

By: Senator(s) Harden

To: Insurance;
Appropriations

SENATE BILL NO. 2171

1 AN ACT TO AMEND SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO
2 ELIMINATE THE DEDUCTIBLE FOR NETWORK PHYSICIAN OFFICE VISITS BY
3 THE EMPLOYEE OR A DEPENDENT, TO INSTITUTE A COPAYMENT FOR A
4 PHYSICIAN VISIT, TO ELIMINATE THE DEDUCTIBLE FOR PRESCRIPTION
5 DRUGS, AND TO REDUCE THE COPAYMENT AMOUNTS FOR PRESCRIPTION DRUGS
6 UNDER THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE PLAN; AND
7 FOR RELATED 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. On or
228 after July 1, 2004, until October 1, 2004, any school district,
229 community/junior college district or public library may elect to
230 choose a policy or policies of group life insurance existing on
231 October 1, 1999, with an insurance company approved by the State
232 and School Employees Health Insurance Management Board in lieu of
233 participation in the State and School Life Insurance Plan. The
234 state's contribution of up to fifty percent (50%) of the active
235 employee's premium under the State and School Life Insurance Plan
236 may be applied toward the cost of coverage for full-time employees
237 participating in the approved life insurance company group plan.
238 For purposes of this subsection (7), "life insurance company group
239 plan" means a plan administered or sold by a private insurance
240 company. After October 1, 1999, the board may assess charges in
241 addition to the existing State and School Life Insurance Plan
242 rates to such employees as a condition of enrollment in the State
243 and School Life Insurance Plan. In order for any life insurance
244 company group plan to be approved by the State and School
245 Employees Health Insurance Management Board under this subsection
246 (7), it shall meet the following criteria:

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

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

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

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

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

272 (8) On or after July 1, 2005, the State and School Employees
273 Health Insurance Management Board is authorized and directed to
274 revise the state health plan to enhance employee and dependent
275 coverage benefits as follows: (a) eliminate the deductible amount
276 for a network physician office visit by the employee or a
277 dependent; (b) institute a copayment requirement for the physician
278 visit of Fifteen Dollars (\$15.00) for a primary care physician
279 visit and Twenty-five Dollars (\$25.00) for a specialist visit; (c)
280 eliminate the deductible amount for prescription drugs; and (d)
281 institute a maximum copayment requirement for prescription drugs
282 which is no greater than Ten Dollars (\$10.00).

283 **[From and after July 1 of the year in which Section 25-11-143**
284 **becomes effective as provided in subsection (1) of Section**
285 **25-11-143, this section shall read as follows:]**

286 25-15-9. (1) (a) The board shall design a plan of health
287 insurance for state employees that provides benefits for
288 semiprivate rooms in addition to other incidental coverages that
289 the board deems necessary. The amount of the coverages shall be
290 in such reasonable amount as may be determined by the board to be
291 adequate, after due consideration of current health costs in

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

325 the advisory council before any action is taken by the board on
326 the bids submitted. The failure of any bidder to fully and
327 accurately comply with this paragraph shall result in the
328 rejection of any bid submitted by that bidder or the cancellation
329 of any contract executed when the failure is discovered after the
330 acceptance of that bid. The board is authorized to promulgate
331 rules and regulations to implement the provisions of this
332 subsection.

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

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

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

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

370 The Lieutenant Governor may designate the Secretary of the
371 Senate, the Chairman of the Senate Appropriations Committee, the
372 Chairman of the Senate Education Committee and the Chairman of the
373 Senate Insurance Committee, and the Speaker of the House of
374 Representatives may designate the Clerk of the House, the Chairman
375 of the House Appropriations Committee, the Chairman of the House
376 Education Committee and the Chairman of the House Insurance
377 Committee, to attend any meeting of the State and School Employees
378 Insurance Advisory Council. The appointing authorities may
379 designate an alternate member from their respective houses to
380 serve when the regular designee is unable to attend such meetings
381 of the council. Those designees shall have no jurisdiction or
382 vote on any matter within the jurisdiction of the council. For
383 attending meetings of the council, those legislators shall receive
384 per diem and expenses, which shall be paid from the contingent
385 expense funds of their respective houses in the same amounts as
386 provided for committee meetings when the Legislature is not in
387 session; however, no per diem and expenses for attending meetings
388 of the council will be paid while the Legislature is in session.
389 No per diem and expenses will be paid except for attending

390 meetings of the council without prior approval of the proper
391 committee in their respective houses.

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

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

407 Benefits for hospital or surgical or medical benefits shall
408 be reduced by any similar benefits payable in accordance with
409 Title XIX of the Social Security Act or under any amendments
410 thereto, or any implementing legislation.

411 Benefits for hospital or surgical or medical benefits shall
412 be reduced by any similar benefits payable by workers'
413 compensation.

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

423 (b) Effective October 1, 1999, schedule of life
424 insurance benefits--group term: The amount of term life insurance
425 for each active employee of any school district, community/junior
426 college, public library, university-based program authorized under
427 Section 37-23-31 for deaf, aphasic and emotionally disturbed
428 children, or any regular nonstudent bus driver shall not be in
429 excess of One Hundred Thousand Dollars (\$100,000.00), or twice the
430 amount of the employee's annual wage to the next highest One
431 Thousand Dollars (\$1,000.00), whichever may be less, but in no
432 case less than Thirty Thousand Dollars (\$30,000.00), 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
440 sixty-five (65) years.

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

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

453 (6) Any premium differentials, differences in coverages,
454 discounts determined by risk or by any other factors shall be
455 uniformly applied to all active employees participating in the

456 insurance plan. It is the intent of the Legislature that the
457 state contribution to the plan be the same for each employee
458 throughout the state.

459 (7) On October 1, 1999, any school district,
460 community/junior college district or public library may elect to
461 remain with an existing policy or policies of group life insurance
462 with an insurance company approved by the State and School
463 Employees Health Insurance Management Board, in lieu of
464 participation in the State and School Life Insurance Plan. On or
465 after July 1, 2004, until October 1, 2004, any school district,
466 community/junior college district or public library may elect to
467 choose a policy or policies of group life insurance existing on
468 October 1, 1999, with an insurance company approved by the State
469 and School Employees Health Insurance Management Board in lieu of
470 participation in the State and School Life Insurance Plan. The
471 state's contribution of up to fifty percent (50%) of the active
472 employee's premium under the State and School Life Insurance Plan
473 may be applied toward the cost of coverage for full-time employees
474 participating in the approved life insurance company group plan.
475 For purposes of this subsection (7), "life insurance company group
476 plan" means a plan administered or sold by a private insurance
477 company. After October 1, 1999, the board may assess charges in
478 addition to the existing State and School Life Insurance Plan
479 rates to those employees as a condition of enrollment in the State
480 and School Life Insurance Plan. In order for any life insurance
481 company group plan to be approved by the State and School
482 Employees Health Insurance Management Board under this subsection
483 (7), it shall meet the following criteria:

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

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

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

496 (d) The insurance company group life insurance plan
497 shall have one (1) composite rate per One Thousand Dollars
498 (\$1,000.00) of coverage for active employees regardless of age.

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

507 (8) On or after July 1, 2005, the State and School Employees
508 Health Insurance Management Board is authorized and directed to
509 revise the state health plan to enhance employee and dependent
510 coverage benefits as follows: (a) eliminate the deductible amount
511 for a network physician office visit by the employee or a
512 dependent; (b) institute a copayment requirement for the physician
513 visit of Fifteen Dollars (\$15.00) for a primary care physician
514 visit and Twenty-five Dollars (\$25.00) for a specialist visit; (c)
515 eliminate the deductible amount for prescription drugs; and (d)
516 institute a maximum copayment requirement for prescription drugs
517 which is no greater than Ten Dollars (\$10.00).

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