is Two Million Dollars (\$2,000,000.00).

291 (2) Nonduplication of benefits--reduction of benefits by
292 Title XIX benefits: When benefits would be payable under more
293 than one (1) group plan, benefits under those plans will be
294 coordinated to the extent that the total benefits under all plans
295 will not exceed the total expenses incurred.

296 Benefits for hospital or surgical or medical benefits shall
297 be reduced by any similar benefits payable in accordance with
298 Title XIX of the Social Security Act or under any amendments
299 thereto, or any implementing legislation.



300 Benefits for hospital or surgical or medical benefits shall
301 be reduced by any similar benefits payable by workers'
302 compensation.

303 (3) (a) Schedule of life insurance benefits--group term:
304 The amount of term life insurance for each active employee of a
305 department, agency or institution of the state government shall
306 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
307 twice the amount of the employee's annual wage to the next highest
308 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
309 case less than Thirty Thousand Dollars (\$30,000.00), with a like
310 amount for accidental death and dismemberment on a
311 twenty-four-hour basis. The plan will further contain a premium
312 waiver provision if a covered employee becomes totally and
313 permanently disabled before age sixty-five (65) years. Employees
314 retiring after June 30, 1999, shall be eligible to continue life
315 insurance coverage in an amount of Five Thousand Dollars
316 (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty Thousand
317 Dollars (\$20,000.00) into retirement.

318 (b) Effective October 1, 1999, schedule of life
319 insurance benefits--group term: The amount of term life insurance
320 for each active employee of any school district, community/junior
321 college, public library or university-based program authorized
322 under Section 37-23-31 for deaf, aphasic and emotionally disturbed
323 children or any regular nonstudent bus driver shall not be in
324 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
325 amount of the employee's annual wage to the next highest One
326 Thousand Dollars (\$1,000.00), whichever may be less, but in no
327 case less than Thirty Thousand Dollars (\$30,000.00), with a like
328 amount for accidental death and dismemberment on a
329 twenty-four-hour basis. The plan will further contain a premium
330 waiver provision if a covered employee of any school district,
331 community/junior college, public library or university-based
332 program authorized under Section 37-23-31 for deaf, aphasic and



333 emotionally disturbed children or any regular nonstudent bus
334 driver becomes totally and permanently disabled before age
335 sixty-five (65) years. Employees of any school district,
336 community/junior college, public library or university-based
337 program authorized under Section 37-23-31 for deaf, aphasic and
338 emotionally disturbed children or any regular nonstudent bus
339 driver retiring after September 30, 1999, shall be eligible to
340 continue life insurance coverage in an amount of Five Thousand
341 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty
342 Thousand Dollars (\$20,000.00) into retirement.

343 (4) Any eligible employee who on March 1, 1971, was
344 participating in a group life insurance program that has
345 provisions different from those included in this article and for
346 which the State of Mississippi was paying a part of the premium
347 may, at his discretion, continue to participate in that plan. The
348 employee shall pay in full all additional costs, if any, above the
349 minimum program established by this article. Under no
350 circumstances shall any individual who begins employment with the
351 state after March 1, 1971, be eligible for the provisions of this
352 subsection.

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

355 (6) Any premium differentials, differences in coverages,
356 discounts determined by risk or by any other factors shall be
357 uniformly applied to all active employees participating in the
358 insurance plan. It is the intent of the Legislature that the
359 state contribution to the plan be the same for each employee
360 throughout the state.

361 (7) On October 1, 1999, any school district,
362 community/junior college district or public library may elect to
363 remain with an existing policy or policies of group life insurance
364 with an insurance company approved by the State and School
365 Employees Health Insurance Management Board, in lieu of



366 participation in the State and School Life Insurance Plan. On or
367 after July 1, 2004, until October 1, 2004, any school district,
368 community/junior college district or public library may elect to
369 choose a policy or policies of group life insurance existing on
370 October 1, 1999, with an insurance company approved by the State
371 and School Employees Health Insurance Management Board in lieu of
372 participation in the State and School Life Insurance Plan. The
373 state's contribution of up to fifty percent (50%) of the active
374 employee's premium under the State and School Life Insurance Plan
375 may be applied toward the cost of coverage for full-time employees
376 participating in the approved life insurance company group plan.
377 For purposes of this subsection (7), "life insurance company group
378 plan" means a plan administered or sold by a private insurance
379 company. After October 1, 1999, the board may assess charges in
380 addition to the existing State and School Life Insurance Plan
381 rates to such employees as a condition of enrollment in the State
382 and School Life Insurance Plan. In order for any life insurance
383 company group plan to be approved by the State and School
384 Employees Health Insurance Management Board under this subsection
385 (7), it shall meet the following criteria:

386 (a) The insurance company offering the group life
387 insurance plan shall be rated "A-" or better by A.M. Best state
388 insurance rating service and be licensed as an admitted carrier in
389 the State of Mississippi by the Mississippi Department of
390 Insurance.

391 (b) The insurance company group life insurance plan
392 shall provide the same life insurance, accidental death and
393 dismemberment insurance and waiver of premium benefits as provided
394 in the State and School Life Insurance Plan.

395 (c) The insurance company group life insurance plan
396 shall be fully insured, and no form of self-funding life insurance
397 by the company shall be approved.



398 (d) The insurance company group life insurance plan
399 shall have one (1) composite rate per One Thousand Dollars
400 (\$1,000.00) of coverage for active employees regardless of age and
401 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
402 coverage for all retirees regardless of age or type of retiree.

403 (e) The insurance company and its group life insurance
404 plan shall comply with any administrative requirements of the
405 State and School Employees Health Insurance Management Board. If
406 any insurance company providing group life insurance benefits to
407 employees under this subsection (7) fails to comply with any
408 requirements specified in this subsection or any administrative
409 requirements of the board, the state shall discontinue providing
410 funding for the cost of that insurance.

411 **[From and after July 1 of the year in which Section 25-11-143**
412 **becomes effective as provided in subsection (1) of Section**
413 **25-11-143, this section shall read as follows:]**

414 25-15-9. (1) (a) The board shall design a plan of health
415 insurance for state employees that provides benefits for
416 semiprivate rooms in addition to other incidental coverages that
417 the board deems necessary. The amount of the coverages shall be
418 in such reasonable amount as may be determined by the board to be
419 adequate, after due consideration of current health costs in
420 Mississippi. The plan shall also include major medical benefits
421 in such amounts as the board determines. The board is also
422 authorized to accept bids for such alternate coverage and optional
423 benefits as the board deems proper. Any contract for alternative
424 coverage and optional benefits shall be awarded by the board after
425 it has carefully studied and evaluated the bids and selected the
426 best and most cost-effective bid. The board may reject all of the
427 bids; however, the board shall notify all bidders of the rejection
428 and shall actively solicit new bids if all bids are rejected. The
429 board may employ or contract for such consulting or actuarial
430 services as may be necessary to formulate the plan, and to assist



431 the board in the preparation of specifications and in the process
432 of advertising for the bids for the plan. Those contracts shall
433 be solicited and entered into in accordance with Section 25-15-5.
434 The board shall keep a record of all persons, agents and
435 corporations who contract with or assist the board in preparing
436 and developing the plan. The board in a timely manner shall
437 provide copies of this record to the members of the advisory
438 council created in this section and those legislators, or their
439 designees, who may attend meetings of the advisory council. The
440 board shall provide copies of this record in the solicitation of
441 bids for the administration or servicing of the self-insured
442 program. Each person, agent or corporation that, during the
443 previous fiscal year, has assisted in the development of the plan
444 or employed or compensated any person who assisted in the
445 development of the plan, and that bids on the administration or
446 servicing of the plan, shall submit to the board a statement
447 accompanying the bid explaining in detail its participation with
448 the development of the plan. This statement shall include the
449 amount of compensation paid by the bidder to any such employee
450 during the previous fiscal year. The board shall make all such
451 information available to the members of the advisory council and
452 those legislators, or their designees, who may attend meetings of
453 the advisory council before any action is taken by the board on
454 the bids submitted. The failure of any bidder to fully and
455 accurately comply with this paragraph shall result in the
456 rejection of any bid submitted by that bidder or the cancellation
457 of any contract executed when the failure is discovered after the
458 acceptance of that bid. The board is authorized to promulgate
459 rules and regulations to implement the provisions of this
460 subsection.

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



464 Any corporation, association, company or individual that
465 contracts with the board for the third-party claims administration
466 of the self-insured plan shall prepare and keep on file an
467 explanation of benefits for each claim processed. The explanation
468 of benefits shall contain such information relative to each
469 processed claim that the board deems necessary, and, at a minimum,
470 each explanation shall provide the claimant's name, claim number,
471 provider number, provider name, service dates, type of services,
472 amount of charges, amount allowed to the claimant and reason
473 codes. The information contained in the explanation of benefits
474 shall be available for inspection upon request by the board. The
475 board shall have access to all claims information utilized in the
476 issuance of payments to employees and providers.

477 (b) There is created an advisory council to advise the
478 board in the formulation of the State and School Employees Health
479 Insurance Plan. The council shall be composed of the State
480 Insurance Commissioner, or his designee, an
481 employee-representative of the state institutions of higher
482 learning appointed by the board of trustees thereof, an
483 employee-representative of the Mississippi Department of
484 Transportation appointed by the director thereof, an
485 employee-representative of the State Tax Commission appointed by
486 the Commissioner of Revenue, an employee-representative of the
487 State Department of Health appointed by the State Health Officer,
488 an employee-representative of the Mississippi Department of
489 Corrections appointed by the Commissioner of Corrections, and an
490 employee-representative of the Mississippi Department of Human
491 Services appointed by the Executive Director of Human Services,
492 two (2) certificated public school administrators appointed by the
493 State Board of Education, two (2) certificated classroom teachers
494 appointed by the State Board of Education, a noncertificated
495 school employee appointed by the State Board of Education and a



496 community/junior college employee appointed by the State Board for
497 Community and Junior Colleges.

498 The Lieutenant Governor may designate the Secretary of the
499 Senate, the Chairman of the Senate Appropriations Committee, the
500 Chairman of the Senate Education Committee and the Chairman of the
501 Senate Insurance Committee, and the Speaker of the House of
502 Representatives may designate the Clerk of the House, the Chairman
503 of the House Appropriations Committee, the Chairman of the House
504 Education Committee and the Chairman of the House Insurance
505 Committee, to attend any meeting of the State and School Employees
506 Insurance Advisory Council. The appointing authorities may
507 designate an alternate member from their respective houses to
508 serve when the regular designee is unable to attend the meetings
509 of the council. Those designees shall have no jurisdiction or
510 vote on any matter within the jurisdiction of the council. For
511 attending meetings of the council, the legislators shall receive
512 per diem and expenses, which shall be paid from the contingent
513 expense funds of their respective houses in the same amounts as
514 provided for committee meetings when the Legislature is not in
515 session; however, no per diem and expenses for attending meetings
516 of the council will be paid while the Legislature is in session.
517 No per diem and expenses will be paid except for attending
518 meetings of the council without prior approval of the proper
519 committee in their respective houses.

520 (c) No change in the terms of the State and School
521 Employees Health Insurance Plan may be made effective unless the
522 board, or its designee, has provided notice to the State and
523 School Employees Health Insurance Advisory Council and has called
524 a meeting of the council at least fifteen (15) days before the
525 effective date of the change. If the State and School Employees
526 Health Insurance Advisory Council does not meet to advise the
527 board on the proposed changes, the changes to the plan will become



528 effective at such time as the board has informed the council that
529 the changes will become effective.

530 (d) Lifetime maximum: The lifetime maximum amount of
531 benefits payable under the health insurance plan for each
532 participant is Two Million Dollars (\$2,000,000.00).

533 (2) Nonduplication of benefits--reduction of benefits by
534 Title XIX benefits: When benefits would be payable under more
535 than one (1) group plan, benefits under those plans will be
536 coordinated to the extent that the total benefits under all plans
537 will not exceed the total expenses incurred.

538 Benefits for hospital or surgical or medical benefits shall
539 be reduced by any similar benefits payable in accordance with
540 Title XIX of the Social Security Act or under any amendments
541 thereto, or any implementing legislation.

542 Benefits for hospital or surgical or medical benefits shall
543 be reduced by any similar benefits payable by workers'
544 compensation.

545 (3) (a) Schedule of life insurance benefits--group term:
546 The amount of term life insurance for each active employee of a
547 department, agency or institution of the state government shall
548 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
549 twice the amount of the employee's annual wage to the next highest
550 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
551 case less than Thirty Thousand Dollars (\$30,000.00), with a like
552 amount for accidental death and dismemberment on a
553 twenty-four-hour basis.

554 (b) Effective October 1, 1999, schedule of life
555 insurance benefits--group term: The amount of term life insurance
556 for each active employee of any school district, community/junior
557 college, public library, university-based program authorized under
558 Section 37-23-31 for deaf, aphasic and emotionally disturbed
559 children, or any regular nonstudent bus driver shall not be in
560 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the



561 amount of the employee's annual wage to the next highest One
562 Thousand Dollars (\$1,000.00), whichever may be less, but in no
563 case less than Thirty Thousand Dollars (\$30,000.00), with a like
564 amount for accidental death and dismemberment on a
565 twenty-four-hour basis. The plan will further contain a premium
566 waiver provision if a covered employee of any school district,
567 community/junior college, public library, university-based program
568 authorized under Section 37-23-31 for deaf, aphasic and
569 emotionally disturbed children, or any regular nonstudent bus
570 driver becomes totally and permanently disabled before age
571 sixty-five (65) years.

572 (4) Any eligible employee who on March 1, 1971, was
573 participating in a group life insurance program that has
574 provisions different from those included in this article and for
575 which the State of Mississippi was paying a part of the premium
576 may, at his discretion, continue to participate in that plan. The
577 employee shall pay in full all additional costs, if any, above the
578 minimum program established by this article. Under no
579 circumstances shall any individual who begins employment with the
580 state after March 1, 1971, be eligible for the provisions of this
581 subsection.

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

584 (6) Any premium differentials, differences in coverages,
585 discounts determined by risk or by any other factors shall be
586 uniformly applied to all active employees participating in the
587 insurance plan. It is the intent of the Legislature that the
588 state contribution to the plan be the same for each employee
589 throughout the state.

590 (7) On October 1, 1999, any school district,
591 community/junior college district or public library may elect to
592 remain with an existing policy or policies of group life insurance
593 with an insurance company approved by the State and School



594 Employees Health Insurance Management Board, in lieu of
595 participation in the State and School Life Insurance Plan. On or
596 after July 1, 2004, until October 1, 2004, any school district,
597 community/junior college district or public library may elect to
598 choose a policy or policies of group life insurance existing on
599 October 1, 1999, with an insurance company approved by the State
600 and School Employees Health Insurance Management Board in lieu of
601 participation in the State and School Life Insurance Plan. The
602 state's contribution of up to fifty percent (50%) of the active
603 employee's premium under the State and School Life Insurance Plan
604 may be applied toward the cost of coverage for full-time employees
605 participating in the approved life insurance company group plan.
606 For purposes of this subsection (7), "life insurance company group
607 plan" means a plan administered or sold by a private insurance
608 company. After October 1, 1999, the board may assess charges in
609 addition to the existing State and School Life Insurance Plan
610 rates to those employees as a condition of enrollment in the State
611 and School Life Insurance Plan. In order for any life insurance
612 company group plan to be approved by the State and School
613 Employees Health Insurance Management Board under this subsection
614 (7), it shall meet the following criteria:

615 (a) The insurance company offering the group life
616 insurance plan shall be rated "A-" or better by A.M. Best state
617 insurance rating service and be licensed as an admitted carrier in
618 the State of Mississippi by the Mississippi Department of
619 Insurance.

620 (b) The insurance company group life insurance plan
621 shall provide the same life insurance, accidental death and
622 dismemberment insurance and waiver of premium benefits as provided
623 in the State and School Life Insurance Plan.

624 (c) The insurance company group life insurance plan
625 shall be fully insured, and no form of self-funding life insurance
626 by the company shall be approved.



627 (d) The insurance company group life insurance plan
628 shall have one (1) composite rate per One Thousand Dollars
629 (\$1,000.00) of coverage for active employees regardless of age.

630 (e) The insurance company and its group life insurance
631 plan shall comply with any administrative requirements of the
632 State and School Employees Health Insurance Management Board. If
633 any insurance company providing group life insurance benefits to
634 employees under this subsection (7) fails to comply with any
635 requirements specified in this subsection or any administrative
636 requirements of the board, the state shall discontinue providing
637 funding for the cost of that insurance.

638 **SECTION 3.** This act shall take effect and be in force from
639 and after July 1, 2009.

