

By: Senator(s) Michel

To: Insurance

SENATE BILL NO. 2336
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 25-15-15, MISSISSIPPI CODE OF 1972,
2 TO REMOVE THE PROHIBITION ON THE HEALTH INSURANCE MANAGEMENT BOARD
3 FOR IMPOSING A SURCHARGE BASED ON THE USE OR NONUSE OF
4 TOBACCO-RELATED PRODUCTS, AND TO EXTEND THE REPEALER ON THE
5 AUTHORITY OF THE BOARD TO COLLECT PREMIUM PAYMENTS FROM
6 PARTICIPANTS IN THE PLAN; AND FOR RELATED PURPOSES.

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

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

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



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

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



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

69 (3) The state shall annually provide one hundred percent
70 (100%) of the cost of the health insurance plan, or any lesser



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

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



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

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

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



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

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

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



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

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

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



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

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182 (* * * 11) This section shall stand repealed on July
183 1, * * * 2026.

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

