

SECOND REGULAR SESSION

# HOUSE BILL NO. 2218

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES LIPKE (Sponsor), LEMBKE, WRIGHT, SILVEY, HOBBS,  
WALTON, PORTWOOD, SCHIEFFER AND SALVA (Co-sponsors).

Read 1st time February 20, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

4202L.02I

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### AN ACT

To repeal sections 103.003, 103.005, 103.008, 103.010, 103.012, 103.014, 103.016, 103.019, 103.023, 103.025, 103.027, 103.029, 103.032, 103.036, 103.039, 103.042, 103.045, 103.047, 103.055, 103.059, 103.061, 103.064, 103.067, 103.079, 103.080, 103.083, 103.084, 103.085, 103.095, 103.098, 103.100, 103.105, 103.110, 103.115, 103.130, 103.133, 103.145, 103.155, 103.158, 103.163, 103.165, 103.175, and 103.178, RSMo, and to enact in lieu thereof thirty-six new sections relating to the Missouri consolidated health care plan.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 103.003, 103.005, 103.008, 103.010, 103.012, 103.014, 103.016,  
2 103.019, 103.023, 103.025, 103.027, 103.029, 103.032, 103.036, 103.039, 103.042, 103.045,  
3 103.047, 103.055, 103.059, 103.061, 103.064, 103.067, 103.079, 103.080, 103.083, 103.084,  
4 103.085, 103.095, 103.098, 103.100, 103.105, 103.110, 103.115, 103.130, 103.133, 103.145,  
5 103.155, 103.158, 103.163, 103.165, 103.175, and 103.178, RSMo, are repealed and thirty-six  
6 new sections enacted in lieu thereof, to be known as sections 103.003, 103.005, 103.008,  
7 103.014, 103.016, 103.023, 103.025, 103.027, 103.029, 103.032, 103.036, 103.039, 103.055,  
8 103.059, 103.061, 103.064, 103.067, 103.079, 103.080, 103.083, 103.084, 103.085, 103.095,  
9 103.098, 103.100, 103.105, 103.110, 103.115, 103.130, 103.133, 103.145, 103.155, 103.158,  
10 103.163, 103.165, and 1, to read as follows:

103.003. As used in sections 103.003 to 103.175, the following terms mean:

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

2 (1) "Actuarial reserves", the necessary funding required to pay all the medical expenses  
3 for services provided to members of the plan but for which the claims have not yet been received  
4 by the claims administrator;

5 (2) "Actuary", a member of the American Academy of Actuaries or who is an enrolled  
6 actuary under the Employee Retirement Income Security Act of 1974;

7 (3) "Agency", a state-sponsored institution of higher learning, political subdivision or  
8 governmental entity or instrumentality;

9 (4) "Alternative delivery health care program", a plan of covered benefits that pays  
10 medical expenses through an alternate mechanism rather than on a fee-for-service basis. This  
11 includes, but is not limited to, health maintenance organizations and preferred provider  
12 organizations, all of which shall include chiropractic physicians licensed under chapter 331,  
13 RSMo, in the provider networks or organizations;

14 (5) ["Board", the board of trustees of the Missouri consolidated health care plan;

15 (6)] "Claims administrator", an agency contracted to process medical claims submitted  
16 from providers or members of the plan and their dependents;

17 [(7)] (6) "Coordination of benefits", to work with another group-sponsored health care  
18 plan which also covers a member of the plan to ensure that both plans pay their appropriate  
19 amount of the health care expenses incurred by the member;

20 [(8)] (7) "Covered benefits", a schedule of covered services, including chiropractic  
21 services, which are payable under the plan;

22 [(9)] (8) "Employee", any person employed full time by the state or a participating  
23 member agency, or a person eligible for coverage by a state-sponsored retirement system or a  
24 retirement system sponsored by a participating member agency of the plan;

25 [(10)] (9) "Evidence of good health", medical information supplied by a potential  
26 member of the plan that is reviewed to determine the financial risk the person represents to the  
27 plan and the corresponding determination of whether or not he or she should be accepted into  
28 the plan;

29 [(11)] (10) "Health care plan", any group medical benefit plan providing coverage on an  
30 expense-incurred basis, any HMO, any group service or indemnity contract issued by a health  
31 plan of any type or description;

32 [(12)] (11) "Medical benefits coverages" shall include services provided by chiropractic  
33 physicians as well as physicians licensed under chapter 334, RSMo;

34 [(13)] (12) "Medical expenses", costs for services performed by a provider and covered  
35 under the plan;

36 [(14)] (13) "Missouri consolidated health care plan benefit fund account", the benefit  
37 trust fund account containing all payroll deductions, payments, and income from all sources for  
38 the plan;

39 [(15)] (14) "Officer", an elected official of the state of Missouri;

40 [(16)] (15) "Participating member agency", a state-sponsored institution of higher  
41 learning, political subdivision or governmental entity that has elected to join [the plan] and has  
42 been accepted by the [board] **plan**;

43 [(17)] (16) "Plan year", a twelve-month period designated by the [board] **plan** which is  
44 used to calculate the annual rate categories and the appropriate coverage;

45 [(18)] (17) "Provider", a physician, hospital, pharmacist, psychologist, chiropractic  
46 physician or other licensed practitioner who or which provides health care services within the  
47 respective scope of practice of such practitioner pursuant to state law and regulation;

48 [(19)] (18) "Retiree", a person who is not an employee and is receiving or is entitled to  
49 receive an annuity benefit from a state-sponsored retirement system or a retirement system of a  
50 participating member agency of the plan or becomes eligible for retirement benefits because of  
51 service with a participating member agency.

103.005. For the purpose of covering medical expenses of the officers, employees and  
2 retirees, the eligible dependents of officers, employees and retirees and to the surviving spouses  
3 and children of deceased officers, employees and retirees of the state and participating member  
4 agencies of the state, there is hereby created and established a health care plan which shall be [a  
5 body corporate, which shall be] under the management of the [board of trustees herein described]  
6 **office of administration**, and shall be known as the "Missouri Consolidated Health Care Plan".  
7 Notwithstanding any provision of law to the contrary, such plan may sue and be sued, transact  
8 business, contract, invest funds and hold cash, securities and other property and shall be vested  
9 with such other powers as may be necessary or proper to enable it, its officers, employees, and  
10 agents to carry out fully and effectively all the purposes of sections 103.003 to 103.175.

103.008. [1.] The **office of administration shall be responsible for the** general  
2 administration and [the responsibility for the] proper operation of the plan [is vested in a board  
3 of trustees of thirteen persons, as follows: the director of the department of health and senior  
4 services, the director of the department of insurance, the commissioner of the state office of  
5 administration serving ex officio, one member of the senate from the majority party appointed  
6 by the president pro tem of the senate and one member of the senate from the minority party  
7 appointed by the president pro tem of the senate with the concurrence of the minority floor leader  
8 of the senate, one member of the house of representatives from the majority party appointed by  
9 the speaker of the house of representatives and one member of the house of representatives from  
10 the minority party appointed by the speaker of the house of representatives with the concurrence

11 of the minority floor leader of the house of representatives, and six members appointed by the  
12 governor with the advice and consent of the senate. Of the six members appointed by the  
13 governor, three shall be citizens of the state of Missouri who are not members of the plan, but  
14 who are familiar with medical issues. The remaining three members shall be members of the  
15 plan and may be selected from any state agency or any participating member agency.

16 2. Except for the legislative members, the director of the department of health and senior  
17 services, the director of the department of insurance, and the commissioner of the office of  
18 administration, trustees shall be chosen for terms of four years from the first day of January next  
19 following their election or appointment. Any vacancies occurring in the office of trustee shall  
20 be filled in the same manner the office was filled previously] .

103.014. The [board] **office of administration** shall appoint an executive director[, not  
2 one of their number,] who shall be the executive officer of the [board] **plan** and shall have charge  
3 of the offices, records and employees of the plan, subject to the direction of the [board] **office**  
4 **of administration**.

103.016. The executive director and all other employees of the plan shall be state  
2 employees and eligible for all corresponding benefits. [Except by the unanimous vote of the  
3 board, no person who has served as a trustee of the board may become an employee of the plan  
4 until four years have expired between the date of his or her resignation, termination, or other  
5 removal as trustee and the date of his or her appointment as an employee of the plan.]

103.023. The [board] **plan** shall employ or contract with an actuary or firm of actuaries  
2 familiar with health care financing as technical advisor to the [board] **plan** on matters regarding  
3 the operation and funding of the plan from an actuarial basis and shall perform such duties as are  
4 from time to time required by the [board] **plan**.

103.025. The [board] **office of administration** shall arrange for annual audits of the  
2 records and accounts of the plan by a certified public accountant or firm of certified public  
3 accountants. The state auditor shall examine such audits at least once every three years and  
4 report to the [board] **office of administration** and the governor.

103.027. The [board shall keep a record of its proceedings, which shall be open to public  
2 inspection. The board] **office of administration** shall prepare annually and make available a  
3 report showing the financial condition of the plan which shall contain, but not be limited to, a  
4 financial balance sheet, a statement of income and disbursements, a detailed statement of  
5 investments acquired and disposed of during the year, together with a detailed statement of the  
6 annual rates on investment return from all assets and from each type of investment, a listing of  
7 all advisors and consultants retained by the [board] **plan** and such other data as the [board] **office**  
8 **of administration** shall deem necessary or desirable for a proper understanding of the condition  
9 of the plan.

103.029. The [board] **plan** may employ or contract with an attorney at law or firm of attorneys to be the legal advisor of the [board] **plan** and to represent the [board] **plan** in all legal proceedings **regarding the plan**.

103.032. The [board] **plan** may employ or contract with an investment counselor or counselors to be the investment advisor to the [board] **plan**. The [board] **executive director** may delegate to such investment counselor authority to act in place of the [board] **executive director** in the investment and reinvestment of all or part of the moneys of the plan, and may also delegate to such counselor the authority to act in place of the [board] **executive director** in the holding, purchasing, selling, assigning, transferring or disposing of any or all securities and investments in which such moneys have been invested, as well as the proceeds of such investments. Such investment counselor or counselors shall be registered as an investment advisor with the United States Securities and Exchange Commission. In exercising or delegating its investment powers and authority, [members of the board] **the executive director** shall exercise ordinary business care prudence under the facts and circumstances prevailing at the time of the action or decision. In so doing, the [board] **executive director** shall consider long- and short-term needs of the plan in carrying out its purposes, the plan's present and anticipated financial requirements, the expected total return on the plan's investment, general economic conditions, income, growth, long-term net appreciation, and probable safety of funds. No [member of the board] **officer or employee of the plan** shall be liable for any action taken or omitted with respect to the exercise of or delegation of these powers and authority if such [member] **officer or employee** shall have discharged the duties of his or her position in good faith and with that degree of diligence, care, and skill which prudent men and women would ordinarily exercise under similar circumstances in a like position.

103.036. The [board] **plan** shall set up and maintain a benefit trust fund account in which shall be placed all payroll deductions, payments, and income from all sources. All property, money, funds, investments, and rights which shall belong to or be available for expenditure or use by the plan shall be dedicated to and held in trust for the members and for the purposes herein set out and no other. The [board] **office of administration** shall have power, in the name and on behalf of the plan, to purchase, acquire, hold, invest, lend, lease, sell, assign, transfer, and dispose of all property, rights, and securities, and enter into written contracts as may be necessary and proper to carry out its duties.

103.039. All moneys received by or belonging to the plan shall be paid to the executive director and promptly deposited by the executive director to the credit of the plan in one or more banks or trust companies or other financial institutions as selected by the [board] **office of administration**. No such money shall be deposited in or be retained by any bank or trust company which does not have on deposit with and for the [board] **office of administration** at

6 the time, the kind and value of collateral required by sections 30.240 and 30.270, RSMo, for  
7 depositories of the state treasurer. These moneys are funds of the plan and shall not be  
8 commingled with any funds in the state treasury. The executive director shall be responsible for  
9 all funds, securities, and property belonging to the plan and shall be provided with such corporate  
10 surety bond for the faithful handling of the same as the [board] **office of administration** shall  
11 require.

103.055. Should any error result in any member or provider receiving more or less than  
2 he or she would have been entitled to receive had the error not occurred, the [board] **office of**  
3 **administration** shall correct such error, and to this end may recover any overpayments.

103.059. Subject to the limitations of law, the [board] **office of administration** shall  
2 formulate and adopt rules and regulations for the government of its own proceedings and for the  
3 administration of the plan, and its decisions as to all questions of fact shall be final and  
4 conclusive on all persons except for the right of review as provided by law and except for fraud  
5 or such gross mistake of fact as to have an effect equivalent to fraud.

103.061. The accounts and records of any state department, agency, institution, political  
2 subdivision or governmental entity participating in the plan or requesting participation shall be  
3 open to inspection by the [board of trustees] **plan** and its employees for the purpose of obtaining  
4 information necessary in the performance of the duties of the [board] **plan**.

103.064. The [board] **office of administration** shall have the power to subpoena  
2 witnesses or obtain the production of records when necessary for the performance of its duties  
3 **regarding the plan**.

103.067. 1. No [trustee or] employee of the plan shall receive any gain or profit from  
2 any funds or transaction of the plan, except benefits common to all members, if entitled thereto.

3 2. Any [trustee or] employee accepting any gratuity or compensation for the purpose of  
4 influencing his **or her** action with respect to the investment of the funds of the plan shall thereby  
5 forfeit his **or her** office and in addition thereto be subject to the penalties prescribed by law.

103.079. The health care programs sponsored by the departments of transportation and  
2 conservation shall become a part of this plan only upon request to and acceptance by the [board  
3 of trustees] **plan** by the highways and transportation commission or the conservation commission  
4 and any such transfer into this plan shall be deemed reviewable by such department every three  
5 years. Such department may withdraw from the plan upon approval by such department's  
6 commission and by providing the [board] **plan** a minimum of six months' notice prior to the end  
7 of the then current plan year and termination of coverage will become effective at the end of the  
8 then current plan year. For any of the foregoing state agencies choosing to participate, the plan  
9 shall not assume responsibility for any liabilities incurred by the agency or its eligible employees,  
10 retirees, or dependents prior to its effective date.

103.080. 1. As used in this section, the following terms shall mean:

2 (1) "Health savings account" or "account", shall have the same meaning ascribed to it  
3 as in 26 U.S.C. Section 223(d), as amended;

4 (2) "High deductible health plan", a policy or contract of health insurance or health care  
5 plan that meets the criteria established in 26 U.S.C. Section 223(c)(2), as amended, and any  
6 regulations promulgated thereunder.

7 2. Beginning with the open enrollment period for the 2009 plan year, the [board] **plan**  
8 shall offer to all qualified state employees and retirees, in addition to the plans currently offered  
9 including but not limited to health maintenance organization plans, preferred provider  
10 organization plans, copay plans, and participating public entities the option of receiving health  
11 care coverage through a high deductible health plan and the establishment of a health savings  
12 account. In no instance shall a qualified employee or retiree be required to enroll in a high  
13 deductible health plan with a deductible greater than the minimum allowed by law, however, a  
14 qualified employee or retiree shall have the option to enroll in a high deductible health plan up  
15 to the maximum allowed by law. The health savings account shall conform to the guidelines to  
16 be established by the Internal Revenue Service for the 2009 tax year but in no case shall a  
17 qualified employee or retiree be required to contribute more than the minimum amount allowed  
18 by law. A qualified employee or retiree may contribute up to the maximum allowed by law. In  
19 order for a qualified individual to obtain a high deductible health plan through the Missouri  
20 consolidated health care plan, such individual shall present evidence, in a manner prescribed by  
21 regulation, to the [board] **plan** that he or she has established a health savings account in  
22 compliance with 26 U.S.C. Section 223, and any amendments and regulations promulgated  
23 thereto.

24 3. The [board] **office of administration** is authorized to promulgate rules and  
25 regulations for the administration and implementation of this section. Any rule or portion of a  
26 rule, as that term is defined in section 536.010, RSMo, that is created under the authority  
27 delegated in this section shall become effective only if it complies with and is subject to all of  
28 the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section  
29 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general  
30 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove  
31 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
32 and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

33 4. The [board] **plan** shall issue a request for proposals from companies interested in  
34 offering a high deductible health plan in connection with a health savings account.

103.083. The [board] **plan** shall provide or contract, or both, on its own behalf, for  
2 medical benefits coverage and services for persons covered under sections 103.003 to 103.175

3 and enrolled in the plan. The [board] **plan** may contract for medical benefits coverage with  
4 alternative delivery health care programs where available. Medical expenses shall also include  
5 expenses for comparable benefits for employees who rely solely on spiritual means through  
6 prayer for healing.

103.084. Due to the differences between the appropriations process and the current  
2 contract methodology used by the [board] **plan**, the general assembly hereby recommends that  
3 the [board] **office of administration**, with respect to health care provider contracts, implement  
4 a plan year based upon a fiscal year beginning October first rather than the calendar year period  
5 currently employed by the [board] **plan**.

103.085. Except as otherwise provided by sections 103.003 to 103.080, medical benefits  
2 coverage as provided by sections 103.003 to 103.080 shall terminate when the member ceases  
3 to be an active employee; except persons receiving or entitled to receive an annuity or retirement  
4 benefit or disability benefit or the spouse of or unemancipated children of deceased persons  
5 receiving or entitled to receive an annuity or retirement benefit or disability benefit from the  
6 state, participating member agency, institution, political subdivision or governmental entity may  
7 elect to continue coverage, provided the individuals to be covered have been continuously  
8 covered for health care benefits:

9 (1) Under a separate group or individual policy for the six-month period immediately  
10 preceding the member's date of death or disability or eligibility for normal or early retirement;  
11 or

12 (2) Pursuant to sections 103.003 to 103.080, since the effective date of the most recent  
13 open enrollment period prior to the member's date of death or disability or eligibility for normal  
14 or early retirement; or

15 (3) From the initial date of eligibility for the benefits provided by sections 103.003 to  
16 103.080; or

17 (4) Within sixty days of a loss of group coverage, provided that such coverage was in  
18 place for at least twelve consecutive months immediately prior to the loss and that such loss was  
19 due to the dependent's termination of employment or termination of group coverage by the  
20 dependent's employer. This subdivision only applies to qualifying dependents of members  
21 receiving or entitled to receive an annuity or retirement benefit from the state, participating  
22 member agency, institution, political subdivision, or governmental entity.

23

24 Cost for coverage continued pursuant to this section shall be determined by the [board] **plan**.  
25 If an eligible person does not elect to continue the coverage within thirty-one days of the first day  
26 of the month following the date on which the eligible person ceases to be an employee, he or she  
27 may not later elect to be covered pursuant to this section.



103.095. Notwithstanding any other provision of law to the contrary, any member of the  
2 general assembly and any elected state official holding a statewide elective state office, who  
3 ceases to hold elective office, or any person employed by the elected official or employed by a  
4 member of the general assembly, whose employment is terminated because such elected official  
5 or member of the general assembly ceases to hold elective office, may elect to continue insurance  
6 benefits to cover medical expenses provided under sections 103.003 to 103.175, by paying the  
7 cost of such benefits as determined by the [board] **office of administration**. If an eligible person  
8 does not elect to continue the coverage within thirty-one days from the last day of the month in  
9 which the eligible person ceases to be an employee, he **or she** may not later elect to be covered  
10 under this section.

103.098. There shall be a thirty-day enrollment period, at a time designated by the  
2 [board] **plan**, during which retirees and surviving dependents of retirees or employees of state  
3 agencies participating in the plan but not then covered by the medical care plan shall be able to  
4 enroll in the plan upon provision, at their own expense, of evidence of good health satisfactory  
5 to the [board] **plan**. A preexisting condition will not be covered until a person has been a plan  
6 participant for twelve consecutive months.

103.100. 1. Before each October first, the [board] **plan** shall separately certify to each  
2 participating member agency an actuarially determined estimate of the amount which will be  
3 necessary during the next plan year to pay all the liabilities for that individual state-sponsored  
4 plan or participating member agency plan, including the costs of administration, which shall exist  
5 or accrue pursuant to providing the medical benefits of the plan. The estimate shall be computed  
6 based on the medical benefit program or programs adopted by the [board] **plan** and shall be  
7 certified in total expected expenditures, including the expected expenditures per person for each  
8 separately rated category of coverage.

9 2. Before August first of each year, beginning with August 1, 1996, the [board] **plan**  
10 shall notify the state division of budget and planning of the medical benefit options authorized  
11 by the [board] **plan**. In addition, the [board] **plan** shall provide the cost of funding each category  
12 for each medical benefit option the plan offers.

13 3. Before September first of each year, beginning September 1, 1996, the entity  
14 designated by the governor to make recommendations on a total compensation package for state  
15 employees shall analyze the medical benefit options authorized by the [board] **plan** and the costs  
16 of each such option, and shall make recommendations to the state division of budget and  
17 planning on the portion of such costs, if any, to be paid by the state and the portion to be paid by  
18 each state employee for each recommended option. The extent of the recommendation shall be  
19 limited to the total state contribution amount as it pertains to the basic covered benefit packages  
20 available and any new ancillary benefits that may be available in addition to the basic covered

21 benefit packages. The [Missouri consolidated health care plan board of trustees] **plan** shall  
22 maintain responsibility for the pricing strategy regarding how the covered benefit packages are  
23 offered to state employees who are members of the plan. The entity shall also notify the [board]  
24 **plan** of the recommended state contribution.

25 4. The commissioner of administration shall request appropriations for payments to the  
26 plan for covered state employees. Subject to appropriation, the commissioner of administration  
27 monthly shall requisition and certify the payment to the executive director of the plan who shall  
28 promptly deposit such amounts to the benefit trust fund account.

103.105. The employing participating member agency of the members of the plan who  
2 are not paid out of funds that have been deposited in the state treasury shall promptly pay  
3 monthly to the executive director an amount equal to the amount which the [board] **plan** has  
4 certified based upon the actuarial study for that participating member agency. The executive  
5 director shall promptly deposit such amounts to the benefit trust fund account.

103.110. Before each October first, the [board] **plan** shall certify to the state division of  
2 budget and planning an actuarially determined amount which will be necessary during the next  
3 plan year to pay all the liabilities, including the cost of administration, and any necessary  
4 actuarial reserves which shall exist or accrue pursuant to providing the medical benefits options  
5 as recommended by the entity. All such premium amounts shall be paid to the executive director  
6 at the time that each employee's wages or salary would normally be paid, but not later than the  
7 fifteenth day of the month following. The premium amounts so remitted will be promptly placed  
8 by the executive director in the benefit trust fund account. In lieu of the availability of premium  
9 deductions the [board] **plan** may establish alternative methods for the collection of premium  
10 amounts.

103.115. Any former employee or any surviving spouse who is receiving retirement  
2 benefits from the Missouri state employees' retirement system or the transportation department  
3 employees' and highway patrol retirement system; or any former judge or surviving spouse of  
4 a former judge who is receiving retirement benefits pursuant to the provisions of sections  
5 287.812 to 287.856, RSMo, or sections 476.450 to 476.686, RSMo; or any former teacher or  
6 surviving spouse of a former teacher who elected to remain in the public school retirement  
7 system pursuant to the provisions of section 104.342, RSMo, and who is receiving retirement  
8 benefits from the public school retirement system and is, or becomes, a member of the Missouri  
9 consolidated health care plan or an alternative delivery health care program provided by the  
10 [board] **plan** on behalf of the state shall, upon application with the [board of trustees] **plan**, be  
11 made, constituted, appointed and employed by the [board] **plan** as a special consultant on the  
12 problems of retiree health and, in addition to duties prescribed in section 104.610, RSMo, or any  
13 other law, and upon request of the [board of trustees, give the board] **plan, give the plan**, orally

14 or in writing, a short detailed statement of physical, medical and health problems affecting  
15 retirees. As compensation for the extra duty imposed by this section, each such special  
16 consultant as defined above shall receive, in addition to all other compensation provided by law,  
17 an amount contributed toward medical benefits coverage provided by the above-referenced plan  
18 or plans as appropriated by law.

103.130. Each participating member agency may elect by majority vote of its governing  
2 body, to join the plan and cover its employees, retirees, and their dependents under the plan as  
3 follows:

4 (1) The clerk or secretary of the participating member agency shall certify the election  
5 to the [board] **plan** within ten working days after the vote of the governing body;

6 (2) The [board] **executive director** shall establish a procedure for considering the  
7 election of the agencies. Acceptance of the agency into the plan shall be by action of the [board]  
8 **executive director** and shall be based upon an actuarial analysis or any other determination that  
9 the [board] **executive director** deems appropriate;

10 (3) The agency shall supply all available information requested by the [board] **plan** that  
11 is necessary to complete an actuarial analysis of the agency and make a determination of the  
12 fiscal impact that inclusion of the agency would have on the plan;

13 (4) The effective date of the participating member agency's coverage will be the first day  
14 of the month so requested by the agency and approved by the [board] **plan**;

15 (5) The participating member agency must offer coverage under the plan to all of its  
16 eligible employees, retirees, and dependents.

103.133. A participating member agency may elect to withdraw from the plan by  
2 certifying such election of its governing body to the [board] **plan**. Such certification must be  
3 received by the [board] **plan** at least ninety days prior to the end of the then current plan year and  
4 termination of the agency's coverage under the plan will become effective at the end of the then  
5 current plan year.

103.145. There shall be a thirty-day enrollment period, at a time designated by the  
2 [board] **plan**, during which retirees and surviving dependents of retirees or employees of a  
3 participating member agency who are not then covered by any health care plan offered by the  
4 participating member agency shall be able to enroll in the plan upon provision, at their own  
5 expense, of evidence of good health satisfactory to the [board] **plan**. A preexisting condition  
6 will not be covered until a person has been a plan participant for a period of twelve consecutive  
7 months.

103.155. If so determined by the [board] **plan**, a participating member agency shall  
2 reimburse the plan for any initial start-up costs that are incurred by the plan solely on behalf of

3 the participating member agency and necessary in order for the participating member agency to  
4 be included in the plan.

103.158. Monthly, in accordance with a schedule developed by the [board] **plan**, or its  
2 designee, each participating member agency shall pay all applicable premium amounts to the  
3 executive director. The premium amounts so remitted will be promptly deposited by the  
4 executive director in the benefit trust fund account.

103.163. If any participating member agency fails to make any payment due the plan for  
2 a period of sixty days after the payment is due, the participating member agency shall become  
3 delinquent and the amount of the delinquency shall constitute a first lien of the funds of the  
4 participating member agency, and the [board] **plan** is authorized to compel payment by  
5 application for a writ of mandamus; and, in addition, such delinquency shall be certified by the  
6 [board] **plan** to the state treasurer. Until such delinquency, together with regular interest, is  
7 satisfied, the state treasurer shall withhold all moneys due the participating member agency from  
8 the state.

103.165. If any participating member agency fails to make any payment due the plan, the  
2 [board] **plan** may terminate the agency's participation in the plan and stop paying claims accrued  
3 during the period of nonpayment.

**Section 1. All references in the revised statutes of Missouri to the board of trustees  
2 of the Missouri consolidated health care plan shall mean the Missouri consolidated health  
3 care plan. The revisor of statutes shall change all references in the revised statutes of  
4 Missouri to the board of trustees of the Missouri consolidated health care plan to the plan.**

[103.010. MOSERS medical staff will serve jointly on both boards. All  
2 decisions on rates and services for dates prior to January 1, 1994, shall be  
3 determined by the MOSERS board. All decisions after that date shall be  
4 determined by the Missouri consolidated health care plan board.]  
5

[103.012. The board shall elect by secret ballot one member as chairman  
2 and one member as vice chairman in January of each year. The chairman shall  
3 preside over the meetings of the board and perform such other duties as may be  
4 required by action of the board. The vice chairman shall perform the duties of  
5 the chairman in the absence of the latter or upon the chairman's inability or  
6 refusal to act.]  
7

[103.019. 1. Employees of the plan shall receive such salaries and  
2 necessary expenses as shall be fixed by the board.

3 2. Subject to the provisions of the constitution, the board of trustees  
4 shall have exclusive jurisdiction and control over the funds and property of the  
5 plan and may employ and fix the compensation of necessary employees.]  
6

2 [103.042. The board shall serve without compensation for their services  
3 as such, but shall be paid for any necessary expenses incurred in attending  
4 meetings of the board or committees thereof or in the performance of other duties  
5 authorized by the board. Duties performed for the plan by any member of the  
6 board shall be considered duties in connection with the regular employment of  
7 the individual, and he or she shall suffer no loss in regular compensation by  
8 reason of the performance of such duties.]

2 [103.045. The board shall meet within the state of Missouri not less than  
3 once per calendar quarter, at a time set at a previously scheduled meeting or at the  
4 request of the chairman or any four trustees acting jointly. Notice of the meeting  
5 shall be delivered to all trustees in person or by depositing notice in a United  
6 States Post Office in a properly stamped and addressed envelope not less than six  
7 days prior to the date fixed for the meeting. The board may meet at any time by  
8 unanimous consent.]

2 [103.047. Each trustee shall be entitled to one vote. Six trustees shall  
3 constitute a quorum for the transaction of business and any official action of the  
4 board shall be based on the majority vote of the trustees present. Unless  
5 otherwise expressly provided in sections 103.003 to 103.175, a meeting need not  
6 be called or held to make any decision on a matter before the board. Each  
7 member must be sent by the executive director a copy of the matter to be decided  
8 with full information on the question from the files of the plan. The concurring  
9 decisions of six trustees may decide the issue by signing a document declaring  
10 their decision and sending the written document to the executive director within  
11 fifteen days after the document and information was mailed to the trustee. If any  
12 trustee is not in agreement with the six trustees, the matter is to be passed on at  
13 a regular board meeting or a special meeting called for that purpose.]

2 [103.175. The board shall study and report to the general assembly, on  
3 or before December 15, 2003, on the feasibility of including in this plan  
4 individuals who are employees of eligible agencies which have not elected to join  
5 the plan or who are retirees of school districts.]

2 [103.178. 1. Beginning on a date specified by the board of trustees of the  
3 Missouri consolidated health care plan but not later than July 1, 1995, the  
4 Missouri consolidated health care plan established under section 103.005 shall  
5 implement a pilot project to make available to those residing in the pilot project  
6 area who are covered by the plan an alternative system of benefits for the  
7 treatment of chemical dependency added to those benefits regularly available to  
8 plan participants. The benefits provided under the pilot project shall be similar  
9 in scope and comprehensiveness, but not limited to, the benefits provided for the  
treatment and rehabilitation of persons who are chemically dependent under the

10 department of mental health's comprehensive substance treatment and  
11 rehabilitation program, popularly described as the C-STAR program. Such a  
12 pilot project shall operate for a period not to exceed four years. To the extent that  
13 participation in the pilot project incurs additional cost to a person covered under  
14 the plan, participation shall be voluntary. If no additional cost is incurred, the  
15 alternative system of benefits may be made in lieu of the regular benefits for the  
16 services in the pilot project area.

17 2. The Missouri state employees' retirement system or the Missouri  
18 health care plan, as appropriate, shall in cooperation with the department of  
19 mental health and the department of insurance design the pilot project so as to  
20 generate data to evaluate the costs and benefits of providing coverage of chemical  
21 dependency using an alternative set of benefits as provided in this section. The  
22 Missouri consolidated health care plan shall at the completion of the pilot project  
23 submit to the governor and the members of the general assembly a report which  
24 describes the results of the evaluation of this pilot project. As authorized by  
25 appropriations made for that purpose, the Missouri state employees' retirement  
26 system or the Missouri consolidated health care plan may contract with persons  
27 to conduct an independent evaluation of the pilot project established in this  
28 section.]

✓