

By: Representative Formby

To: Insurance

HOUSE BILL NO. 861

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE MANAGEMENT
3 BOARD TO ESTABLISH A PILOT PROGRAM FOR URGENT HEALTH CARE SERVICES
4 USING A TELEMEDICINE KIOSK MODEL MANAGED BY THE UNIVERSITY OF
5 MISSISSIPPI MEDICAL CENTER; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 25-15-9, Mississippi Code of 1972, is
8 amended as follows:

9 25-15-9. (1) (a) The board shall design a plan of health
10 insurance for state employees that provides benefits for
11 semiprivate rooms in addition to other incidental coverages that
12 the board deems necessary. The amount of the coverages shall be
13 in such reasonable amount as may be determined by the board to be
14 adequate, after due consideration of current health costs in
15 Mississippi. The plan shall also include major medical benefits
16 in such amounts as the board determines. The plan shall provide
17 for coverage for telemedicine services as provided in Section
18 83-9-351. The board is also authorized to accept bids for such
19 alternate coverage and optional benefits as the board deems



20 proper. The board is authorized to accept bids for surgical
21 services that include assistance in locating a surgeon, setting up
22 initial consultation, travel, a negotiated single case rate bundle
23 and payment for orthopedic, spine, bariatric, cardiovascular and
24 general surgeries. The surgical services may only utilize
25 surgeons and facilities located in the State of Mississippi unless
26 otherwise provided by the board. Any contract for alternative
27 coverage and optional benefits shall be awarded by the board after
28 it has carefully studied and evaluated the bids and selected the
29 best and most cost-effective bid. The board may reject all of the
30 bids; however, the board shall notify all bidders of the rejection
31 and shall actively solicit new bids if all bids are rejected. The
32 board may employ or contract for such consulting or actuarial
33 services as may be necessary to formulate the plan, and to assist
34 the board in the preparation of specifications and in the process
35 of advertising for the bids for the plan. Those contracts shall
36 be solicited and entered into in accordance with Section 25-15-5.
37 The board shall keep a record of all persons, agents and
38 corporations who contract with or assist the board in preparing
39 and developing the plan. The board in a timely manner shall
40 provide copies of this record to the members of the advisory
41 council created in this section and those legislators, or their
42 designees, who may attend meetings of the advisory council. The
43 board shall provide copies of this record in the solicitation of
44 bids for the administration or servicing of the self-insured



45 program. Each person, agent or corporation that, during the
46 previous fiscal year, has assisted in the development of the plan
47 or employed or compensated any person who assisted in the
48 development of the plan, and that bids on the administration or
49 servicing of the plan, shall submit to the board a statement
50 accompanying the bid explaining in detail its participation with
51 the development of the plan. This statement shall include the
52 amount of compensation paid by the bidder to any such employee
53 during the previous fiscal year. The board shall make all such
54 information available to the members of the advisory council and
55 those legislators, or their designees, who may attend meetings of
56 the advisory council before any action is taken by the board on
57 the bids submitted. The failure of any bidder to fully and
58 accurately comply with this paragraph shall result in the
59 rejection of any bid submitted by that bidder or the cancellation
60 of any contract executed when the failure is discovered after the
61 acceptance of that bid. The board is authorized to promulgate
62 rules and regulations to implement the provisions of this
63 subsection.

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

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



70 explanation of benefits for each claim processed. The explanation
71 of benefits shall contain such information relative to each
72 processed claim that the board deems necessary, and, at a minimum,
73 each explanation shall provide the claimant's name, claim number,
74 provider number, provider name, service dates, type of services,
75 amount of charges, amount allowed to the claimant and reason
76 codes. The information contained in the explanation of benefits
77 shall be available for inspection upon request by the board. The
78 board shall have access to all claims information utilized in the
79 issuance of payments to employees and providers.

80 (b) There is created an advisory council to advise the
81 board in the formulation of the State and School Employees Health
82 Insurance Plan. The council shall be composed of the State
83 Insurance Commissioner, or his designee, an
84 employee-representative of the institutions of higher learning
85 appointed by the board of trustees thereof, an
86 employee-representative of the Department of Transportation
87 appointed by the director thereof, an employee-representative of
88 the Department of Revenue appointed by the Commissioner of
89 Revenue, an employee-representative of the Mississippi Department
90 of Health appointed by the State Health Officer, an
91 employee-representative of the Mississippi Department of
92 Corrections appointed by the Commissioner of Corrections, and an
93 employee-representative of the Department of Human Services
94 appointed by the Executive Director of Human Services, two (2)



95 certificated public school administrators appointed by the State
96 Board of Education, two (2) certificated classroom teachers
97 appointed by the State Board of Education, a noncertificated
98 school employee appointed by the State Board of Education and a
99 community/junior college employee appointed by the Mississippi
100 Community College Board.

101 The Lieutenant Governor may designate the Secretary of the
102 Senate, the Chairman of the Senate Appropriations Committee, the
103 Chairman of the Senate Education Committee and the Chairman of the
104 Senate Insurance Committee, and the Speaker of the House of
105 Representatives may designate the Clerk of the House, the Chairman
106 of the House Appropriations Committee, the Chairman of the House
107 Education Committee and the Chairman of the House Insurance
108 Committee, to attend any meeting of the State and School Employees
109 Insurance Advisory Council. The appointing authorities may
110 designate an alternate member from their respective houses to
111 serve when the regular designee is unable to attend the meetings
112 of the council. Those designees shall have no jurisdiction or
113 vote on any matter within the jurisdiction of the council. For
114 attending meetings of the council, the legislators shall receive
115 per diem and expenses, which shall be paid from the contingent
116 expense funds of their respective houses in the same amounts as
117 provided for committee meetings when the Legislature is not in
118 session; however, no per diem and expenses for attending meetings
119 of the council will be paid while the Legislature is in session.



120 No per diem and expenses will be paid except for attending
121 meetings of the council without prior approval of the proper
122 committee in their respective houses.

123 (c) No change in the terms of the State and School
124 Employees Health Insurance Plan may be made effective unless the
125 board, or its designee, has provided notice to the State and
126 School Employees Health Insurance Advisory Council and has called
127 a meeting of the council at least fifteen (15) days before the
128 effective date of the change. If the State and School Employees
129 Health Insurance Advisory Council does not meet to advise the
130 board on the proposed changes, the changes to the plan shall
131 become effective at such time as the board has informed the
132 council that the changes shall become effective.

133 (d) **Medical benefits for retired employees and**
134 **dependents under age sixty-five (65) years and not eligible for**
135 **Medicare benefits.** For employees who retire before July 1, 2005,
136 and for employees retiring due to work-related disability under
137 the Public Employees' Retirement System, the same health insurance
138 coverage as for all other active employees and their dependents
139 shall be available to retired employees and all dependents under
140 age sixty-five (65) years who are not eligible for Medicare
141 benefits, the level of benefits to be the same level as for all
142 other active participants. For employees who retire on or after
143 July 1, 2005, and not retiring due to work-related disability
144 under the Public Employees' Retirement System, the same health



145 insurance coverage as for all other active employees and their
146 dependents shall be available to those retiring employees and all
147 dependents under age sixty-five (65) years who are not eligible
148 for Medicare benefits only if the retiring employees were
149 participants in the State and School Employees Health Insurance
150 Plan for four (4) years or more before their retirement, the level
151 of benefits to be the same level as for all other active
152 participants. This section will apply to those employees who
153 retire due to one hundred percent (100%) medical disability as
154 well as those employees electing early retirement.

155 (e) **Medical benefits for retired employees and**
156 **dependents over age sixty-five (65) years or otherwise eligible**
157 **for Medicare benefits.** For employees who retire before July 1,
158 2005, and for employees retiring due to work-related disability
159 under the Public Employees' Retirement System, the health
160 insurance coverage available to retired employees over age
161 sixty-five (65) years or otherwise eligible for Medicare benefits,
162 and all dependents over age sixty-five (65) years or otherwise
163 eligible for Medicare benefits, shall be the major medical
164 coverage. For employees retiring on or after July 1, 2005, and
165 not retiring due to work-related disability under the Public
166 Employees' Retirement System, the health insurance coverage
167 described in this paragraph (e) shall be available to those
168 retiring employees only if they were participants in the State and
169 School Employees Health Insurance Plan for four (4) years or more



170 and are over age sixty-five (65) years or otherwise eligible for
171 Medicare benefits, and to all dependents over age sixty-five (65)
172 years or otherwise eligible for Medicare benefits. Benefits shall
173 be reduced by Medicare benefits as though the Medicare benefits
174 were the base plan.

175 All covered individuals shall be assumed to have full
176 Medicare coverage, Parts A and B; and any Medicare payments under
177 both Parts A and B shall be computed to reduce benefits payable
178 under this plan.

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

182 (2) Nonduplication of benefits – reduction of benefits by
183 Title XIX benefits: When benefits would be payable under more
184 than one (1) group plan, benefits under those plans will be
185 coordinated to the extent that the total benefits under all plans
186 will not exceed the total expenses incurred.

187 Benefits for hospital or surgical or medical benefits shall
188 be reduced by any similar benefits payable in accordance with
189 Title XIX of the Social Security Act or under any amendments
190 thereto, or any implementing legislation.

191 Benefits for hospital or surgical or medical benefits shall
192 be reduced by any similar benefits payable by workers'
193 compensation.



194 No health care benefits under the state plan shall restrict
195 coverage for medically appropriate treatment prescribed by a
196 physician and agreed to by a fully informed insured, or if the
197 insured lacks legal capacity to consent by a person who has legal
198 authority to consent on his or her behalf, based on an insured's
199 diagnosis with a terminal condition. As used in this paragraph,
200 "terminal condition" means any aggressive malignancy, chronic
201 end-stage cardiovascular or cerebral vascular disease, or any
202 other disease, illness or condition which physician diagnoses as
203 terminal.

204 Not later than January 1, 2016, the state health plan shall
205 not require a higher co-payment, deductible or coinsurance amount
206 for patient-administered anti-cancer medications, including, but
207 not limited to, those orally administered or self-injected, than
208 it requires for anti-cancer medications that are injected or
209 intravenously administered by a health care provider, regardless
210 of the formulation or benefit category determination by the plan.
211 For the purposes of this paragraph, the term "anti-cancer
212 medications" has the meaning as defined in Section 83-9-24.

213 (3) (a) Schedule of life insurance benefits – group term:
214 The amount of term life insurance for each active employee of a
215 department, agency or institution of the state government shall
216 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
217 twice the amount of the employee's annual wage to the next highest
218 One Thousand Dollars (\$1,000.00), whichever may be less, but in no



219 case less than Thirty Thousand Dollars (\$30,000.00), with a like
220 amount for accidental death and dismemberment on a
221 twenty-four-hour basis. The plan will further contain a premium
222 waiver provision if a covered employee becomes totally and
223 permanently disabled before age sixty-five (65) years. Employees
224 retiring after June 30, 1999, shall be eligible to continue life
225 insurance coverage in an amount of Five Thousand Dollars
226 (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty Thousand
227 Dollars (\$20,000.00) into retirement.

228 (b) Effective October 1, 1999, schedule of life
229 insurance benefits – group term: The amount of term life
230 insurance for each active employee of any school district,
231 community/junior college, public library or university-based
232 program authorized under Section 37-23-31 for deaf, aphasic and
233 emotionally disturbed children or any regular nonstudent bus
234 driver shall not be in excess of One Hundred Thousand Dollars
235 (\$100,000.00), or twice the amount of the employee's annual wage
236 to the next highest One Thousand Dollars (\$1,000.00), whichever
237 may be less, but in no case less than Thirty Thousand Dollars
238 (\$30,000.00), with a like amount for accidental death and
239 dismemberment on a twenty-four-hour basis. The plan will further
240 contain a premium waiver provision if a covered employee of any
241 school district, community/junior college, public library or
242 university-based program authorized under Section 37-23-31 for
243 deaf, aphasic and emotionally disturbed children or any regular



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

253 (4) Any eligible employee who on March 1, 1971, was
254 participating in a group life insurance program that has
255 provisions different from those included in this article and for
256 which the State of Mississippi was paying a part of the premium
257 may, at his discretion, continue to participate in that plan. The
258 employee shall pay in full all additional costs, if any, above the
259 minimum program established by this article. Under no
260 circumstances shall any individual who begins employment with the
261 state after March 1, 1971, be eligible for the provisions of this
262 subsection.

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

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



269 state contribution to the plan be the same for each employee
270 throughout the state.

271 (7) On October 1, 1999, any school district,
272 community/junior college district or public library may elect to
273 remain with an existing policy or policies of group life insurance
274 with an insurance company approved by the State and School
275 Employees Health Insurance Management Board, in lieu of
276 participation in the State and School Life Insurance Plan. On or
277 after July 1, 2004, until October 1, 2004, any school district,
278 community/junior college district or public library may elect to
279 choose a policy or policies of group life insurance existing on
280 October 1, 1999, with an insurance company approved by the State
281 and School Employees Health Insurance Management Board in lieu of
282 participation in the State and School Life Insurance Plan. The
283 state's contribution of up to fifty percent (50%) of the active
284 employee's premium under the State and School Life Insurance Plan
285 may be applied toward the cost of coverage for full-time employees
286 participating in the approved life insurance company group plan.
287 For purposes of this subsection (7), "life insurance company group
288 plan" means a plan administered or sold by a private insurance
289 company. After October 1, 1999, the board may assess charges in
290 addition to the existing State and School Life Insurance Plan
291 rates to such employees as a condition of enrollment in the State
292 and School Life Insurance Plan. In order for any life insurance
293 company group plan to be approved by the State and School



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

296 (a) The insurance company offering the group life
297 insurance plan shall be rated "A-" or better by A.M. Best state
298 insurance rating service and be licensed as an admitted carrier in
299 the State of Mississippi by the Mississippi Department of
300 Insurance.

301 (b) The insurance company group life insurance plan
302 shall provide the same life insurance, accidental death and
303 dismemberment insurance and waiver of premium benefits as provided
304 in the State and School Life Insurance Plan.

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

308 (d) The insurance company group life insurance plan
309 shall have one (1) composite rate per One Thousand Dollars
310 (\$1,000.00) of coverage for active employees regardless of age and
311 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
312 coverage for all retirees regardless of age or type of retiree.

313 (e) The insurance company and its group life insurance
314 plan shall comply with any administrative requirements of the
315 State and School Employees Health Insurance Management Board. If
316 any insurance company providing group life insurance benefits to
317 employees under this subsection (7) fails to comply with any
318 requirements specified in this subsection or any administrative



319 requirements of the board, the state shall discontinue providing
320 funding for the cost of that insurance.

321 (8) The board shall establish a pilot program for urgent
322 health care services using a telemedicine kiosk model managed by
323 the University of Mississippi Medical Center's Telehealth Program
324 for state employees working in the Capitol Complex. All state
325 employees working in the Capitol Complex in downtown Jackson will
326 be eligible for this pilot program. The urgent care telehealth
327 services may be compensated by the plan using a fee-for-service
328 model, or through a per-member per-month model. Medical
329 consultation at the kiosk shall be audio and video-recorded and
330 stored in a HIPPA compliant file for review of protocol and
331 accuracy.

332 **SECTION 2.** This act shall take effect and be in force from
333 and after July 1, 2017.

