

By: Representative Roberson

To: Insurance

HOUSE BILL NO. 513

1 AN ACT TO AMEND SECTION 25-15-15, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE DATE OF THE REPEALER ON THE REQUIREMENT THAT THE
3 STATE OF MISSISSIPPI PAY CERTAIN AMOUNTS TOWARD THE COST OF THE
4 STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE PLAN; AND FOR RELATED
5 PURPOSES.

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

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

9 25-15-15. (1) The board is authorized to determine the
10 manner in which premiums and contributions by the state agencies,
11 local school districts, colleges, universities, community/junior
12 colleges and public libraries shall be collected to provide the
13 self-insured health insurance program for employees as provided
14 under this article. The state shall provide fifty percent (50%)
15 of the cost of the above life insurance plan for all active
16 full-time employees. The state shall provide one hundred percent
17 (100%) of the cost of the health insurance plan for active
18 full-time employees initially employed before January 1, 2006,
19 except as otherwise provided in this section. For active



20 full-time employees initially employed on or after January 1,
21 2006, the state shall provide one hundred percent (100%) of the
22 cost of a basic level of health insurance, except as otherwise
23 provided in this section, and the employees may pay additional
24 amounts to purchase additional benefits or levels of coverage
25 offered under the plan. The board, if determined to be necessary,
26 may assess active full-time employees a portion of the active
27 employee premium in an amount not to exceed Twenty Dollars
28 (\$20.00) per month, notwithstanding any language in this section
29 to the contrary. All active full-time employees shall be given
30 the opportunity to purchase coverage for their eligible dependents
31 with the premiums for such dependent coverage, as well as the
32 employee's fifty percent (50%) share for his life insurance
33 coverage, to be deductible from the employee's salary by the
34 agency, department or institution head, which deductions, together
35 with the fifty percent (50%) share of such life insurance premiums
36 of such employing agency, department or institution head from
37 funds appropriated to or authorized to be expended by the
38 employing agency, department or institution head, shall be
39 deposited directly into a depository bank or special fund in the
40 State Treasury, as determined by the board. These funds and
41 interest earned on these funds may be used for the disbursement of
42 claims and shall be exempt from the appropriation process.

43 (2) The state shall provide annually, by line item in the
44 Mississippi Library Commission appropriation bill, such funds to



45 pay one hundred percent (100%) of the cost of health insurance
46 under the State and School Employees Health Insurance Plan, or any
47 lesser percentage of the cost that is not assessed to the
48 employees by the board, for full-time library staff members in
49 each public library in Mississippi initially employed before
50 January 1, 2006. For full-time library staff members initially
51 employed on or after January 1, 2006, the state shall provide one
52 hundred percent (100%) of the cost of a basic level of health
53 insurance under the State and School Employees Health Insurance
54 Plan, or any lesser percentage of the cost that is not assessed to
55 the employees by the board, and the employees may pay additional
56 amounts to purchase additional benefits or levels of coverage
57 offered under the plan. The commission shall allot to each public
58 library a sufficient amount of those funds appropriated to pay the
59 costs of insurance for eligible employees. Any funds so
60 appropriated by line item which are not expended during the fiscal
61 year for which such funds were appropriated shall be carried
62 forward for the same purposes during the next succeeding fiscal
63 year. If any premiums for the health insurance and/or late
64 charges and interest penalties are not paid by a public library in
65 a timely manner, as defined by the board, the Mississippi Library
66 Commission, upon notice by the board, shall immediately withhold
67 all subsequent disbursements of funds to that public library.

68 (3) The state shall annually provide one hundred percent
69 (100%) of the cost of the health insurance plan, or any lesser



70 percentage of the cost that is not assessed to the employees by
71 the board, for public school district employees who work no less
72 than twenty (20) hours during each week and regular nonstudent
73 school bus drivers, if such employees and school bus drivers were
74 initially employed before January 1, 2006. For such employees and
75 school bus drivers initially employed on or after January 1, 2006,
76 the state shall provide one hundred percent (100%) of the cost of
77 a basic level of health insurance under the State and School
78 Employees Health Insurance Plan, or any lesser percentage of the
79 cost that is not assessed to the employees by the board, and the
80 employees may pay additional amounts to purchase additional
81 benefits or levels of coverage offered under the plan. Where
82 federal funding is allowable to defray, in full or in part, the
83 cost of participation in the program by district employees who
84 work no less than twenty (20) hours during the week and regular
85 nonstudent bus drivers, whose salaries are paid, in full or in
86 part, by federal funds, the allowance under this section shall be
87 reduced to the extent of such federal funding. Where the use of
88 federal funds is allowable but not available, it is the intent of
89 the Legislature that school districts contribute the cost of
90 participation for such employees from local funds, except that
91 parent fees for child nutrition programs shall not be increased to
92 cover such cost.

93 (4) The state shall provide annually, by line item in the
94 community/junior college appropriation bill, such funds to pay one



95 hundred percent (100%) of the cost of the health insurance plan,
96 or any lesser percentage of the cost that is not assessed to the
97 employees by the board, for community/junior college district
98 employees initially employed before January 1, 2006, who work no
99 less than twenty (20) hours during each week. For such employees
100 initially employed on or after January 1, 2006, the state shall
101 provide one hundred percent (100%) of the cost of a basic level of
102 health insurance under the State and School Employees Health
103 Insurance Plan, or any lesser percentage of the cost that is not
104 assessed to the employees by the board, and the employees may pay
105 additional amounts to purchase additional benefits or levels of
106 coverage offered under the plan.

107 (5) When the use of federal funding is allowable to defray,
108 in full or in part, the cost of participation in the insurance
109 plan by community/junior college district employees who work no
110 less than twenty (20) hours during each week, whose salaries are
111 paid, in full or in part, by federal funds, the allowance under
112 this section shall be reduced to the extent of the federal
113 funding. Where the use of federal funds is allowable but not
114 available, it is the intent of the Legislature that
115 community/junior college districts contribute the cost of
116 participation for such employees from local funds.

117 (6) Any community/junior college district may contribute to
118 the cost of coverage for any district employee from local
119 community/junior college district funds, and any public school



120 district may contribute to the cost of coverage for any district
121 employee from nonminimum program funds. Any part of the cost of
122 such coverage for participating employees of public school
123 districts and public community/junior college districts that is
124 not paid by the state shall be paid by the participating
125 employees, which shall be deducted from the salaries of the
126 employees in a manner determined by the board.

127 (7) Any funds appropriated for the cost of insurance by line
128 item in the community/junior colleges appropriation bill which are
129 not expended during the fiscal year for which such funds were
130 appropriated shall be carried forward for the same purposes during
131 the next succeeding fiscal year.

132 (8) The board may establish and enforce late charges and
133 interest penalties or other penalties for the purpose of requiring
134 the prompt payment of all premiums for life and health insurance
135 permitted under this chapter. All funds in excess of the amount
136 needed for disbursement of claims shall be deposited in a special
137 fund in the State Treasury to be known as the State and School
138 Employees Insurance Fund. The State Treasurer shall invest all
139 funds in the State and School Employees Insurance Fund and all
140 interest earned shall be credited to the State and School
141 Employees Insurance Fund. Such funds shall be placed with one or
142 more depositories of the state and invested on the first day such
143 funds are available for investment in certificates of deposit,
144 repurchase agreements or in United States Treasury bills or as



145 otherwise authorized by law for the investment of Public
146 Employees' Retirement System funds, as long as such investment is
147 made from competitive offering and at the highest and best market
148 rate obtainable consistent with any available investment
149 alternatives; however, such investments shall not be made in
150 shares of stock, common or preferred, or in any other investments
151 which would mature more than one (1) year from the date of
152 investment. The board shall have the authority to draw from this
153 fund periodically such funds as are necessary to operate the
154 self-insurance plan or to pay to the insurance carrier the cost of
155 operation of this plan, it being the purpose to limit the amount
156 of participation by the state to fifty percent (50%) of the cost
157 of the life insurance program and not to limit the contracting for
158 additional benefits where the cost will be paid in full by the
159 employee. The state shall not share in the cost of coverage for
160 retired employees.

161 (9) The board shall also provide for the creation of an
162 Insurance Reserve Fund and funds therein shall be invested by the
163 State Treasurer with all interest earned credited to the State and
164 School Employees Insurance Fund.

165 (10) Any retired employee electing to purchase retired life
166 and health insurance will have the full cost of such insurance
167 deducted monthly from his State of Mississippi retirement plan
168 check or direct billed for the cost of the premium if the
169 retirement check is insufficient to pay for the premium. If the



170 board determines actuarially that the premium paid by the
171 participating retirees adversely affects the overall cost of the
172 plan to the state, then the board may impose a premium surcharge,
173 not to exceed fifteen percent (15%), upon such participating
174 retired employees who are under the age for Medicare eligibility
175 and who were initially employed before January 1, 2006. For
176 participating retired employees who are under the age for Medicare
177 eligibility and who were initially employed on or after January 1,
178 2006, the board may impose a premium surcharge in an amount the
179 board determines actuarially to cover the full cost of insurance.

180 (11) The board may not impose a premium surcharge or any
181 other premium differential upon any class of participant of the
182 plan based on the use or nonuse of tobacco-related products.

183 (12) This section shall stand repealed on July 1, 2025.

184 **SECTION 2.** This act shall take effect and be in force from
185 and after July 1, 2022.

