

By: Representative Formby

To: Insurance;
Appropriations

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1324

1 AN ACT TO AMEND SECTION 25-15-303, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE MEMBERSHIP OF THE STATE AND SCHOOL EMPLOYEES HEALTH
3 INSURANCE MANAGEMENT BOARD; AND FOR RELATED PURPOSES.

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

5 **SECTION 1.** Section 25-15-303, Mississippi Code of 1972, is
6 amended as follows:

7 25-15-303. (1) There is created the State and School
8 Employees Health Insurance Management Board, which shall
9 administer the State and School Employees Life and Health
10 Insurance Plan provided for under Section 25-15-3 et seq. The
11 State and School Employees Health Insurance Management Board,
12 hereafter referred to as the "board," shall also be responsible
13 for administering all procedures for selecting third-party
14 administrators provided for in Section 25-15-301.

15 (2) The board shall consist of the following:

- 16 (a) The State Personnel Director;
- 17 (b) The Commissioner of Insurance;
- 18 (c) The Commissioner of Higher Education;
- 19 (d) The State Superintendent of Education;
- 20 (e) The Executive Director of the Department of Finance
21 and Administration;

22 (f) Two (2) appointees of the Governor whose terms
23 shall be concurrent with that of the Governor, one (1) of whom
24 shall have experience in providing actuarial advice to companies
25 that provide health insurance to large groups and one (1) of whom
26 shall have experience in the day-to-day management and
27 administration of a large self-funded health insurance group;

28 (g) The Chairman of the Senate Insurance Committee, or
29 his designee;

30 (h) The Chairman of the House of Representatives
31 Insurance Committee, or his designee;

32 (i) The Chairman of the Senate Appropriations
33 Committee, or his designee; and

34 (j) The Chairman of the House of Representatives
35 Appropriations Committee, or his designee.

36 The legislators, or their designees, shall serve as ex
37 officio, nonvoting members of the board.

38 The Executive Director of the Department of Finance and
39 Administration shall be the chairman of the board.

40 (3) The board shall meet at least monthly and maintain
41 minutes of such meetings. A quorum shall consist of a majority of
42 the authorized voting membership of the board. The board shall
43 have the sole authority to promulgate rules and regulations
44 governing the operations of the insurance plans and shall be
45 vested with all legal authority necessary and proper to perform
46 this function including, but not limited to:

47 (a) Defining the scope and coverages provided by the
48 insurance plan;

49 (b) Seeking proposals for services or insurance through
50 competitive processes where required by law and selecting service
51 providers or insurers under procedures provided for by law; and

52 (c) Developing and adopting strategic plans and budgets
53 for the insurance plan.

54 The department shall employ a State Insurance Administrator,
55 who shall be responsible for the day-to-day management and
56 administration of the insurance plan. The board shall employ a
57 Deputy State Insurance Administrator who shall be an actuary and a
58 member of the American Academy of Actuaries. The Deputy State
59 Insurance Administrator shall have experience in providing
60 actuarial services to companies which provide health insurance to

61 large groups. The deputy administrator shall receive a salary set
62 by the board and shall not be subject to the authority of the
63 State Personnel Board for any purpose. The Department of Finance
64 and Administration shall provide to the board on a full-time basis
65 personnel and technical support necessary and sufficient to
66 effectively and efficiently carry out the requirements of this
67 section.

68 (4) Members of the board shall not receive any compensation
69 or per diem, but may receive travel reimbursement provided for
70 under Section 25-3-41 except that the legislators shall receive
71 per diem and expenses which shall be paid from the contingent
72 expense funds of their respective houses in the same amounts as
73 provided for committee meetings when the Legislature is not in
74 session; however, no per diem and expenses for attending meetings
75 of the board shall be paid while the Legislature is in session.

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