

By: Representative Miles

To: Insurance; Public Health
and Human Services

HOUSE BILL NO. 124

1 AN ACT TO REQUIRE THAT CERTAIN INSURANCE POLICIES AND
2 CONTRACTS SHALL PROVIDE COVERAGE FOR GASTRIC PACEMAKERS; TO AMEND
3 SECTION 25-15-9, MISSISSIPPI CODE OF 1972, TO REQUIRE THE STATE
4 HEALTH PLAN TO PROVIDE COVERAGE FOR GASTRIC PACEMAKERS; AND FOR
5 RELATED PURPOSES.

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

7 **SECTION 1.** (1) All individual and group health insurance
8 policies providing coverage on an expense-incurred basis,
9 individual and group service or indemnity type contracts issued by
10 a nonprofit corporation, individual and group service contracts
11 issued by a health maintenance organization, all self-insured
12 group arrangements to the extent not preempted by federal law and
13 all managed health care delivery entities of any type or
14 description that are delivered, issued for delivery, continued or
15 renewed on or after July 1, 2022, and providing coverage to any
16 resident of this state shall provide benefits or coverage for
17 gastric pacemakers and services for individuals covered under a
18 policy or contract of insurance. Eligible charges and limits of
19 or exclusions from coverage under this section shall be based on



20 medical necessity or the policy or contract of insurance's
21 coverage criteria for other medical devices.

22 (2) (a) "Gastric pacemaker" means a medical device that:

23 (i) Uses an external programmer and implanted
24 electrical leads to the stomach; and

25 (ii) Transmits low-frequency, high-energy
26 electrical stimulation to the stomach to entrain and pace the
27 gastric slow waves to treat gastroparesis.

28 (b) (i) "Gastroparesis" means a neuromuscular stomach
29 disorder in which food empties from the stomach more slowly than
30 normal.

31 (ii) In most people, undigested food moves from
32 the stomach into the duodenum and small intestine within two (2)
33 to four (4) hours after eating.

34 (iii) In contrast, a patient who has gastroparesis
35 will retain a significant amount of food in his or her stomach
36 hours after eating.

37 (iv) A patient with gastroparesis experiences a
38 variety of upper gastrointestinal symptoms that prevents him or
39 her from eating normally and that may lead to dehydration, weight
40 loss and eventually life-threatening electrolyte imbalances and
41 malnutrition.

42 (v) Moreover, delayed stomach emptying interferes
43 with oral drug absorption and, in patients with diabetes mellitus,
44 prevents effective control of blood glucose levels.



45 (vi) The Enterra Therapy for
46 gastroparesis received humanitarian device exemption approval from
47 the Food and Drug Administration in March 2000.

48 (vii) The humanitarian device exemption authorizes
49 Medtronic to market Enterra Therapy for the treatment of chronic
50 intractable, drug-refractory, nausea and vomiting secondary
51 to gastroparesis of diabetic or idiopathic etiology.

52 (viii) The effectiveness of Enterra Therapy for
53 this use has not been demonstrated.

54 (ix) Enterra Therapy may be used only in medical
55 centers in which an institutional review board has approved use of
56 the device.

57 (x) 1. When the battery in a neurostimulator runs
58 down, the physician will obtain prior authorization from the
59 health insurance company and approval for a replacement surgery
60 and then schedule a procedure.

61 2. During the surgery, the physician will
62 remove the neurostimulator and implant a new one.

63 3. The implanted leads will also be checked
64 to make sure they are working properly.

65 4. If the leads are working properly, the new
66 neurostimulator will be connected to the leads that are already in
67 place.

68 5. If the leads are not working as they
69 should be, they will also be replaced.



70 (3) A policy or contract for insurance may:

71 (a) Require prior authorization for a gastric pacemaker
72 in the same manner that prior authorization is required for any
73 other covered benefit; and

74 (b) Impose copayments, deductibles or coinsurance
75 amounts for a gastric pacemaker if the amounts are no greater than
76 the copayments, deductibles or coinsurance amounts that apply to
77 other benefits under the policy or contract for insurance.

78 **SECTION 2.** Section 25-15-9, Mississippi Code of 1972, is
79 amended as follows:

80 25-15-9. (1) (a) The board shall design a plan of health
81 insurance for state employees that provides benefits for
82 semiprivate rooms in addition to other incidental coverages that
83 the board deems necessary. The amount of the coverages shall be
84 in such reasonable amount as may be determined by the board to be
85 adequate, after due consideration of current health costs in
86 Mississippi. The plan shall also include major medical benefits
87 in such amounts as the board determines. The plan shall provide
88 for coverage for telemedicine services as provided in Section
89 83-9-351. The plan shall provide for coverage for gastric
90 pacemakers as provided in Section 1 of this act. The board is
91 also authorized to accept bids for such alternate coverage and
92 optional benefits as the board deems proper. The board is
93 authorized to accept bids for surgical services that include
94 assistance in locating a surgeon, setting up initial consultation,



95 travel, a negotiated single case rate bundle and payment for
96 orthopedic, spine, bariatric, cardiovascular and general
97 surgeries. The surgical services may only utilize surgeons and
98 facilities located in the State of Mississippi unless otherwise
99 provided by the board. Any contract for alternative coverage and
100 optional benefits shall be awarded by the board after it has
101 carefully studied and evaluated the bids and selected the best and
102 most cost-effective bid. The board may reject all of the bids;
103 however, the board shall notify all bidders of the rejection and
104 shall actively solicit new bids if all bids are rejected. The
105 board may employ or contract for such consulting or actuarial
106 services as may be necessary to formulate the plan, and to assist
107 the board in the preparation of specifications and in the process
108 of advertising for the bids for the plan. Those contracts shall
109 be solicited and entered into in accordance with Section 25-15-5.
110 The board shall keep a record of all persons, agents and
111 corporations who contract with or assist the board in preparing
112 and developing the plan. The board in a timely manner shall
113 provide copies of this record to the members of the advisory
114 council created in this section and those legislators, or their
115 designees, who may attend meetings of the advisory council. The
116 board shall provide copies of this record in the solicitation of
117 bids for the administration or servicing of the self-insured
118 program. Each person, agent or corporation that, during the
119 previous fiscal year, has assisted in the development of the plan



120 or employed or compensated any person who assisted in the
121 development of the plan, and that bids on the administration or
122 servicing of the plan, shall submit to the board a statement
123 accompanying the bid explaining in detail its participation with
124 the development of the plan. This statement shall include the
125 amount of compensation paid by the bidder to any such employee
126 during the previous fiscal year. The board shall make all such
127 information available to the members of the advisory council and
128 those legislators, or their designees, who may attend meetings of
129 the advisory council before any action is taken by the board on
130 the bids submitted. The failure of any bidder to fully and
131 accurately comply with this paragraph shall result in the
132 rejection of any bid submitted by that bidder or the cancellation
133 of any contract executed when the failure is discovered after the
134 acceptance of that bid. The board is authorized to promulgate
135 rules and regulations to implement the provisions of this
136 subsection.

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

140 Any corporation, association, company or individual that
141 contracts with the board for the third-party claims administration
142 of the self-insured plan shall prepare and keep on file an
143 explanation of benefits for each claim processed. The explanation
144 of benefits shall contain such information relative to each



145 processed claim that the board deems necessary, and, at a minimum,
146 each explanation shall provide the claimant's name, claim number,
147 provider number, provider name, service dates, type of services,
148 amount of charges, amount allowed to the claimant and reason
149 codes. The information contained in the explanation of benefits
150 shall be available for inspection upon request by the board. The
151 board shall have access to all claims information utilized in the
152 issuance of payments to employees and providers.

153 (b) There is created an advisory council to advise the
154 board in the formulation of the State and School Employees Health
155 Insurance Plan. The council shall be composed of the State
156 Insurance Commissioner, or his designee, an
157 employee-representative of the institutions of higher learning
158 appointed by the board of trustees thereof, an
159 employee-representative of the Department of Transportation
160 appointed by the director thereof, an employee-representative of
161 the Department of Revenue appointed by the Commissioner of
162 Revenue, an employee-representative of the Mississippi Department
163 of Health appointed by the State Health Officer, an
164 employee-representative of the Mississippi Department of
165 Corrections appointed by the Commissioner of Corrections, and an
166 employee-representative of the Department of Human Services
167 appointed by the Executive Director of Human Services, two (2)
168 certificated public school administrators appointed by the State
169 Board of Education, two (2) certificated classroom teachers



170 appointed by the State Board of Education, a noncertificated
171 school employee appointed by the State Board of Education and a
172 community/junior college employee appointed by the Mississippi
173 Community College Board.

174 The Lieutenant Governor may designate the Secretary of the
175 Senate, the Chairman of the Senate Appropriations Committee, the
176 Chairman of the Senate Education Committee and the Chairman of the
177 Senate Insurance Committee, and the Speaker of the House of
178 Representatives may designate the Clerk of the House, the Chairman
179 of the House Appropriations Committee, the Chairman of the House
180 Education Committee and the Chairman of the House Insurance
181 Committee, to attend any meeting of the State and School Employees
182 Insurance Advisory Council. The appointing authorities may
183 designate an alternate member from their respective houses to
184 serve when the regular designee is unable to attend the meetings
185 of the council. Those designees shall have no jurisdiction or
186 vote on any matter within the jurisdiction of the council. For
187 attending meetings of the council, the legislators shall receive
188 per diem and expenses, which shall be paid from the contingent
189 expense funds of their respective houses in the same amounts as
190 provided for committee meetings when the Legislature is not in
191 session; however, no per diem and expenses for attending meetings
192 of the council will be paid while the Legislature is in session.
193 No per diem and expenses will be paid except for attending



194 meetings of the council without prior approval of the proper
195 committee in their respective houses.

196 (c) No change in the terms of the State and School
197 Employees Health Insurance Plan may be made effective unless the
198 board, or its designee, has provided notice to the State and
199 School Employees Health Insurance Advisory Council and has called
200 a meeting of the council at least fifteen (15) days before the
201 effective date of the change. If the State and School Employees
202 Health Insurance Advisory Council does not meet to advise the
203 board on the proposed changes, the changes to the plan shall
204 become effective at such time as the board has informed the
205 council that the changes shall become effective.

206 (d) **Medical benefits for retired employees and**
207 **dependents under age sixty-five (65) years and not eligible for**
208 **Medicare benefits.** For employees who retire before July 1, 2005,
209 and for employees retiring due to work-related disability under
210 the Public Employees' Retirement System, the same health insurance
211 coverage as for all other active employees and their dependents
212 shall be available to retired employees and all dependents under
213 age sixty-five (65) years who are not eligible for Medicare
214 benefits, the level of benefits to be the same level as for all
215 other active participants. For employees who retire on or after
216 July 1, 2005, and not retiring due to work-related disability
217 under the Public Employees' Retirement System, the same health
218 insurance coverage as for all other active employees and their



219 dependents shall be available to those retiring employees and all
220 dependents under age sixty-five (65) years who are not eligible
221 for Medicare benefits only if the retiring employees were
222 participants in the State and School Employees Health Insurance
223 Plan for four (4) years or more before their retirement, the level
224 of benefits to be the same level as for all other active
225 participants. This section will apply to those employees who
226 retire due to one hundred percent (100%) medical disability as
227 well as those employees electing early retirement.

228 (e) **Medical benefits for retired employees and**
229 **dependents over age sixty-five (65) years or otherwise eligible**
230 **for Medicare benefits.** For employees who retire before July 1,
231 2005, and for employees retiring due to work-related disability
232 under the Public Employees' Retirement System, the health
233 insurance coverage available to retired employees over age
234 sixty-five (65) years or otherwise eligible for Medicare benefits,
235 and all dependents over age sixty-five (65) years or otherwise
236 eligible for Medicare benefits, shall be the major medical
237 coverage. For employees retiring on or after July 1, 2005, and
238 not retiring due to work-related disability under the Public
239 Employees' Retirement System, the health insurance coverage
240 described in this paragraph (e) shall be available to those
241 retiring employees only if they were participants in the State and
242 School Employees Health Insurance Plan for four (4) years or more
243 and are over age sixty-five (65) years or otherwise eligible for



244 Medicare benefits, and to all dependents over age sixty-five (65)
245 years or otherwise eligible for Medicare benefits. Benefits shall
246 be reduced by Medicare benefits as though the Medicare benefits
247 were the base plan.

248 All covered individuals shall be assumed to have full
249 Medicare coverage, Parts A and B; and any Medicare payments under
250 both Parts A and B shall be computed to reduce benefits payable
251 under this plan.

252 (f) Lifetime maximum: The lifetime maximum amount of
253 benefits payable under the health insurance plan for each
254 participant is Two Million Dollars (\$2,000,000.00).

255 (2) Nonduplication of benefits – reduction of benefits by
256 Title XIX benefits: When benefits would be payable under more
257 than one (1) group plan, benefits under those plans will be
258 coordinated to the extent that the total benefits under all plans
259 will not exceed the total expenses incurred.

260 Benefits for hospital or surgical or medical benefits shall
261 be reduced by any similar benefits payable in accordance with
262 Title XIX of the Social Security Act or under any amendments
263 thereto, or any implementing legislation.

264 Benefits for hospital or surgical or medical benefits shall
265 be reduced by any similar benefits payable by workers'
266 compensation.

267 No health care benefits under the state plan shall restrict
268 coverage for medically appropriate treatment prescribed by a



269 physician and agreed to by a fully informed insured, or if the
270 insured lacks legal capacity to consent by a person who has legal
271 authority to consent on his or her behalf, based on an insured's
272 diagnosis with a terminal condition. As used in this paragraph,
273 "terminal condition" means any aggressive malignancy, chronic
274 end-stage cardiovascular or cerebral vascular disease, or any
275 other disease, illness or condition which physician diagnoses as
276 terminal.

277 Not later than January 1, 2016, the state health plan shall
278 not require a higher co-payment, deductible or coinsurance amount
279 for patient-administered anti-cancer medications, including, but
280 not limited to, those orally administered or self-injected, than
281 it requires for anti-cancer medications that are injected or
282 intravenously administered by a health care provider, regardless
283 of the formulation or benefit category determination by the plan.
284 For the purposes of this paragraph, the term "anti-cancer
285 medications" has the meaning as defined in Section 83-9-24.

286 (3) (a) Schedule of life insurance benefits – group term:
287 The amount of term life insurance for each active employee of a
288 department, agency or institution of the state government shall
289 not be in excess of One Hundred Thousand Dollars (\$100,000.00), or
290 twice the amount of the employee's annual wage to the next highest
291 One Thousand Dollars (\$1,000.00), whichever may be less, but in no
292 case less than Thirty Thousand Dollars (\$30,000.00), with a like
293 amount for accidental death and dismemberment on a



294 twenty-four-hour basis. The plan will further contain a premium
295 waiver provision if a covered employee becomes totally and
296 permanently disabled before age sixty-five (65) years. Employees
297 retiring after June 30, 1999, shall be eligible to continue life
298 insurance coverage in an amount of Five Thousand Dollars
299 (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or Twenty Thousand
300 Dollars (\$20,000.00) into retirement.

301 (b) Effective October 1, 1999, schedule of life
302 insurance benefits – group term: The amount of term life
303 insurance for each active employee of any school district,
304 community/junior college, public library or university-based
305 program authorized under Section 37-23-31 for deaf, aphasic and
306 emotionally disturbed children or any regular nonstudent bus
307 driver shall not be in excess of One Hundred Thousand Dollars
308 (\$100,000.00), or twice the amount of the employee's annual wage
309 to the next highest One Thousand Dollars (\$1,000.00), whichever
310 may be less, but in no case less than Thirty Thousand Dollars
311 (\$30,000.00), with a like amount for accidental death and
312 dismemberment on a twenty-four-hour basis. The plan will further
313 contain a premium waiver provision if a covered employee of any
314 school district, community/junior college, public library or
315 university-based program authorized under Section 37-23-31 for
316 deaf, aphasic and emotionally disturbed children or any regular
317 nonstudent bus driver becomes totally and permanently disabled
318 before age sixty-five (65) years. Employees of any school



319 district, community/junior college, public library or
320 university-based program authorized under Section 37-23-31 for
321 deaf, aphasic and emotionally disturbed children or any regular
322 nonstudent bus driver retiring after September 30, 1999, shall be
323 eligible to continue life insurance coverage in an amount of Five
324 Thousand Dollars (\$5,000.00), Ten Thousand Dollars (\$10,000.00) or
325 Twenty Thousand Dollars (\$20,000.00) into retirement.

326 (4) Any eligible employee who on March 1, 1971, was
327 participating in a group life insurance program that has
328 provisions different from those included in this article and for
329 which the State of Mississippi was paying a part of the premium
330 may, at his discretion, continue to participate in that plan. The
331 employee shall pay in full all additional costs, if any, above the
332 minimum program established by this article. Under no
333 circumstances shall any individual who begins employment with the
334 state after March 1, 1971, be eligible for the provisions of this
335 subsection.

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

338 (6) Any premium differentials, differences in coverages,
339 discounts determined by risk or by any other factors shall be
340 uniformly applied to all active employees participating in the
341 insurance plan. It is the intent of the Legislature that the
342 state contribution to the plan be the same for each employee
343 throughout the state.



344 (7) On October 1, 1999, any school district,
345 community/junior college district or public library may elect to
346 remain with an existing policy or policies of group life insurance
347 with an insurance company approved by the State and School
348 Employees Health Insurance Management Board, in lieu of
349 participation in the State and School Life Insurance Plan. On or
350 after July 1, 2004, until October 1, 2004, any school district,
351 community/junior college district or public library may elect to
352 choose a policy or policies of group life insurance existing on
353 October 1, 1999, with an insurance company approved by the State
354 and School Employees Health Insurance Management Board in lieu of
355 participation in the State and School Life Insurance Plan. The
356 state's contribution of up to fifty percent (50%) of the active
357 employee's premium under the State and School Life Insurance Plan
358 may be applied toward the cost of coverage for full-time employees
359 participating in the approved life insurance company group plan.
360 For purposes of this subsection (7), "life insurance company group
361 plan" means a plan administered or sold by a private insurance
362 company. After October 1, 1999, the board may assess charges in
363 addition to the existing State and School Life Insurance Plan
364 rates to such employees as a condition of enrollment in the State
365 and School Life Insurance Plan. In order for any life insurance
366 company group plan to be approved by the State and School
367 Employees Health Insurance Management Board under this subsection
368 (7), it shall meet the following criteria:



369 (a) The insurance company offering the group life
370 insurance plan shall be rated "A-" or better by A.M. Best state
371 insurance rating service and be licensed as an admitted carrier in
372 the State of Mississippi by the Mississippi Department of
373 Insurance.

374 (b) The insurance company group life insurance plan
375 shall provide the same life insurance, accidental death and
376 dismemberment insurance and waiver of premium benefits as provided
377 in the State and School Life Insurance Plan.

378 (c) The insurance company group life insurance plan
379 shall be fully insured, and no form of self-funding life insurance
380 by the company shall be approved.

381 (d) The insurance company group life insurance plan
382 shall have one (1) composite rate per One Thousand Dollars
383 (\$1,000.00) of coverage for active employees regardless of age and
384 one (1) composite rate per One Thousand Dollars (\$1,000.00) of
385 coverage for all retirees regardless of age or type of retiree.

386 (e) The insurance company and its group life insurance
387 plan shall comply with any administrative requirements of the
388 State and School Employees Health Insurance Management Board. If
389 any insurance company providing group life insurance benefits to
390 employees under this subsection (7) fails to comply with any
391 requirements specified in this subsection or any administrative
392 requirements of the board, the state shall discontinue providing
393 funding for the cost of that insurance.



394 **SECTION 3.** This act shall take effect and be in force from
395 and after July 1, 2022.

