



*Lynn Fitch*  
**ATTORNEY GENERAL**  
OPINIONS AND POLICY

May 14, 2026

David R. Hunt, Esq.  
Attorney, Clarksdale Public Utilities Commission  
1192 West Lakeshore Drive  
Starkville, Mississippi 39759

Re: Classification of Groups of Municipal Employees for Purposes of Insurance Coverage

Dear Mr. Hunt:

The Office of the Attorney General has received your request for an official opinion.

### **Background**

The Clarksdale Public Utilities Commission (“CPUC”) has elected to provide health insurance for its employees and their dependents. CPUC currently pays 100% of the cost of its employees’ group insurance coverage but is exploring establishing two different groups of employees based on whether they choose to participate in The Healthy You! Program of Blue Cross Blue Shield of Mississippi (the “Program”). For employees who choose to participate in the Program, the CPUC will pay 100% of the cost of the employees’ insurance coverage, but the CPUC will only pay 70% of the total coverage cost for employees who choose not to participate in the Program.

### **Question Presented**

Is it permissible for CPUC to establish two groups of employees, based on their voluntary participation in the Program, and pay different costs of group insurance for such employees or provide different coverages for those employees?

### **Brief Response**

Provided that the CPUC treats all employees within the same group in the same manner, Mississippi law does not preclude CPUC from establishing two groups of beneficiaries based on their participation in the Program.

## Applicable Law and Discussion

As an initial matter, in accordance with Mississippi Code Section 7-5-25, opinions issued by this office are limited to matters of state law. We cannot, by official opinion, interpret any rules, regulations, or federal law that may be applicable.

We first note that our previous opinions have found that employees of a commission established pursuant to Section 21-27-13 are to be considered municipal employees in every respect. MS AG Op., *Hammack* at \*2 (May 9, 1997). We have also determined that when a municipality establishes such a commission, the municipality delegates broad authority to the commission. MS AG Op., *Clark* at \*1 (Mar. 21, 2003).

Turning to the relevant statutes, Section 25-15-101 provides:

The governing board of any county [or] municipality . . . may negotiate for and secure for all or specified groups of employees and their dependents of such county or municipality, or institution, department . . . a policy or policies of group insurance covering . . . life . . . health, accident, and hospitalization . . . .

Section 25-15-103(4)(a) states:

A municipality may provide group life insurance coverage for all or specified groups of its public employees and group hospitalization benefits for such public employees and their dependents, and the municipality may pay the total of the cost of all benefits under this section.

You ask whether, under these statutes, a utility commission may assign its employees to different groups to provide different levels of coverage based on the employees' voluntary participation in the Program. Previously, this office has opined that "[i]t is our opinion that, pursuant to Section 25-15-101 and Section 25-15-103, the board of supervisors may lawfully provide group life insurance coverage for all *or specified groups* of its public employees and group hospitalization benefits for such public employees and their dependents, and the county may pay the total of the cost of all benefits under this section." MS AG Op., *Munn* at \*1 (Jan. 31, 2020) (emphasis added). In that same opinion, we reasoned that the County had discretion over whether all employees or only specified groups would be provided a certain level of coverage. *Id.*

We have also said that Sections 25-15-101 and 25-15-103 "contemplate that when the governing authorities of a municipality elect to provide group health insurance for their employees and dependents that all employees within a specified group be treated in the same manner regarding the payment of the cost of said dependent coverage." MS AG Op., *Keith* at \*2 (Feb. 2, 2018) (citing MS AG Op., *Creekmore* at \*1 (Nov. 2, 1994)). We do not read these statutes as precluding a commission from establishing two groups of employees to provide different levels of coverage, provided that the commission treats all employees within each group in the same manner. There is no other Mississippi statute that would preclude CPUC from establishing two groups of employees based on their participation in the program. However, this office has previously cautioned that if a municipality wishes to cease providing a benefit to its employees that it has

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previously paid for all or part of, the municipality must provide its employees “with reasonable notice.” MS AG Op., *Rutledge* at \*1 (Feb. 4, 2005).

Accordingly, it is the opinion of this office that so long as CPUC treats all employees within each group in the same manner, CPUC may establish two different groups of employees based on their participation in the Program. We cannot opine on any rules, regulations, or federal law that may be applicable to this question.

If this office may be of any further assistance, please do not hesitate to contact us.

Sincerely,

LYNN FITCH, ATTORNEY GENERAL

By: */s/ Maggie Kate Bobo*

Maggie Kate Bobo  
Special Assistant Attorney General

OFFICIAL OPINION