

By: Representative Smith (27th)

To: Insurance;
Appropriations

HOUSE BILL NO. 73

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 REVISE THE AMOUNT OF LIFE INSURANCE COVERAGE AVAILABLE TO ACTIVE
3 STATE EMPLOYEES AND CERTAIN STATE RETIREES; AND FOR RELATED
4 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 [Through June 30 of the year in which Section 25-11-143
9 becomes effective as provided in subsection (1) of Section
10 25-11-143, this section shall read as follows:]

11 25-15-9. (1) (a) The board shall design a plan of health
12 insurance for state employees which provides benefits for
13 semiprivate rooms in addition to other incidental coverages which
14 the board deems necessary. The amount of the coverages shall be
15 in such reasonable amount as may be determined by the board to be
16 adequate, after due consideration of current health costs in
17 Mississippi. The plan shall also include major medical benefits
18 in such amounts as the board shall determine. The board is also
19 authorized to accept bids for such alternate coverage and optional
20 benefits as the board shall deem proper. Any contract for
21 alternative coverage and optional benefits shall be awarded by the
22 board after it has carefully studied and evaluated the bids and
23 selected the best and most cost-effective bid. The board may
24 reject all such bids; however, the board shall notify all bidders
25 of the rejection and shall actively solicit new bids if all bids
26 are rejected. The board may employ or contract for such
27 consulting or actuarial services as may be necessary to formulate
28 the plan, and to assist the board in the preparation of

29 specifications and in the process of advertising for the bids for
30 the plan. Such contracts shall be solicited and entered into in
31 accordance with Section 25-15-5. The board shall keep a record of
32 all persons, agents and corporations who contract with or assist
33 the board in preparing and developing the plan. The board in a
34 timely manner shall provide copies of this record to the members
35 of the advisory council created in this section and those
36 legislators, or their designees, who may attend meetings of the
37 advisory council. The board shall provide copies of this record
38 in the solicitation of bids for the administration or servicing of
39 the self-insured program. Each person, agent or corporation
40 which, during the previous fiscal year, has assisted in the
41 development of the plan or employed or compensated any person who
42 assisted in the development of the plan, and which bids on the
43 administration or servicing of the plan, shall submit to the board
44 a statement accompanying the bid explaining in detail its
45 participation with the development of the plan. This statement
46 shall include the amount of compensation paid by the bidder to any
47 such employee during the previous fiscal year. The board shall
48 make all such information available to the members of the advisory
49 council and those legislators, or their designees, who may attend
50 meetings of the advisory council before any action is taken by the
51 board on the bids submitted. The failure of any bidder to fully
52 and accurately comply with this paragraph shall result in the
53 rejection of any bid submitted by that bidder or the cancellation
54 of any contract executed when the failure is discovered after the
55 acceptance of that bid. The board is authorized to promulgate
56 rules and regulations to implement the provisions of this
57 subsection.

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

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

74 (b) There is created an advisory council to advise the
75 board in the formulation of the State and School Employees Health
76 Insurance Plan. The council shall be composed of the State
77 Insurance Commissioner or his designee, an employee-representative
78 of the institutions of higher learning appointed by the board of
79 trustees thereof, an employee-representative of the Department of
80 Transportation appointed by the director thereof, an
81 employee-representative of the State Tax Commission appointed by
82 the Commissioner of Revenue, an employee-representative of the
83 Mississippi Department of Health appointed by the State Health
84 Officer, an employee-representative of the Mississippi Department
85 of Corrections appointed by the Commissioner of Corrections, and
86 an employee-representative of the Department of Human Services
87 appointed by the Executive Director of Human Services, two (2)
88 certificated public school administrators appointed by the State
89 Board of Education, two (2) certificated classroom teachers
90 appointed by the State Board of Education, a noncertificated
91 school employee appointed by the State Board of Education and a
92 community/junior college employee appointed by the State Board for
93 Community and Junior Colleges.

94 The Lieutenant Governor may designate the Secretary of the
95 Senate, the Chairman of the Senate Appropriations Committee, the
96 Chairman of the Senate Education Committee and the Chairman of the
97 Senate Insurance Committee, and the Speaker of the House of
98 Representatives may designate the Clerk of the House, the Chairman
99 of the House Appropriations Committee, the Chairman of the House
100 Education Committee and the Chairman of the House Insurance
101 Committee, to attend any meeting of the State and School Employees
102 Insurance Advisory Council. The appointing authorities may
103 designate an alternate member from their respective houses to
104 serve when the regular designee is unable to attend such meetings
105 of the council. Such designees shall have no jurisdiction or vote
106 on any matter within the jurisdiction of the council. For
107 attending meetings of the council, such legislators shall receive
108 per diem and expenses which shall be paid from the contingent
109 expense funds of their respective houses in the same amounts as
110 provided for committee meetings when the Legislature is not in
111 session; however, no per diem and expenses for attending meetings
112 of the council will be paid while the Legislature is in session.
113 No per diem and expenses will be paid except for attending
114 meetings of the council without prior approval of the proper
115 committee in their respective houses.

116 (c) No change in the terms of the State and School
117 Employees Health Insurance Plan may be made effective unless the
118 board, or its designee, has provided notice to the State and
119 School Employees Health Insurance Advisory Council and has called
120 a meeting of the council at least fifteen (15) days before the
121 effective date of such change. In the event that the State and
122 School Employees Health Insurance Advisory Council does not meet
123 to advise the board on the proposed changes, the changes to the
124 plan shall become effective at such time as the board has informed
125 the council that the changes shall become effective.

126 (d) **Medical benefits for retired employees and**
127 **dependents under age sixty-five (65) years and not eligible for**
128 **Medicare benefits.** The same health insurance coverage as for all
129 other active employees and their dependents shall be available to
130 retired employees and all dependents under age sixty-five (65)
131 years who are not eligible for Medicare benefits, the level of
132 benefits to be the same level as for all other active
133 participants. This section will apply to those employees who
134 retire due to one hundred percent (100%) medical disability as
135 well as those employees electing early retirement.

136 (e) **Medical benefits for retired employees and**
137 **dependents over age sixty-five (65) years or otherwise eligible**
138 **for Medicare benefits.** The health insurance coverage available to
139 retired employees over age sixty-five (65) years or otherwise
140 eligible for Medicare benefits, and all dependents over age
141 sixty-five (65) years or otherwise eligible for Medicare benefits,
142 shall be the major medical coverage with the lifetime maximum of
143 One Million Dollars (\$1,000,000.00). Benefits shall be reduced by
144 Medicare benefits as though such Medicare benefits were the base
145 plan.

146 All covered individuals shall be assumed to have full
147 Medicare coverage, Parts A and B; and any Medicare payments under
148 both Parts A and B shall be computed to reduce benefits payable
149 under this plan.

150 (2) Nonduplication of benefits--reduction of benefits by
151 Title XIX benefits: When benefits would be payable under more
152 than one (1) group plan, benefits under those plans will be
153 coordinated to the extent that the total benefits under all plans
154 will not exceed the total expenses incurred.

155 Benefits for hospital or surgical or medical benefits shall
156 be reduced by any similar benefits payable in accordance with
157 Title XIX of the Social Security Act or under any amendments
158 thereto, or any implementing legislation.

159 Benefits for hospital or surgical or medical benefits shall
160 be reduced by any similar benefits payable by workers'
161 compensation.

162 (3) (a) Schedule of life insurance benefits--group term:
163 The amount of term life insurance available for purchase for each
164 active employee of a department, agency or institution of the
165 state government shall * * * be either Twenty-five Thousand
166 Dollars (\$25,000.00), Fifty Thousand Dollars (\$50,000.00),
167 Seventy-five Thousand Dollars (\$75,000.00) or One Hundred Thousand
168 Dollars (\$100,000.00) * * *, with a like amount for accidental
169 death and dismemberment on a twenty-four-hour basis. An employee
170 who has attained at least four (4) years of creditable service
171 under the Public Employees' Retirement System, as provided in
172 Section 25-11-111, may increase his coverage in increments of Ten
173 Thousand Dollars (\$10,000.00) up to a maximum coverage of One
174 Hundred Fifty Thousand Dollars (\$150,000.00). The plan will
175 further contain a premium waiver provision if a covered employee
176 becomes totally and permanently disabled prior to age seventy
177 (70) years. Employees retiring after June 30, 2004, shall be
178 eligible to continue life insurance coverage in the amount of
179 coverage that he had or was eligible for as an active employee, up
180 to a maximum coverage of One Hundred Fifty Thousand Dollars
181 (\$150,000.00), into retirement.

182 (b) Effective June 30, 2004, schedule of life insurance
183 benefits--group term: The amount of term life insurance available
184 for purchase for each active employee of any school district,
185 community/junior college, public library or university-based
186 program authorized under Section 37-23-31 for deaf, aphasic and
187 emotionally disturbed children or any regular nonstudent bus
188 driver shall * * * be either Twenty-five Thousand Dollars
189 (\$25,000.00), Fifty Thousand Dollars (\$50,000.00), Seventy-five
190 Thousand Dollars (\$75,000.00) or One Hundred Thousand Dollars
191 (\$100,000.00), * * * with a like amount for accidental death and

192 dismemberment on a twenty-four-hour basis. An employee who has
193 attained at least four (4) years of creditable service under the
194 Public Employees' Retirement System, as provided in Section
195 25-11-111, may increase his coverage in increments of Ten Thousand
196 Dollars (\$10,000.00) up to a maximum coverage of One Hundred Fifty
197 Thousand Dollars (\$150,000.00). The plan will further contain a
198 premium waiver provision if a covered employee of any school
199 district, community/junior college, public library or
200 university-based program authorized under Section 37-23-31 for
201 deaf, aphasic and emotionally disturbed children or any regular
202 nonstudent bus driver becomes totally and permanently disabled
203 prior to age seventy (70) years. Employees of any school
204 district, community/junior college, public library or
205 university-based program authorized under Section 37-23-31 for
206 deaf, aphasic and emotionally disturbed children or any regular
207 nonstudent bus driver retiring after June 30, 2004, shall be
208 eligible to continue life insurance coverage in an amount of
209 coverage that he had or was eligible for as an active employee, up
210 to a maximum coverage of One Hundred Fifty Thousand Dollars
211 (\$150,000.00), into retirement.

212 (4) Any eligible employee who on March 1, 1971, was
213 participating in a group life insurance program which has
214 provisions different from those included herein and for which the
215 State of Mississippi was paying a part of the premium may, at his
216 discretion, continue to participate in such plan. Such employee
217 shall pay in full all additional costs, if any, above the minimum
218 program established by this article. Under no circumstances shall
219 any individual who begins employment with the state after March 1,
220 1971, be eligible for the provisions of this paragraph.

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

223 (6) Any premium differentials, differences in coverages,
224 discounts determined by risk or by any other factors shall be

225 uniformly applied to all active employees participating in the
226 insurance plan. It is the intent of the Legislature that the
227 state contribution to the plan be the same for each employee
228 throughout the state.

229 (7) On October 1, 1999, any school district,
230 community/junior college district or public library may elect to
231 remain with an existing policy or policies of group life insurance
232 with an insurance company approved by the State and School
233 Employees Health Insurance Management Board, in lieu of
234 participation in the State and School Life Insurance Plan. The
235 state's contribution of up to fifty percent (50%) of the active
236 employee's premium under the State and School Life Insurance Plan
237 may be applied toward the cost of coverage for full-time employees
238 participating in the approved life insurance company group plan.
239 For purposes of this subsection (7), "life insurance company group
240 plan" means a plan administered or sold by a private insurance
241 company. After October 1, 1999, the board may assess charges in
242 addition to the existing State and School Life Insurance Plan
243 rates to such employees as a condition of enrollment in the State
244 and School Life Insurance Plan. In order for any life insurance
245 company group plan existing as of October 1, 1999, to be approved
246 by the State and School Employees Health Insurance Management
247 Board under this subsection (7), it shall meet the following
248 criteria:

249 (a) The insurance company offering the group life
250 insurance plan shall be rated "A-" or better by A.M. Best state
251 insurance rating service and be licensed as an admitted carrier in
252 the State of Mississippi by the Mississippi Department of
253 Insurance.

254 (b) The insurance company group life insurance plan
255 shall provide the same life insurance, accidental death and
256 dismemberment insurance and waiver of premium benefits as provided
257 in the State and School Life Insurance Plan.

258 (c) The insurance company group life insurance plan
259 shall be fully insured, and no form of self-funding life insurance
260 by such company shall be approved.

261 (d) The insurance company group life insurance plan
262 shall have one (1) composite rate per One Thousand Dollars
263 (\$1,000.00) of coverage for active employees regardless of age and
264 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
265 coverage for all retirees regardless of age or type of retiree.

266 (e) The insurance company and its group life insurance
267 plan shall comply with any administrative requirements of the
268 State and School Employees Health Insurance Management Board. In
269 the event any insurance company providing group life insurance
270 benefits to employees under this subsection (7) fails to comply
271 with any requirements specified herein or any administrative
272 requirements of the board, the state shall discontinue providing
273 funding for the cost of such insurance.

274 **[From and after July 1 of the year in which Section 25-11-143**
275 **becomes effective as provided in subsection (1) of Section**
276 **25-11-143, this section shall read as follows:]**

277 25-15-9. (1) (a) The board shall design a plan of health
278 insurance for state employees that provides benefits for
279 semiprivate rooms in addition to other incidental coverages that
280 the board deems necessary. The amount of the coverages shall be
281 in such reasonable amount as may be determined by the board to be
282 adequate, after due consideration of current health costs in
283 Mississippi. The plan shall also include major medical benefits
284 in such amounts as the board shall determine. The board is also
285 authorized to accept bids for such alternate coverage and optional
286 benefits as the board deems proper. Any contract for alternative
287 coverage and optional benefits shall be awarded by the board after
288 it has carefully studied and evaluated the bids and selected the
289 best and most cost-effective bid. The board may reject all such
290 bids; however, the board shall notify all bidders of the rejection

291 and shall actively solicit new bids if all bids are rejected. The
292 board may employ or contract for such consulting or actuarial
293 services as may be necessary to formulate the plan, and to assist
294 the board in the preparation of specifications and in the process
295 of advertising for the bids for the plan. Those contracts shall
296 be solicited and entered into in accordance with Section 25-15-5.
297 The board shall keep a record of all persons, agents and
298 corporations who contract with or assist the board in preparing
299 and developing the plan. The board in a timely manner shall
300 provide copies of this record to the members of the advisory
301 council created in this section and those legislators, or their
302 designees, who may attend meetings of the advisory council. The
303 board shall provide copies of this record in the solicitation of
304 bids for the administration or servicing of the self-insured
305 program. Each person, agent or corporation that, during the
306 previous fiscal year, has assisted in the development of the plan
307 or employed or compensated any person who assisted in the
308 development of the plan, and that bids on the administration or
309 servicing of the plan, shall submit to the board a statement
310 accompanying the bid explaining in detail its participation with
311 the development of the plan. This statement shall include the
312 amount of compensation paid by the bidder to any such employee
313 during the previous fiscal year. The board shall make all such
314 information available to the members of the advisory council and
315 those legislators, or their designees, who may attend meetings of
316 the advisory council before any action is taken by the board on
317 the bids submitted. The failure of any bidder to fully and
318 accurately comply with this paragraph shall result in the
319 rejection of any bid submitted by that bidder or the cancellation
320 of any contract executed when the failure is discovered after the
321 acceptance of that bid. The board is authorized to promulgate
322 rules and regulations to implement the provisions of this
323 subsection.

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

327 Any corporation, association, company or individual that
328 contracts with the board for the third-party claims administration
329 of the self-insured plan shall prepare and keep on file an
330 explanation of benefits for each claim processed. The explanation
331 of benefits shall contain such information relative to each
332 processed claim which the board deems necessary, and, at a
333 minimum, each explanation shall provide the claimant's name, claim
334 number, provider number, provider name, service dates, type of
335 services, amount of charges, amount allowed to the claimant and
336 reason codes. The information contained in the explanation of
337 benefits shall be available for inspection upon request by the
338 board. The board shall have access to all claims information
339 utilized in the issuance of payments to employees and providers.

340 (b) There is created an advisory council to advise the
341 board in the formulation of the State and School Employees Health
342 Insurance Plan. The council shall be composed of the State
343 Insurance Commissioner or his designee, an employee-representative
344 of the state institutions of higher learning appointed by the
345 board of trustees thereof, an employee-representative of the
346 Mississippi Department of Transportation appointed by the director
347 thereof, an employee-representative of the State Tax Commission
348 appointed by the Commissioner of Revenue, an
349 employee-representative of the State Department of Health
350 appointed by the State Health Officer, an employee-representative
351 of the Mississippi Department of Corrections appointed by the
352 Commissioner of Corrections, and an employee-representative of the
353 Mississippi Department of Human Services appointed by the
354 Executive Director of Human Services, two (2) certificated public
355 school administrators appointed by the State Board of Education,
356 two (2) certificated classroom teachers appointed by the State

357 Board of Education, a noncertificated school employee appointed by
358 the State Board of Education and a community/junior college
359 employee appointed by the State Board for Community and Junior
360 Colleges.

361 The Lieutenant Governor may designate the Secretary of the
362 Senate, the Chairman of the Senate Appropriations Committee, the
363 Chairman of the Senate Education Committee and the Chairman of the
364 Senate Insurance Committee, and the Speaker of the House of
365 Representatives may designate the Clerk of the House, the Chairman
366 of the House Appropriations Committee, the Chairman of the House
367 Education Committee and the Chairman of the House Insurance
368 Committee, to attend any meeting of the State and School Employees
369 Insurance Advisory Council. The appointing authorities may
370 designate an alternate member from their respective houses to
371 serve when the regular designee is unable to attend such meetings
372 of the council. Those designees shall have no jurisdiction or
373 vote on any matter within the jurisdiction of the council. For
374 attending meetings of the council, those legislators shall receive
375 per diem and expenses, which shall be paid from the contingent
376 expense funds of their respective houses in the same amounts as
377 provided for committee meetings when the Legislature is not in
378 session; however, no per diem and expenses for attending meetings
379 of the council will be paid while the Legislature is in session.
380 No per diem and expenses will be paid except for attending
381 meetings of the council without prior approval of the proper
382 committee in their respective houses.

383 (c) No change in the terms of the State and School
384 Employees Health Insurance Plan may be made effective unless the
385 board, or its designee, has provided notice to the State and
386 School Employees Health Insurance Advisory Council and has called
387 a meeting of the council at least fifteen (15) days before the
388 effective date of the change. If the State and School Employees
389 Health Insurance Advisory Council does not meet to advise the

390 board on the proposed changes, the changes to the plan will become
391 effective at such time as the board has informed the council that
392 the changes will become effective.

393 (2) Nonduplication of benefits--reduction of benefits by
394 Title XIX benefits: When benefits would be payable under more
395 than one (1) group plan, benefits under those plans will be
396 coordinated to the extent that the total benefits under all plans
397 will not exceed the total expenses incurred.

398 Benefits for hospital or surgical or medical benefits shall
399 be reduced by any similar benefits payable in accordance with
400 Title XIX of the Social Security Act or under any amendments
401 thereto, or any implementing legislation.

402 Benefits for hospital or surgical or medical benefits shall
403 be reduced by any similar benefits payable by workers'
404 compensation.

405 (3) (a) Schedule of life insurance benefits--group term:
406 The amount of term life insurance available for purchase for each
407 active employee of a department, agency or institution of the
408 state government shall be either Twenty-five Thousand Dollars
409 (\$25,000.00), Fifty Thousand Dollars (\$50,000.00), Seventy-five
410 Thousand Dollars (\$75,000.00) or One Hundred Thousand Dollars
411 (\$100,000.00), * * * with a like amount for accidental death and
412 dismemberment on a twenty-four-hour basis. An employee who has
413 attained at least four (4) years of creditable service under the
414 Public Employees' Retirement System, as provided in Section
415 25-11-111, may increase his coverage in increments of Ten Thousand
416 Dollars (\$10,000.00) up to a maximum coverage of One Hundred Fifty
417 Thousand Dollars (\$150,000.00). The plan will further contain a
418 premium waiver provision if a covered employee becomes totally and
419 permanently disabled prior to age seventy (70) years. Employees
420 retiring after June 30, 2004, shall be eligible to continue life
421 insurance coverage in the amount of coverage that he had or was

422 eligible for as an active employee, up to a maximum coverage of
423 One Hundred Fifty Thousand Dollars (\$150,000.00), into retirement.

424 (b) * * * Schedule of life insurance benefits--group
425 term: The amount of term life insurance available for purchase
426 for each active employee of any school district, community/junior
427 college, public library, university-based program authorized under
428 Section 37-23-31 for deaf, aphasic and emotionally disturbed
429 children, or any regular nonstudent bus driver shall * * * be
430 either Twenty-five Thousand Dollars (\$25,000.00), Fifty Thousand
431 Dollars (\$50,000.00), Seventy-five Thousand Dollars (\$75,000.00)
432 or One Hundred Thousand Dollars (\$100,000.00) * * * with a like
433 amount for accidental death and dismemberment on a
434 twenty-four-hour basis. The plan will further contain a premium
435 waiver provision if a covered employee of any school district,
436 community/junior college, public library, university-based program
437 authorized under Section 37-23-31 for deaf, aphasic and
438 emotionally disturbed children, or any regular nonstudent bus
439 driver becomes totally and permanently disabled before age seventy
440 (70) years. Employees retiring after June 30, 2004, shall be
441 eligible to continue life insurance coverage in the amount of
442 coverage that he had or was eligible for as an active employee, up
443 to a maximum coverage of One Hundred Fifty Thousand Dollars
444 (\$150,000.00), into retirement.

445 (4) Any eligible employee who on March 1, 1971, was
446 participating in a group life insurance program that has
447 provisions different from those included in this section and for
448 which the State of Mississippi was paying a part of the premium
449 may, at his discretion, continue to participate in that plan. The
450 employee shall pay in full all additional costs, if any, above the
451 minimum program established by this article. Under no
452 circumstances shall any individual who begins employment with the
453 state after March 1, 1971, be eligible for the provisions of this
454 paragraph.

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

457 (6) Any premium differentials, differences in coverages,
458 discounts determined by risk or by any other factors shall be
459 uniformly applied to all active employees participating in the
460 insurance plan. It is the intent of the Legislature that the
461 state contribution to the plan be the same for each employee
462 throughout the state.

463 (7) On October 1, 1999, any school district,
464 community/junior college district or public library may elect to
465 remain with an existing policy or policies of group life insurance
466 with an insurance company approved by the State and School
467 Employees Health Insurance Management Board, in lieu of
468 participation in the State and School Life Insurance Plan. The
469 state's contribution of up to fifty percent (50%) of the active
470 employee's premium under the State and School Life Insurance Plan
471 may be applied toward the cost of coverage for full-time employees
472 participating in the approved life insurance company group plan.
473 For purposes of this subsection (7), "life insurance company group
474 plan" means a plan administered or sold by a private insurance
475 company. After October 1, 1999, the board may assess charges in
476 addition to the existing State and School Life Insurance Plan
477 rates to those employees as a condition of enrollment in the State
478 and School Life Insurance Plan. In order for any life insurance
479 company group plan existing as of October 1, 1999, to be approved
480 by the State and School Employees Health Insurance Management
481 Board under this subsection (7), it shall meet the following
482 criteria:

483 (a) The insurance company offering the group life
484 insurance plan shall be rated "A-" or better by A.M. Best state
485 insurance rating service and be licensed as an admitted carrier in
486 the State of Mississippi by the Mississippi Department of
487 Insurance.

488 (b) The insurance company group life insurance plan
489 shall provide the same life insurance, accidental death and
490 dismemberment insurance and waiver of premium benefits as provided
491 in the State and School Life Insurance Plan.

492 (c) The insurance company group life insurance plan
493 shall be fully insured, and no form of self-funding life insurance
494 by such company shall be approved.

495 (d) The insurance company group life insurance plan
496 shall have one (1) composite rate per One Thousand Dollars
497 (\$1,000.00) of coverage for active employees regardless of age.

498 (e) The insurance company and its group life insurance
499 plan shall comply with any administrative requirements of the
500 State and School Employees Health Insurance Management Board. If
501 any insurance company providing group life insurance benefits to
502 employees under this subsection (7) fails to comply with any
503 requirements specified in this subsection or any administrative
504 requirements of the board, the state shall discontinue providing
505 funding for the cost of that insurance.

506 **SECTION 2.** This act shall take effect and be in force from
507 and after June 30, 2004.