

By: Representative Smith (27th)

To: Insurance;
Appropriations

HOUSE BILL NO. 39

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 (70)
177 years. Employees retiring after June 30, 2005, shall be eligible
178 to continue life insurance coverage in the amount of coverage that
179 he had or was eligible for as an active employee, up to a maximum
180 coverage of One Hundred Fifty Thousand Dollars (\$150,000.00),
181 into retirement.

182 (b) Effective June 30, 2005, 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, 2005, 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. On or
235 after July 1, 2004, until October 1, 2004, any school district,
236 community/junior college district or public library may elect to
237 choose a policy or policies of group life insurance existing on
238 October 1, 1999, with an insurance company approved by the State
239 and School Employees Health Insurance Management Board in lieu of
240 participation in the State and School Life Insurance Plan. The
241 state's contribution of up to fifty percent (50%) of the active
242 employee's premium under the State and School Life Insurance Plan
243 may be applied toward the cost of coverage for full-time employees
244 participating in the approved life insurance company group plan.
245 For purposes of this subsection (7), "life insurance company group
246 plan" means a plan administered or sold by a private insurance
247 company. After October 1, 1999, the board may assess charges in
248 addition to the existing State and School Life Insurance Plan
249 rates to such employees as a condition of enrollment in the State
250 and School Life Insurance Plan. In order for any life insurance
251 company group plan to be approved by the State and School
252 Employees Health Insurance Management Board under this subsection
253 (7), it shall meet the following criteria:

254 (a) The insurance company offering the group life
255 insurance plan shall be rated "A-" or better by A.M. Best state
256 insurance rating service and be licensed as an admitted carrier in

257 the State of Mississippi by the Mississippi Department of
258 Insurance.

259 (b) The insurance company group life insurance plan
260 shall provide the same life insurance, accidental death and
261 dismemberment insurance and waiver of premium benefits as provided
262 in the State and School Life Insurance Plan.

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

266 (d) The insurance company group life insurance plan
267 shall have one (1) composite rate per One Thousand Dollars
268 (\$1,000.00) of coverage for active employees regardless of age and
269 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
270 coverage for all retirees regardless of age or type of retiree.

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

279 **[From and after July 1 of the year in which Section 25-11-143**
280 **becomes effective as provided in subsection (1) of Section**
281 **25-11-143, this section shall read as follows:]**

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

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

323 accurately comply with this paragraph shall result in the
324 rejection of any bid submitted by that bidder or the cancellation
325 of any contract executed when the failure is discovered after the
326 acceptance of that bid. The board is authorized to promulgate
327 rules and regulations to implement the provisions of this
328 subsection.

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

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

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

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

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

388 (c) No change in the terms of the State and School
389 Employees Health Insurance Plan may be made effective unless the
390 board, or its designee, has provided notice to the State and
391 School Employees Health Insurance Advisory Council and has called
392 a meeting of the council at least fifteen (15) days before the
393 effective date of the change. If the State and School Employees
394 Health Insurance Advisory Council does not meet to advise the
395 board on the proposed changes, the changes to the plan will become
396 effective at such time as the board has informed the council that
397 the changes will become effective.

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

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

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

410 (3) (a) Schedule of life insurance benefits--group term:
411 The amount of term life insurance available for purchase for each
412 active employee of a department, agency or institution of the
413 state government shall * * * be either Twenty-five Thousand
414 Dollars (\$25,000.00), Fifty Thousand Dollars (\$50,000.00),
415 Seventy-five Thousand Dollars (\$75,000.00) or One Hundred Thousand
416 Dollars (\$100,000.00), * * * with a like amount for accidental
417 death and dismemberment on a twenty-four-hour basis. An employee
418 who has attained at least four (4) years of creditable service
419 under the Public Employees' Retirement System, as provided in
420 Section 25-11-111, may increase his coverage in increments of Ten

421 Thousand Dollars (\$10,000.00) up to a maximum coverage of One
422 Hundred Fifty Thousand Dollars (\$150,000.00). The plan shall
423 further contain a premium waiver provision if a covered employee
424 becomes totally and permanently disabled before age seventy (70)
425 years. Employees retiring after June 30, 2005, shall be eligible
426 to continue life insurance coverage in the amount of coverage that
427 he had or was eligible for as an active employee, up to a maximum
428 coverage of One Hundred Fifty Thousand Dollars (\$150,000.00), into
429 retirement.

430 (b) * * * Schedule of life insurance benefits--group
431 term: The amount of term life insurance available for purchase
432 for each active employee of any school district, community/junior
433 college, public library, university-based program authorized under
434 Section 37-23-31 for deaf, aphasic and emotionally disturbed
435 children, or any regular nonstudent bus driver shall * * * be
436 either Twenty-five Thousand Dollars (\$25,000.00), Fifty Thousand
437 Dollars (\$50,000.00), Seventy-five Thousand Dollars (\$75,000.00)
438 or One Hundred Thousand Dollars (\$100,000.00), * * * with a like
439 amount for accidental death and dismemberment on a
440 twenty-four-hour basis. The plan will further contain a premium
441 waiver provision if a covered employee of any school district,
442 community/junior college, public library, university-based program
443 authorized under Section 37-23-31 for deaf, aphasic and
444 emotionally disturbed children, or any regular nonstudent bus
445 driver becomes totally and permanently disabled before age seventy
446 (70) years. Employees retiring after June 30, 2005, shall be
447 eligible to continue life insurance coverage in the amount of
448 coverage that he had or was eligible for as an active employee, up
449 to a maximum coverage of One Hundred Fifty Thousand Dollars
450 (\$150,000.00), into retirement.

451 (4) Any eligible employee who on March 1, 1971, was
452 participating in a group life insurance program that has
453 provisions different from those included in this section and for

454 which the State of Mississippi was paying a part of the premium
455 may, at his discretion, continue to participate in that plan. The
456 employee shall pay in full all additional costs, if any, above the
457 minimum program established by this article. Under no
458 circumstances shall any individual who begins employment with the
459 state after March 1, 1971, be eligible for the provisions of this
460 paragraph.

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

463 (6) Any premium differentials, differences in coverages,
464 discounts determined by risk or by any other factors shall be
465 uniformly applied to all active employees participating in the
466 insurance plan. It is the intent of the Legislature that the
467 state contribution to the plan be the same for each employee
468 throughout the state.

469 (7) On October 1, 1999, any school district,
470 community/junior college district or public library may elect to
471 remain with an existing policy or policies of group life insurance
472 with an insurance company approved by the State and School
473 Employees Health Insurance Management Board, in lieu of
474 participation in the State and School Life Insurance Plan. On or
475 after July 1, 2004, until October 1, 2004, any school district,
476 community/junior college district or public library may elect to
477 choose a policy or policies of group life insurance existing on
478 October 1, 1999, with an insurance company approved by the State
479 and School Employees Health Insurance Management Board in lieu of
480 participation in the State and School Life Insurance Plan. The
481 state's contribution of up to fifty percent (50%) of the active
482 employee's premium under the State and School Life Insurance Plan
483 may be applied toward the cost of coverage for full-time employees
484 participating in the approved life insurance company group plan.
485 For purposes of this subsection (7), "life insurance company group
486 plan" means a plan administered or sold by a private insurance

487 company. After October 1, 1999, the board may assess charges in
488 addition to the existing State and School Life Insurance Plan
489 rates to those employees as a condition of enrollment in the State
490 and School Life Insurance Plan. In order for any life insurance
491 company group plan to be approved by the State and School
492 Employees Health Insurance Management Board under this subsection
493 (7), it shall meet the following criteria:

494 (a) The insurance company offering the group life
495 insurance plan shall be rated "A-" or better by A.M. Best state
496 insurance rating service and be licensed as an admitted carrier in
497 the State of Mississippi by the Mississippi Department of
498 Insurance.

499 (b) The insurance company group life insurance plan
500 shall provide the same life insurance, accidental death and
501 dismemberment insurance and waiver of premium benefits as provided
502 in the State and School Life Insurance Plan.

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

506 (d) The insurance company group life insurance plan
507 shall have one (1) composite rate per One Thousand Dollars
508 (\$1,000.00) of coverage for active employees regardless of age.

509 (e) The insurance company and its group life insurance
510 plan shall comply with any administrative requirements of the
511 State and School Employees Health Insurance Management Board. If
512 any insurance company providing group life insurance benefits to
513 employees under this subsection (7) fails to comply with any
514 requirements specified in this subsection or any administrative
515 requirements of the board, the state shall discontinue providing
516 funding for the cost of that insurance.

517 **SECTION 2.** This act shall take effect and be in force from
518 and after July 1, 2005.