

For Immediate Release

August 29, 2001

Contact: John Sewell

601-359-2916

State Employees Health Insurance Rates Major Priority

Jackson, MS – Governor Ronnie Musgrove today reaffirmed his commitment to helping state employees deal with increasing health insurance costs.

“Our state employees are being forced to dig deeper into their pockets and their savings to meet basic health care needs for their families,” Musgrove said. “It’s time for us to study every option for helping with this situation, and the proposal I offered last month is one of those options.”

The Health Insurance Management Board yesterday recommended a 7 percent increase in health insurance premiums for state employees, which mean an increase in dependent coverage of 12 percent. Musgrove has offered a proposal to address the rising health care costs by diverting a portion of the annual tobacco payments to the state and using the funds to maximize federal dollars for health care.