

*Louisiana Insurers' Conference*

**ANNUAL LOUISIANA  
INSURANCE COMPLIANCE  
SEMINAR & LEGISLATIVE REVIEW**

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**COMPLIANCE CONNECTIONS**

# 2015 Legislative Overview

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# House Bills





# HB 184

## Representative Mike Huval

- Reduces the window of opportunity to renew a lapsed license from 5 years to the NAIC standard of 2 years.
- Status: **Act 58**



# HB 99

## Representative Greg Cromer

- Outlines the requirements for completing a corporate governance annual disclosure.
- Does not impose corporate governance standards and internal procedures beyond those required under the Insurance Code or other laws of this state.
- The requirement to file a corporate governance annual disclosure shall apply to all insurers domiciled in this state.
  
- Status: **Act 304**



# HB 214

## Representative Vincent Pierre

- Provides for the creation of a new category of “domestic surplus lines insurer” who will be authorized to write any type of insurance in La. that may be placed with a surplus lines carrier.
- Requires domestic surplus lines insurers to pay, or make arrangements to pay, all outstanding fees and assessments before the commissioner approves its application.
- Status: **Act 193**



# HB 215

## Representative Bernard LeBas

- Allows the commissioner to issue a notice of wrongful conduct prior to the taking of any regulatory action which contains a description of alleged facts, the law deemed violated by the commissioner, and informs the entity of its right to respond to the commissioner as to why action should not be taken.
- Status: **Act 15**



# HB 255

## Representative Vincent Pierre

- Enacts the (NAIC) Risk Management and Own Risk and Solvency Assessment (ORSA) Model Act
- Provides for the determination or acknowledgment by the commissioner of a group-wide supervisor of an internationally active insurance group, as defined, and of an insurance group that does not meet that definition but requests such determination or acknowledgment.
- Authorizes the commissioner of insurance to request information necessary to make a determination of group-wide supervisor and provides for the confidentiality of that information by creating an exemption from the Public Records Law for such information.
- Status: **Act 196**



# HB 257

## Representative Alan Seabaugh

- Requires that a provider who has been credentialed by a health insurance issuer for any location in the state and is current on all credentialing at that location shall be considered credentialed for all locations at which that provider may legally practice medicine or dentistry
  
- Status: **Act 63**





# HB 259

## Representative Ledricka Thierry

- Repeals authority to enter the Non-admitted Insurance Multi-State Agreement or other cooperative compacts or agreements with other states for the purpose of allocating surplus lines premium on multi-state policies and tax revenues.
- Sets the tax rate on surplus lines at 4.85%
- Provides that the entire surplus lines premium of a surplus lines policy of which Louisiana is the home state of the policyholder would be subject to the surplus lines tax.
- Exempt universities and political subdivisions with a population of over 350,000
- Status: **Act 386**



# HB 307

## Representative Katrina Jackson

- No claim for payment for inpatient behavioral health services provided to a person while admitted and detained in a facility that provides mental health services under an emergency certificate shall be denied.
- Patient must be evaluated by a psychiatrist or medical psychologist within 24 hours of being admitted
- After the evaluation payment of claims shall be determined by medical necessity.
- Status: **Act 390**



# HB 511

## Representative Alan Seabaugh

- Limits the AG's representation to those matters involving estates whose assets meet or exceeds \$1 million dollars
- Permits the commissioner to appoint in-house counsel or special counsel to represent estates whose assets are less than \$1 million dollars, subject to the approval of the AG
- Adds language to clarify that the commissioner is to select, in addition to naming, the special counsel
  
- Status: **Act 340**



# HB 685

## Representative Scot Simon

- Authorizes the commissioner of insurance to issue a certificate of authority to admit a foreign insurer to transact health insurance business.
- Does not allow the commissioner to waive solvency requirements
- Status: **Act 224**

# Senate Bills





# SB 59

## Senator Rick Ward

- Clean-up bill that gives domestic insurers the right to withdraw bonds or deposits. Foreign insurers currently can do this.
- Clarifies that upon order of the court the commissioner can release the bond or deposit to a company in rehabilitation or liquidation.
- Status: **Act 35**



# SB 144

## Senator Yvonne Dorsey Colomb

- Requires that when funds are returned to an insurance premium finance company the insurer must mail a copy of the check to the insured
- Requires that when funds are returned to the producer because they exceed the amount owed to the insurance premium finance company by the insured the insurance premium finance company must mail the insured a copy of the refund
- Requires insurance premium finance companies to cooperate with the Department of Insurance in the course of an investigation
- Status: **Act 37**



# SB 154

## Senator Gary Smith

- Provide for the authority of the commissioner of insurance to require fingerprints of applicants for licenses and certificates of authority.
  
- Status: **Act 162**





# SB 171

## Senator Blade Morrish

- Defines association-sponsored self-insured trust
- Requires an association-sponsored self-insured trust to deposit with the commissioner of insurance a safekeeping or trust receipt showing cash on hand or bonds for more than \$100,000 or 30% of the self-insurer's outstanding Louisiana-related reserve liabilities.
- Requires the employers in the self-insurance plan to be members of an association
- Requires each employer member participating in the association-sponsored self-insurance plan to sign an indemnity agreement
  
- Status: **Act 455**



# SB 172

## Senator Blade Morrish

- Enacts The Transportation Network Company Motor Vehicle Responsibility Law
- Provides for transportation network company insurance to be maintained by transportation network companies and their participating drivers
- Provides that a participating driver of a transportation network company shall carry proof of transportation network company insurance and shall provide it to any party involved in the accident, a police officer, or both, upon request.
  
- Status: **Act 266**



# SB 216

## Senator Blade Morrish

- Provides for the reorganization of the Louisiana Department of Insurance.
- Creates the Office of Consumer Services which shall be responsible for the receipt and processing of consumer complaints, market conduct analysis and examination
- Changes the Office of Health insurance to the Office of Health, Life, and Annuity.
- Moves Minority Affairs into the Office of Consumer Advocacy
- Status: **Act 274**

# Contact Information

QUESTIONS?

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