

By: Representatives Boyd, Baria, Currie

To: Insurance

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 909

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 REQUIRE THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE PLAN TO
3 INCLUDE COVERAGE FOR ANNUAL PAP SMEARS AND ANNUAL PSA TESTS AS
4 PART OF THE ANNUAL WELLNESS COVERAGE; AND FOR RELATED PURPOSES.

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

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

8 25-15-9. (1) (a) The board shall design a plan of health
9 insurance for state employees that provides benefits for
10 semiprivate rooms in addition to other incidental coverages that
11 the board deems necessary. The amount of the coverages shall be
12 in such reasonable amount as may be determined by the board to be
13 adequate, after due consideration of current health costs in
14 Mississippi. The plan shall also include major medical benefits
15 in such amounts as the board determines. The plan shall also
16 include coverage for annual pap smears and annual
17 prostate-specific antigen tests as part of the annual wellness
18 coverage. The plan shall provide for coverage for telemedicine
19 services as provided in Section 83-9-351. The board is also



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



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

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



69 Any corporation, association, company or individual that
70 contracts with the board for the third-party claims administration
71 of the self-insured plan shall prepare and keep on file an
72 explanation of benefits for each claim processed. The explanation
73 of benefits shall contain such information relative to each
74 processed claim that the board deems necessary, and, at a minimum,
75 each explanation shall provide the claimant's name, claim number,
76 provider number, provider name, service dates, type of services,
77 amount of charges, amount allowed to the claimant and reason
78 codes. The information contained in the explanation of benefits
79 shall be available for inspection upon request by the board. The
80 board shall have access to all claims information utilized in the
81 issuance of payments to employees and providers.

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



94 Corrections appointed by the Commissioner of Corrections, and an
95 employee-representative of the Department of Human Services
96 appointed by the Executive Director of Human Services, two (2)
97 certificated public school administrators appointed by the State
98 Board of Education, two (2) certificated classroom teachers
99 appointed by the State Board of Education, a noncertificated
100 school employee appointed by the State Board of Education and a
101 community/junior college employee appointed by the Mississippi
102 Community College Board.

103 The Lieutenant Governor may designate the Secretary of the
104 Senate, the Chairman of the Senate Appropriations Committee, the
105 Chairman of the Senate Education Committee and the Chairman of the
106 Senate Insurance Committee, and the Speaker of the House of
107 Representatives may designate the Clerk of the House, the Chairman
108 of the House Appropriations Committee, the Chairman of the House
109 Education Committee and the Chairman of the House Insurance
110 Committee, to attend any meeting of the State and School Employees
111 Insurance Advisory Council. The appointing authorities may
112 designate an alternate member from their respective houses to
113 serve when the regular designee is unable to attend the meetings
114 of the council. Those designees shall have no jurisdiction or
115 vote on any matter within the jurisdiction of the council. For
116 attending meetings of the council, the legislators shall receive
117 per diem and expenses, which shall be paid from the contingent
118 expense funds of their respective houses in the same amounts as



119 provided for committee meetings when the Legislature is not in
120 session; however, no per diem and expenses for attending meetings
121 of the council will be paid while the Legislature is in session.
122 No per diem and expenses will be paid except for attending
123 meetings of the council without prior approval of the proper
124 committee in their respective houses.

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

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



144 other active participants. For employees who retire on or after
145 July 1, 2005, and not retiring due to work-related disability
146 under the Public Employees' Retirement System, the same health
147 insurance coverage as for all other active employees and their
148 dependents shall be available to those retiring employees and all
149 dependents under age sixty-five (65) years who are not eligible
150 for Medicare benefits only if the retiring employees were
151 participants in the State and School Employees Health Insurance
152 Plan for four (4) years or more before their retirement, the level
153 of benefits to be the same level as for all other active
154 participants. This section will apply to those employees who
155 retire due to one hundred percent (100%) medical disability as
156 well as those employees electing early retirement.

157 (e) **Medical benefits for retired employees and**
158 **dependents over age sixty-five (65) years or otherwise eligible**
159 **for Medicare benefits.** For employees who retire before July 1,
160 2005, and for employees retiring due to work-related disability
161 under the Public Employees' Retirement System, the health
162 insurance coverage available to retired employees over age
163 sixty-five (65) years or otherwise eligible for Medicare benefits,
164 and all dependents over age sixty-five (65) years or otherwise
165 eligible for Medicare benefits, shall be the major medical
166 coverage. For employees retiring on or after July 1, 2005, and
167 not retiring due to work-related disability under the Public
168 Employees' Retirement System, the health insurance coverage



169 described in this paragraph (e) shall be available to those
170 retiring employees only if they were participants in the State and
171 School Employees Health Insurance Plan for four (4) years or more
172 and are over age sixty-five (65) years or otherwise eligible for
173 Medicare benefits, and to all dependents over age sixty-five (65)
174 years or otherwise eligible for Medicare benefits. Benefits shall
175 be reduced by Medicare benefits as though the Medicare benefits
176 were the base plan.

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

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

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

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



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

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

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

215 (3) (a) Schedule of life insurance benefits – group term:
216 The amount of term life insurance for each active employee of a
217 department, agency or institution of the state government shall



218 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
219 twice the amount of the employee's annual wage to the next highest
220 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
221 case less than Thirty Thousand Dollars (\$30,000.00), with a like
222 amount for accidental death and dismemberment on a
223 twenty-four-hour basis. The plan will further contain a premium
224 waiver provision if a covered employee becomes totally and
225 permanently disabled before age sixty-five (65) years. Employees
226 retiring after June 30, 1999, shall be eligible to continue life
227 insurance coverage in an amount of Five Thousand Dollars
228 (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty Thousand
229 Dollars (\$20,000.00) into retirement.

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



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

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

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



267 (6) Any premium differentials, differences in coverages,
268 discounts determined by risk or by any other factors shall be
269 uniformly applied to all active employees participating in the
270 insurance plan. It is the intent of the Legislature that the
271 state contribution to the plan be the same for each employee
272 throughout the state.

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



292 addition to the existing State and School Life Insurance Plan
293 rates to such employees as a condition of enrollment in the State
294 and School Life Insurance Plan. In order for any life insurance
295 company group plan to be approved by the State and School
296 Employees Health Insurance Management Board under this subsection
297 (7), it shall meet the following criteria:

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

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

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

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

315 (e) The insurance company and its group life insurance
316 plan shall comply with any administrative requirements of the



317 State and School Employees Health Insurance Management Board. If
318 any insurance company providing group life insurance benefits to
319 employees under this subsection (7) fails to comply with any
320 requirements specified in this subsection or any administrative
321 requirements of the board, the state shall discontinue providing
322 funding for the cost of that insurance.

323 **SECTION 2.** This act shall take effect and be in force from
324 and after its passage.

