

By: Senator(s) Harden

To: Insurance;  
Appropriations

SENATE BILL NO. 2184

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO  
2 REMOVE THE DEDUCTIBLE AMOUNT FOR NETWORK PHYSICIAN OFFICE VISITS  
3 BY THE EMPLOYEE OR A DEPENDENT, APPLY A COPAY FOR A PHYSICIAN  
4 VISIT, REMOVE THE DEDUCTIBLE AMOUNT FOR PRESCRIPTION DRUGS AND TO  
5 REDUCE THE COPAYMENT AMOUNTS FOR PRESCRIPTION DRUGS UNDER THE  
6 STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE PLAN; AND FOR RELATED  
7 PURPOSES.

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

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

11 [Through June 30 of the year in which Section 25-11-143  
12 becomes effective as provided in subsection (1) of Section  
13 25-11-143, this section shall read as follows:]

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

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

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

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

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

94 school employee appointed by the State Board of Education and a  
95 community/junior college employee appointed by the State Board for  
96 Community and Junior Colleges.

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

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

127 plan shall become effective at such time as the board has informed  
128 the council that the changes shall become effective.

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

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

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

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

158           Benefits for hospital or surgical or medical benefits shall  
159 be reduced by any similar benefits payable in accordance with

160 Title XIX of the Social Security Act or under any amendments  
161 thereto, or any implementing legislation.

162 Benefits for hospital or surgical or medical benefits shall  
163 be reduced by any similar benefits payable by workers'  
164 compensation.

165 (3) (a) Schedule of life insurance benefits--group term:  
166 The amount of term life insurance for each active employee of a  
167 department, agency or institution of the state government shall  
168 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or  
169 twice the amount of the employee's annual wage to the next highest  
170 One Thousand Dollars (\$1,000.00), whichever may be less, but in no  
171 case less than Thirty Thousand Dollars (\$30,000.00), with a like  
172 amount for accidental death and dismemberment on a  
173 twenty-four-hour basis. The plan will further contain a premium  
174 waiver provision if a covered employee becomes totally and  
175 permanently disabled prior to age sixty-five (65) years.  
176 Employees retiring after June 30, 1999, shall be eligible to  
177 continue life insurance coverage in an amount of Five Thousand  
178 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty  
179 Thousand Dollars (\$20,000.00) into retirement.

180 (b) Effective October 1, 1999, schedule of life  
181 insurance benefits--group term: The amount of term life insurance  
182 for each active employee of any school district, community/junior  
183 college, public library or university-based program authorized  
184 under Section 37-23-31 for deaf, aphasic and emotionally disturbed  
185 children or any regular nonstudent bus driver shall not be in  
186 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the  
187 amount of the employee's annual wage to the next highest One  
188 Thousand Dollars (\$1,000.00), whichever may be less, but in no  
189 case less than Thirty Thousand Dollars (\$30,000.00), with a like  
190 amount for accidental death and dismemberment on a  
191 twenty-four-hour basis. The plan will further contain a premium  
192 waiver provision if a covered employee of any school district,

193 community/junior college, public library or university-based  
194 program authorized under Section 37-23-31 for deaf, aphasic and  
195 emotionally disturbed children or any regular nonstudent bus  
196 driver becomes totally and permanently disabled prior to age  
197 sixty-five (65) years. Employees of any school district,  
198 community/junior college, public library or university-based  
199 program authorized under Section 37-23-31 for deaf, aphasic and  
200 emotionally disturbed children or any regular nonstudent bus  
201 driver retiring after September 30, 1999, shall be eligible to  
202 continue life insurance coverage in an amount of Five Thousand  
203 Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty  
204 Thousand Dollars (\$20,000.00) into retirement.

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

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

216 (6) Any premium differentials, differences in coverages,  
217 discounts determined by risk or by any other factors shall be  
218 uniformly applied to all active employees participating in the  
219 insurance plan. It is the intent of the Legislature that the  
220 state contribution to the plan be the same for each employee  
221 throughout the state.

222 (7) On October 1, 1999, any school district,  
223 community/junior college district or public library may elect to  
224 remain with an existing policy or policies of group life insurance  
225 with an insurance company approved by the State and School

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

242 (a) The insurance company offering the group life  
243 insurance plan shall be rated "A-" or better by A.M. Best state  
244 insurance rating service and be licensed as an admitted carrier in  
245 the State of Mississippi by the Mississippi Department of  
246 Insurance.

247 (b) The insurance company group life insurance plan  
248 shall provide the same life insurance, accidental death and  
249 dismemberment insurance and waiver of premium benefits as provided  
250 in the State and School Life Insurance Plan.

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

254 (d) The insurance company group life insurance plan  
255 shall have one (1) composite rate per One Thousand Dollars  
256 (\$1,000.00) of coverage for active employees regardless of age and  
257 one (1) composite rate per One Thousand Dollars (\$1,000.00) of  
258 coverage for all retirees regardless of age or type of retiree.



259 (e) The insurance company and its group life insurance  
260 plan shall comply with any administrative requirements of the  
261 State and School Employees Health Insurance Management Board. In  
262 the event any insurance company providing group life insurance  
263 benefits to employees under this subsection (7) fails to comply  
264 with any requirements specified herein or any administrative  
265 requirements of the board, the state shall discontinue providing  
266 funding for the cost of such insurance.

267 (8) On or after July 1, 2004, the State and School Employees  
268 Health Insurance Management Board is authorized and directed to  
269 revise the state health plan to enhance employee and dependent  
270 coverage benefits as follows: (a) eliminate the deductible amount  
271 for a network physician office visit by the employee or a  
272 dependent; (b) institute a copayment requirement for the physician  
273 visit of Fifteen Dollars (\$15.00) for a primary care physician  
274 visit and Twenty-five Dollars (\$25.00) for a specialist visit; (c)  
275 eliminate the deductible amount for prescription drugs; and (d)  
276 institute a maximum copayment requirement for prescription drugs  
277 which is no greater than Ten Dollars (\$10.00).

278 **[From and after July 1 of the year in which Section 25-11-143**  
279 **becomes effective as provided in subsection (1) of Section**  
280 **25-11-143, this section shall read as follows:]**

281 25-15-9. (1) (a) The board shall design a plan of health  
282 insurance for state employees that provides benefits for  
283 semiprivate rooms in addition to other incidental coverages that  
284 the board deems necessary. The amount of the coverages shall be  
285 in such reasonable amount as may be determined by the board to be  
286 adequate, after due consideration of current health costs in  
287 Mississippi. The plan shall also include major medical benefits  
288 in such amounts as the board shall determine. The board is also  
289 authorized to accept bids for such alternate coverage and optional  
290 benefits as the board deems proper. Any contract for alternative  
291 coverage and optional benefits shall be awarded by the board after

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

325 acceptance of that bid. The board is authorized to promulgate  
326 rules and regulations to implement the provisions of this  
327 subsection.

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

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

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

358 Executive Director of Human Services, two (2) certificated public  
359 school administrators appointed by the State Board of Education,  
360 two (2) certificated classroom teachers appointed by the State  
361 Board of Education, a noncertificated school employee appointed by  
362 the State Board of Education and a community/junior college  
363 employee appointed by the State Board for Community and Junior  
364 Colleges.

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

387         (c) No change in the terms of the State and School  
388 Employees Health Insurance Plan may be made effective unless the  
389 board, or its designee, has provided notice to the State and  
390 School Employees Health Insurance Advisory Council and has called

391 a meeting of the council at least fifteen (15) days before the  
392 effective date of the change. If the State and School Employees  
393 Health Insurance Advisory Council does not meet to advise the  
394 board on the proposed changes, the changes to the plan will become  
395 effective at such time as the board has informed the council that  
396 the changes will become effective.

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

402 Benefits for hospital or surgical or medical benefits shall  
403 be reduced by any similar benefits payable in accordance with  
404 Title XIX of the Social Security Act or under any amendments  
405 thereto, or any implementing legislation.

406 Benefits for hospital or surgical or medical benefits shall  
407 be reduced by any similar benefits payable by workers'  
408 compensation.

409 (3) (a) Schedule of life insurance benefits--group term:  
410 The amount of term life insurance for each active employee of a  
411 department, agency or institution of the state government shall  
412 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or  
413 twice the amount of the employee's annual wage to the next highest  
414 One Thousand Dollars (\$1,000.00), whichever may be less, but in no  
415 case less than Thirty Thousand Dollars (\$30,000.00), with a like  
416 amount for accidental death and dismemberment on a  
417 twenty-four-hour basis.

418 (b) Effective October 1, 1999, schedule of life  
419 insurance benefits--group term: The amount of term life insurance  
420 for each active employee of any school district, community/junior  
421 college, public library, university-based program authorized under  
422 Section 37-23-31 for deaf, aphasic and emotionally disturbed  
423 children, or any regular nonstudent bus driver shall not be in

424 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the  
425 amount of the employee's annual wage to the next highest One  
426 Thousand Dollars (\$1,000.00), whichever may be less, but in no  
427 case less than Thirty Thousand Dollars (\$30,000.00), with a like  
428 amount for accidental death and dismemberment on a  
429 twenty-four-hour basis. The plan will further contain a premium  
430 waiver provision if a covered employee of any school district,  
431 community/junior college, public library, university-based program  
432 authorized under Section 37-23-31 for deaf, aphasic and  
433 emotionally disturbed children, or any regular nonstudent bus  
434 driver becomes totally and permanently disabled before age  
435 sixty-five (65) years.

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

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

448 (6) Any premium differentials, differences in coverages,  
449 discounts determined by risk or by any other factors shall be  
450 uniformly applied to all active employees participating in the  
451 insurance plan. It is the intent of the Legislature that the  
452 state contribution to the plan be the same for each employee  
453 throughout the state.

454 (7) On October 1, 1999, any school district,  
455 community/junior college district or public library may elect to  
456 remain with an existing policy or policies of group life insurance

457 with an insurance company approved by the State and School  
458 Employees Health Insurance Management Board, in lieu of  
459 participation in the State and School Life Insurance Plan. The  
460 state's contribution of up to fifty percent (50%) of the active  
461 employee's premium under the State and School Life Insurance Plan  
462 may be applied toward the cost of coverage for full-time employees  
463 participating in the approved life insurance company group plan.  
464 For purposes of this subsection (7), "life insurance company group  
465 plan" means a plan administered or sold by a private insurance  
466 company. After October 1, 1999, the board may assess charges in  
467 addition to the existing State and School Life Insurance Plan  
468 rates to those employees as a condition of enrollment in the State  
469 and School Life Insurance Plan. In order for any life insurance  
470 company group plan existing as of October 1, 1999, to be approved  
471 by the State and School Employees Health Insurance Management  
472 Board under this subsection (7), it shall meet the following  
473 criteria:

474           (a) The insurance company offering the group life  
475 insurance plan shall be rated "A-" or better by A.M. Best state  
476 insurance rating service and be licensed as an admitted carrier in  
477 the State of Mississippi by the Mississippi Department of  
478 Insurance.

479           (b) The insurance company group life insurance plan  
480 shall provide the same life insurance, accidental death and  
481 dismemberment insurance and waiver of premium benefits as provided  
482 in the State and School Life Insurance Plan.

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

486           (d) The insurance company group life insurance plan  
487 shall have one (1) composite rate per One Thousand Dollars  
488 (\$1,000.00) of coverage for active employees regardless of age.

489           (e) The insurance company and its group life insurance  
490 plan shall comply with any administrative requirements of the  
491 State and School Employees Health Insurance Management Board. If  
492 any insurance company providing group life insurance benefits to  
493 employees under this subsection (7) fails to comply with any  
494 requirements specified in this subsection or any administrative  
495 requirements of the board, the state shall discontinue providing  
496 funding for the cost of that insurance.

497           (8) On or after July 1, 2004, the State and School Employees  
498 Health Insurance Management Board is authorized and directed to  
499 revise the state health plan to enhance employee and dependent  
500 coverage benefits as follows: (a) eliminate the deductible amount  
501 for a network physician office visit by the employee or a  
502 dependent; (b) institute a copayment requirement for the physician  
503 visit of Fifteen Dollars (\$15.00) for a primary care physician  
504 visit and Twenty-five Dollars (\$25.00) for a specialist visit; (c)  
505 eliminate the deductible amount for prescription drugs; and (d)  
506 institute a maximum copayment requirement for prescription drugs  
507 which is no greater than Ten Dollars (\$10.00).

508           **SECTION 2.** This act shall take effect and be in force from  
509 and after July 1, 2004.