

By: Representatives Carpenter, Alday, Bell,
Boyd, Gipson, Kinkade, Pigott, Turner,
Arnold, Bounds, Chism

To: Insurance

HOUSE BILL NO. 1281
(As Sent to Governor)

1 AN ACT TO PROVIDE THAT NO HEALTH COVERAGE PLAN SHALL RESTRICT
2 COVERAGE FOR PRESCRIBED TREATMENT BASED UPON THE INSURED'S
3 DIAGNOSIS WITH A TERMINAL CONDITION; TO PROVIDE THAT NO HEALTH
4 BENEFIT PAID WITH STATE FUNDS SPECIFICALLY MEDICAID AND THE STATE
5 INSURANCE PLAN SHALL RESTRICT COVERAGE FOR PHYSICIAN PRESCRIBED
6 TREATMENT BASED UPON THE INDIVIDUAL'S DIAGNOSIS WITH A TERMINAL
7 CONDITION; TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, IN
8 CONFORMITY; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** (1) (a) Notwithstanding any other provision of
11 the law to the contrary, no health coverage plan shall restrict
12 coverage for medically appropriate treatment prescribed by a
13 physician and agreed to by a fully informed insured, or if the
14 insured lacks legal capacity to consent by a person who has legal
15 authority to consent on his or her behalf, based on an insured's
16 diagnosis with a terminal condition. Refusing to pay for
17 treatment rendered to an insured near the end of life that is
18 consistent with best practices for treatment of a disease or
19 condition, approved uses of a drug or device, or uses supported by
20 peer reviewed medical literature, is a per se violation of this
21 section.



22 (b) Violations of this section shall constitute an
23 unfair trade practice and subject the violator to the penalties
24 provided by law.

25 (c) As used in this section "terminal condition" means
26 any aggressive malignancy, chronic end-stage cardiovascular or
27 cerebral vascular disease, or any other disease, illness or
28 condition which a physician diagnoses as terminal.

29 (d) As used in this section, a "health coverage plan"
30 shall mean any hospital, health or medical expense insurance
31 policy, hospital or medical service contract, employee welfare
32 benefit plan, contract or agreement with a health maintenance
33 organization or a preferred provider organization, health and
34 accident insurance policy, or any other insurance contract of this
35 type, including a group insurance plan and the State Health and
36 Life Insurance Plan.

37 (2) (a) Notwithstanding any other provision of the law to
38 the contrary, no health benefit paid directly or indirectly with
39 state funds, specifically Medicaid, shall restrict coverage for
40 medically appropriate treatment prescribed by a physician and
41 agreed to by a fully informed individual, or if the individual
42 lacks legal capacity to consent by a person who has legal
43 authority to consent on his or her behalf, based on an
44 individual's diagnosis with a terminal condition.

45 (b) Refusing to pay for treatment rendered to an
46 individual near the end of life that is consistent with best



47 practices for treatment of a disease or condition, approved uses
48 of a drug or device, or uses supported by peer reviewed medical
49 literature, is a per se violation of this section.

50 (c) As used in this section "terminal condition" means
51 any aggressive malignancy, chronic end-stage cardiovascular or
52 cerebral vascular disease, or any other disease, illness or
53 condition which a physician diagnoses as terminal.

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

56 **[Through June 30 of the year in which Section 25-11-143**
57 **becomes effective as provided in subsection (1) of Section**
58 **25-11-143, this section shall read as follows:]**

59 25-15-9. (1) (a) The board shall design a plan of health
60 insurance for state employees that provides benefits for
61 semiprivate rooms in addition to other incidental coverages that
62 the board deems necessary. The amount of the coverages shall be
63 in such reasonable amount as may be determined by the board to be
64 adequate, after due consideration of current health costs in
65 Mississippi. The plan shall also include major medical benefits
66 in such amounts as the board determines. The plan shall provide
67 for coverage for telemedicine services as provided in Section
68 83-9-351. The board is also authorized to accept bids for such
69 alternate coverage and optional benefits as the board deems
70 proper. Any contract for alternative coverage and optional
71 benefits shall be awarded by the board after it has carefully



72 studied and evaluated the bids and selected the best and most
73 cost-effective bid. The board may reject all of the bids;
74 however, the board shall notify all bidders of the rejection and
75 shall actively solicit new bids if all bids are rejected. The
76 board may employ or contract for such consulting or actuarial
77 services as may be necessary to formulate the plan, and to assist
78 the board in the preparation of specifications and in the process
79 of advertising for the bids for the plan. Those contracts shall
80 be solicited and entered into in accordance with Section 25-15-5.
81 The board shall keep a record of all persons, agents and
82 corporations who contract with or assist the board in preparing
83 and developing the plan. The board in a timely manner shall
84 provide copies of this record to the members of the advisory
85 council created in this section and those legislators, or their
86 designees, who may attend meetings of the advisory council. The
87 board shall provide copies of this record in the solicitation of
88 bids for the administration or servicing of the self-insured
89 program. Each person, agent or corporation that, during the
90 previous fiscal year, has assisted in the development of the plan
91 or employed or compensated any person who assisted in the
92 development of the plan, and that bids on the administration or
93 servicing of the plan, shall submit to the board a statement
94 accompanying the bid explaining in detail its participation with
95 the development of the plan. This statement shall include the
96 amount of compensation paid by the bidder to any such employee



97 during the previous fiscal year. The board shall make all such
98 information available to the members of the advisory council and
99 those legislators, or their designees, who may attend meetings of
100 the advisory council before any action is taken by the board on
101 the bids submitted. The failure of any bidder to fully and
102 accurately comply with this paragraph shall result in the
103 rejection of any bid submitted by that bidder or the cancellation
104 of any contract executed when the failure is discovered after the
105 acceptance of that bid. The board is authorized to promulgate
106 rules and regulations to implement the provisions of this
107 subsection.

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

111 Any corporation, association, company or individual that
112 contracts with the board for the third-party claims administration
113 of the self-insured plan shall prepare and keep on file an
114 explanation of benefits for each claim processed. The explanation
115 of benefits shall contain such information relative to each
116 processed claim that the board deems necessary, and, at a minimum,
117 each explanation shall provide the claimant's name, claim number,
118 provider number, provider name, service dates, type of services,
119 amount of charges, amount allowed to the claimant and reason
120 codes. The information contained in the explanation of benefits
121 shall be available for inspection upon request by the board. The



122 board shall have access to all claims information utilized in the
123 issuance of payments to employees and providers.

124 (b) There is created an advisory council to advise the
125 board in the formulation of the State and School Employees Health
126 Insurance Plan. The council shall be composed of the State
127 Insurance Commissioner, or his designee, an
128 employee-representative of the institutions of higher learning
129 appointed by the board of trustees thereof, an
130 employee-representative of the Department of Transportation
131 appointed by the director thereof, an employee-representative of
132 the Department of Revenue appointed by the Commissioner of
133 Revenue, an employee-representative of the Mississippi Department
134 of Health appointed by the State Health Officer, an
135 employee-representative of the Mississippi Department of
136 Corrections appointed by the Commissioner of Corrections, and an
137 employee-representative of the Department of Human Services
138 appointed by the Executive Director of Human Services, two (2)
139 certificated public school administrators appointed by the State
140 Board of Education, two (2) certificated classroom teachers
141 appointed by the State Board of Education, a noncertificated
142 school employee appointed by the State Board of Education and a
143 community/junior college employee appointed by the Mississippi
144 Community College Board.

145 The Lieutenant Governor may designate the Secretary of the
146 Senate, the Chairman of the Senate Appropriations Committee, the



147 Chairman of the Senate Education Committee and the Chairman of the
148 Senate Insurance Committee, and the Speaker of the House of
149 Representatives may designate the Clerk of the House, the Chairman
150 of the House Appropriations Committee, the Chairman of the House
151 Education Committee and the Chairman of the House Insurance
152 Committee, to attend any meeting of the State and School Employees
153 Insurance Advisory Council. The appointing authorities may
154 designate an alternate member from their respective houses to
155 serve when the regular designee is unable to attend the meetings
156 of the council. Those designees shall have no jurisdiction or
157 vote on any matter within the jurisdiction of the council. For
158 attending meetings of the council, the legislators shall receive
159 per diem and expenses, which shall be paid from the contingent
160 expense funds of their respective houses in the same amounts as
161 provided for committee meetings when the Legislature is not in
162 session; however, no per diem and expenses for attending meetings
163 of the council will be paid while the Legislature is in session.
164 No per diem and expenses will be paid except for attending
165 meetings of the council without prior approval of the proper
166 committee in their respective houses.

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



172 effective date of the change. If the State and School Employees
173 Health Insurance Advisory Council does not meet to advise the
174 board on the proposed changes, the changes to the plan shall
175 become effective at such time as the board has informed the
176 council that the changes shall become effective.

177 (d) **Medical benefits for retired employees and**
178 **dependents under age sixty-five (65) years and not eligible for**
179 **Medicare benefits.** For employees who retire before July 1, 2005,
180 and for employees retiring due to work-related disability under
181 the Public Employees' Retirement System, the same health insurance
182 coverage as for all other active employees and their dependents
183 shall be available to retired employees and all dependents under
184 age sixty-five (65) years who are not eligible for Medicare
185 benefits, the level of benefits to be the same level as for all
186 other active participants. For employees who retire on or after
187 July 1, 2005, and not retiring due to work-related disability
188 under the Public Employees' Retirement System, the same health
189 insurance coverage as for all other active employees and their
190 dependents shall be available to those retiring employees and all
191 dependents under age sixty-five (65) years who are not eligible
192 for Medicare benefits only if the retiring employees were
193 participants in the State and School Employees Health Insurance
194 Plan for four (4) years or more before their retirement, the level
195 of benefits to be the same level as for all other active
196 participants. This section will apply to those employees who



197 retire due to one hundred percent (100%) medical disability as
198 well as those employees electing early retirement.

199 (e) **Medical benefits for retired employees and**
200 **dependents over age sixty-five (65) years or otherwise eligible**
201 **for Medicare benefits.** For employees who retire before July 1,
202 2005, and for employees retiring due to work-related disability
203 under the Public Employees' Retirement System, the health
204 insurance coverage available to retired employees over age
205 sixty-five (65) years or otherwise eligible for Medicare benefits,
206 and all dependents over age sixty-five (65) years or otherwise
207 eligible for Medicare benefits, shall be the major medical
208 coverage. For employees retiring on or after July 1, 2005, and
209 not retiring due to work-related disability under the Public
210 Employees' Retirement System, the health insurance coverage
211 described in this paragraph (e) shall be available to those
212 retiring employees only if they were participants in the State and
213 School Employees Health Insurance Plan for four (4) years or more
214 and are over age sixty-five (65) years or otherwise eligible for
215 Medicare benefits, and to all dependents over age sixty-five (65)
216 years or otherwise eligible for Medicare benefits. Benefits shall
217 be reduced by Medicare benefits as though the Medicare benefits
218 were the base plan.

219 All covered individuals shall be assumed to have full
220 Medicare coverage, Parts A and B; and any Medicare payments under



221 both Parts A and B shall be computed to reduce benefits payable
222 under this plan.

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

226 (2) Nonduplication of benefits – reduction of benefits by
227 Title XIX benefits: When benefits would be payable under more
228 than one (1) group plan, benefits under those plans will be
229 coordinated to the extent that the total benefits under all plans
230 will not exceed the total expenses incurred.

231 Benefits for hospital or surgical or medical benefits shall
232 be reduced by any similar benefits payable in accordance with
233 Title XIX of the Social Security Act or under any amendments
234 thereto, or any implementing legislation.

235 Benefits for hospital or surgical or medical benefits shall
236 be reduced by any similar benefits payable by workers'
237 compensation.

238 No health care benefits under the state plan shall restrict
239 coverage for medically appropriate treatment prescribed by a
240 physician and agreed to by a fully informed insured, or if the
241 insured lacks legal capacity to consent by a person who has legal
242 authority to consent on his or her behalf, based on an insured's
243 diagnosis with a terminal condition. As used in this paragraph,
244 "terminal condition" means any aggressive malignancy, chronic
245 end-stage cardiovascular or cerebral vascular disease, or any



246 other disease, illness or condition which physician diagnoses as
247 terminal.

248 (3) (a) Schedule of life insurance benefits – group term:
249 The amount of term life insurance for each active employee of a
250 department, agency or institution of the state government shall
251 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
252 twice the amount of the employee's annual wage to the next highest
253 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
254 case less than Thirty Thousand Dollars (\$30,000.00), with a like
255 amount for accidental death and dismemberment on a
256 twenty-four-hour basis. The plan will further contain a premium
257 waiver provision if a covered employee becomes totally and
258 permanently disabled before age sixty-five (65) years. Employees
259 retiring after June 30, 1999, shall be eligible to continue life
260 insurance coverage in an amount of Five Thousand Dollars
261 (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty Thousand
262 Dollars (\$20,000.00) into retirement.

263 (b) Effective October 1, 1999, schedule of life
264 insurance benefits – group term: The amount of term life
265 insurance for each active employee of any school district,
266 community/junior college, public library or university-based
267 program authorized under Section 37-23-31 for deaf, aphasic and
268 emotionally disturbed children or any regular nonstudent bus
269 driver shall not be in excess of One Hundred Thousand Dollars
270 (\$100,000.00), or twice the amount of the employee's annual wage



271 to the next highest One Thousand Dollars (\$1,000.00), whichever
272 may be less, but in no case less than Thirty Thousand Dollars
273 (\$30,000.00), with a like amount for accidental death and
274 dismemberment on a twenty-four-hour basis. The plan will further
275 contain a premium waiver provision if a covered employee of any
276 school district, community/junior college, public library or
277 university-based program authorized under Section 37-23-31 for
278 deaf, aphasic and emotionally disturbed children or any regular
279 nonstudent bus driver becomes totally and permanently disabled
280 before age sixty-five (65) years. Employees of any school
281 district, community/junior college, public library or
282 university-based program authorized under Section 37-23-31 for
283 deaf, aphasic and emotionally disturbed children or any regular
284 nonstudent bus driver retiring after September 30, 1999, shall be
285 eligible to continue life insurance coverage in an amount of Five
286 Thousand Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or
287 Twenty Thousand Dollars (\$20,000.00) into retirement.

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



296 state after March 1, 1971, be eligible for the provisions of this
297 subsection.

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

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

306 (7) On October 1, 1999, any school district,
307 community/junior college district or public library may elect to
308 remain with an existing policy or policies of group life insurance
309 with an insurance company approved by the State and School
310 Employees Health Insurance Management Board, in lieu of
311 participation in the State and School Life Insurance Plan. On or
312 after July 1, 2004, until October 1, 2004, any school district,
313 community/junior college district or public library may elect to
314 choose a policy or policies of group life insurance existing on
315 October 1, 1999, with an insurance company approved by the State
316 and School Employees Health Insurance Management Board in lieu of
317 participation in the State and School Life Insurance Plan. The
318 state's contribution of up to fifty percent (50%) of the active
319 employee's premium under the State and School Life Insurance Plan
320 may be applied toward the cost of coverage for full-time employees



321 participating in the approved life insurance company group plan.
322 For purposes of this subsection (7), "life insurance company group
323 plan" means a plan administered or sold by a private insurance
324 company. After October 1, 1999, the board may assess charges in
325 addition to the existing State and School Life Insurance Plan
326 rates to such employees as a condition of enrollment in the State
327 and School Life Insurance Plan. In order for any life insurance
328 company group plan to be approved by the State and School
329 Employees Health Insurance Management Board under this subsection
330 (7), it shall meet the following criteria:

331 (a) The insurance company offering the group life
332 insurance plan shall be rated "A-" or better by A.M. Best state
333 insurance rating service and be licensed as an admitted carrier in
334 the State of Mississippi by the Mississippi Department of
335 Insurance.

336 (b) The insurance company group life insurance plan
337 shall provide the same life insurance, accidental death and
338 dismemberment insurance and waiver of premium benefits as provided
339 in the State and School Life Insurance Plan.

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

343 (d) The insurance company group life insurance plan
344 shall have one (1) composite rate per One Thousand Dollars
345 (\$1,000.00) of coverage for active employees regardless of age and



346 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
347 coverage for all retirees regardless of age or type of retiree.

348 (e) The insurance company and its group life insurance
349 plan shall comply with any administrative requirements of the
350 State and School Employees Health Insurance Management Board. If
351 any insurance company providing group life insurance benefits to
352 employees under this subsection (7) fails to comply with any
353 requirements specified in this subsection or any administrative
354 requirements of the board, the state shall discontinue providing
355 funding for the cost of that insurance.

356 **[From and after July 1 of the year in which Section 25-11-143**
357 **becomes effective as provided in subsection (1) of Section**
358 **25-11-143, this section shall read as follows:]**

359 25-15-9. (1) (a) The board shall design a plan of health
360 insurance for state employees that provides benefits for
361 semiprivate rooms in addition to other incidental coverages that
362 the board deems necessary. The amount of the coverages shall be
363 in such reasonable amount as may be determined by the board to be
364 adequate, after due consideration of current health costs in
365 Mississippi. The plan shall also include major medical benefits
366 in such amounts as the board determines. The plan shall provide
367 for coverage for telemedicine services as provided in Section
368 83-9-351. The board is also authorized to accept bids for such
369 alternate coverage and optional benefits as the board deems
370 proper. Any contract for alternative coverage and optional



371 benefits shall be awarded by the board after it has carefully
372 studied and evaluated the bids and selected the best and most
373 cost-effective bid. The board may reject all of the bids;
374 however, the board shall notify all bidders of the rejection and
375 shall actively solicit new bids if all bids are rejected. The
376 board may employ or contract for such consulting or actuarial
377 services as may be necessary to formulate the plan, and to assist
378 the board in the preparation of specifications and in the process
379 of advertising for the bids for the plan. Those contracts shall
380 be solicited and entered into in accordance with Section 25-15-5.
381 The board shall keep a record of all persons, agents and
382 corporations who contract with or assist the board in preparing
383 and developing the plan. The board in a timely manner shall
384 provide copies of this record to the members of the advisory
385 council created in this section and those legislators, or their
386 designees, who may attend meetings of the advisory council. The
387 board shall provide copies of this record in the solicitation of
388 bids for the administration or servicing of the self-insured
389 program. Each person, agent or corporation that, during the
390 previous fiscal year, has assisted in the development of the plan
391 or employed or compensated any person who assisted in the
392 development of the plan, and that bids on the administration or
393 servicing of the plan, shall submit to the board a statement
394 accompanying the bid explaining in detail its participation with
395 the development of the plan. This statement shall include the



396 amount of compensation paid by the bidder to any such employee
397 during the previous fiscal year. The board shall make all such
398 information available to the members of the advisory council and
399 those legislators, or their designees, who may attend meetings of
400 the advisory council before any action is taken by the board on
401 the bids submitted. The failure of any bidder to fully and
402 accurately comply with this paragraph shall result in the
403 rejection of any bid submitted by that bidder or the cancellation
404 of any contract executed when the failure is discovered after the
405 acceptance of that bid. The board is authorized to promulgate
406 rules and regulations to implement the provisions of this
407 subsection.

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

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



421 shall be available for inspection upon request by the board. The
422 board shall have access to all claims information utilized in the
423 issuance of payments to employees and providers.

424 (b) There is created an advisory council to advise the
425 board in the formulation of the State and School Employees Health
426 Insurance Plan. The council shall be composed of the State
427 Insurance Commissioner, or his designee, an
428 employee-representative of the state institutions of higher
429 learning appointed by the board of trustees thereof, an
430 employee-representative of the Mississippi Department of
431 Transportation appointed by the director thereof, an
432 employee-representative of the Department of Revenue appointed by
433 the Commissioner of Revenue, an employee-representative of the
434 State Department of Health appointed by the State Health Officer,
435 an employee-representative of the Mississippi Department of
436 Corrections appointed by the Commissioner of Corrections, and an
437 employee-representative of the Mississippi Department of Human
438 Services appointed by the Executive Director of Human Services,
439 two (2) certificated public school administrators appointed by the
440 State Board of Education, two (2) certificated classroom teachers
441 appointed by the State Board of Education, a noncertificated
442 school employee appointed by the State Board of Education and a
443 community/junior college employee appointed by the Mississippi
444 Community College Board.



445 The Lieutenant Governor may designate the Secretary of the
446 Senate, the Chairman of the Senate Appropriations Committee, the
447 Chairman of the Senate Education Committee and the Chairman of the
448 Senate Insurance Committee, and the Speaker of the House of
449 Representatives may designate the Clerk of the House, the Chairman
450 of the House Appropriations Committee, the Chairman of the House
451 Education Committee and the Chairman of the House Insurance
452 Committee, to attend any meeting of the State and School Employees
453 Insurance Advisory Council. The appointing authorities may
454 designate an alternate member from their respective houses to
455 serve when the regular designee is unable to attend the meetings
456 of the council. Those designees shall have no jurisdiction or
457 vote on any matter within the jurisdiction of the council. For
458 attending meetings of the council, the legislators shall receive
459 per diem and expenses, which shall be paid from the contingent
460 expense funds of their respective houses in the same amounts as
461 provided for committee meetings when the Legislature is not in
462 session; however, no per diem and expenses for attending meetings
463 of the council will be paid while the Legislature is in session.
464 No per diem and expenses will be paid except for attending
465 meetings of the council without prior approval of the proper
466 committee in their respective houses.

467 (c) No change in the terms of the State and School
468 Employees Health Insurance Plan may be made effective unless the
469 board, or its designee, has provided notice to the State and



470 School Employees Health Insurance Advisory Council and has called
471 a meeting of the council at least fifteen (15) days before the
472 effective date of the change. If the State and School Employees
473 Health Insurance Advisory Council does not meet to advise the
474 board on the proposed changes, the changes to the plan will become
475 effective at such time as the board has informed the council that
476 the changes will become effective.

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

480 (2) Nonduplication of benefits – reduction of benefits by
481 Title XIX benefits: When benefits would be payable under more
482 than one (1) group plan, benefits under those plans will be
483 coordinated to the extent that the total benefits under all plans
484 will not exceed the total expenses incurred.

485 Benefits for hospital or surgical or medical benefits shall
486 be reduced by any similar benefits payable in accordance with
487 Title XIX of the Social Security Act or under any amendments
488 thereto, or any implementing legislation.

489 Benefits for hospital or surgical or medical benefits shall
490 be reduced by any similar benefits payable by workers'
491 compensation.

492 No health care benefits under the state plan shall restrict
493 coverage for medically appropriate treatment prescribed by a
494 physician and agreed to by a fully informed insured, or if the



495 insured lacks legal capacity to consent by a person who has legal
496 authority to consent on his or her behalf, based on an insured's
497 diagnosis with a terminal condition. As used in this paragraph,
498 "terminal condition" means any aggressive malignancy, chronic
499 end-stage cardiovascular or cerebral vascular disease, or any
500 other disease, illness or condition which physician diagnoses as
501 terminal.

502 (3) (a) Schedule of life insurance benefits – group term:
503 The amount of term life insurance for each active employee of a
504 department, agency or institution of the state government shall
505 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
506 twice the amount of the employee's annual wage to the next highest
507 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
508 case less than Thirty Thousand Dollars (\$30,000.00), with a like
509 amount for accidental death and dismemberment on a
510 twenty-four-hour basis.

511 (b) Effective October 1, 1999, schedule of life
512 insurance benefits – group term: The amount of term life
513 insurance for each active employee of any school district,
514 community/junior college, public library, university-based program
515 authorized under Section 37-23-31 for deaf, aphasic and
516 emotionally disturbed children, or any regular nonstudent bus
517 driver shall not be in excess of One Hundred Thousand Dollars
518 (\$100,000.00), or twice the amount of the employee's annual wage
519 to the next highest One Thousand Dollars (\$1,000.00), whichever



520 may be less, but in no case less than Thirty Thousand Dollars
521 (\$30,000.00), with a like amount for accidental death and
522 dismemberment on a twenty-four-hour basis. The plan will further
523 contain a premium waiver provision if a covered employee of any
524 school district, community/junior college, public library,
525 university-based program authorized under Section 37-23-31 for
526 deaf, aphasic and emotionally disturbed children, or any regular
527 nonstudent bus driver becomes totally and permanently disabled
528 before age sixty-five (65) years.

529 (4) Any eligible employee who on March 1, 1971, was
530 participating in a group life insurance program that has
531 provisions different from those included in this article and for
532 which the State of Mississippi was paying a part of the premium
533 may, at his discretion, continue to participate in that plan. The
534 employee shall pay in full all additional costs, if any, above the
535 minimum program established by this article. Under no
536 circumstances shall any individual who begins employment with the
537 state after March 1, 1971, be eligible for the provisions of this
538 subsection.

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

541 (6) Any premium differentials, differences in coverages,
542 discounts determined by risk or by any other factors shall be
543 uniformly applied to all active employees participating in the
544 insurance plan. It is the intent of the Legislature that the



545 state contribution to the plan be the same for each employee
546 throughout the state.

547 (7) On October 1, 1999, any school district,
548 community/junior college district or public library may elect to
549 remain with an existing policy or policies of group life insurance
550 with an insurance company approved by the State and School
551 Employees Health Insurance Management Board, in lieu of
552 participation in the State and School Life Insurance Plan. On or
553 after July 1, 2004, until October 1, 2004, any school district,
554 community/junior college district or public library may elect to
555 choose a policy or policies of group life insurance existing on
556 October 1, 1999, with an insurance company approved by the State
557 and School Employees Health Insurance Management Board in lieu of
558 participation in the State and School Life Insurance Plan. The
559 state's contribution of up to fifty percent (50%) of the active
560 employee's premium under the State and School Life Insurance Plan
561 may be applied toward the cost of coverage for full-time employees
562 participating in the approved life insurance company group plan.
563 For purposes of this subsection (7), "life insurance company group
564 plan" means a plan administered or sold by a private insurance
565 company. After October 1, 1999, the board may assess charges in
566 addition to the existing State and School Life Insurance Plan
567 rates to those employees as a condition of enrollment in the State
568 and School Life Insurance Plan. In order for any life insurance
569 company group plan to be approved by the State and School



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

572 (a) The insurance company offering the group life
573 insurance plan shall be rated "A-" or better by A.M. Best state
574 insurance rating service and be licensed as an admitted carrier in
575 the State of Mississippi by the Mississippi Department of
576 Insurance.

577 (b) The insurance company group life insurance plan
578 shall provide the same life insurance, accidental death and
579 dismemberment insurance and waiver of premium benefits as provided
580 in the State and School Life Insurance Plan.

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

584 (d) The insurance company group life insurance plan
585 shall have one (1) composite rate per One Thousand Dollars
586 (\$1,000.00) of coverage for active employees regardless of age.

587 (e) The insurance company and its group life insurance
588 plan shall comply with any administrative requirements of the
589 State and School Employees Health Insurance Management Board. If
590 any insurance company providing group life insurance benefits to
591 employees under this subsection (7) fails to comply with any
592 requirements specified in this subsection or any administrative
593 requirements of the board, the state shall discontinue providing
594 funding for the cost of that insurance.



595 **SECTION 3.** This act shall take effect and be in force from
596 and after July 1, 2014.

