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DIRECTIVE NUMBER 179

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INDIVIDUAL HEALTH INSURANCE – GOOD HEALTH CLASSIFICATION FACTOR

It has come to my attention that the issuers of individual health insurance policies sold in Louisiana need regulatory assistance with an initial risk assessment and associate rating factor. Therefore, pursuant to LSA 22:228.6B(3)(i), certain individual health insurance carriers may establish at the policy's inception a good health classification factor that ranges from 0.85 to 1.50. The factor will be established at issue and remain in effect without adjustment through the life of the policy and will be applied, along with other components of the individual health insurance rate, multiplicatively.

This directive does not apply to individual health insurance policies that are qualified under the federal Medical Savings Account standard. Individually underwritten limited benefit and supplemental health insurance policies are exempt pursuant to LSA 22:228.6D.

Please Be Governed Accordingly.

BY:_____
J. ROBERT WOOLEY
INSURANCE COMMISSIONER