

# Louisiana Insurance Legislative Overview

# House Bills

Referred to the Insurance Committee

# HB 104

## Rep. Thibaut (D-False River)

- Extends the 25% military rebate on motor vehicle insurance to members of the Louisiana National Guard and reservists.
- Considered at the House Insurance Committee on 4/17/13 and deferred due to fiscal note.

# HB 148

## Rep. Pierre (D-Lafayette)

- Changes the time to provide the insurer proof of motorcycle license endorsement from time of application to within 90 days of application.
- In the case of initial application for endorsement, changes the time from 30 days to 90 days.
- Signed by the Governor on 6/5/13 and became [Act 101](#).
- Effective 8/1/13.



# HB 150

## Rep. Greene (R-Baton Rouge)

- Requires that health insurance issuers recognize assignment of health insurance benefits to health care providers.
- After assignment of benefits, any payment made only to insured, beneficiary, subscriber, or enrollee instead of health care provider shall be considered unpaid.
- Heard in House Insurance 4/30/13 and deferred.

# HB 198

## Rep. Jay Morris (R-Monroe)

- Extends the Commissioner's authority to grant reinsurance credits to captive insurers.
- Allows a captive insurer to take credit for reserves on risks ceded to a reinsurer or to a pool, exchange, or association acting as a reinsurer.
- Scheduled for Senate Floor debate 6/6/13. Never heard due to duplicate bill; SB 120 passed.



# HB 213

## Rep. James (D-Baton Rouge)

- Allows named insureds to exclude any party from his motor vehicle liability policy, regardless of residence, who has reasonable access to operate the covered vehicle.
- Deferred in the House Insurance committee on 5/7/13 and withdrawn on 5/13/13.

# HB 227

## Rep. Lorusso (R-New Orleans)

- Deletes requirement that members of the board of directors of the Property Insurance Association of Louisiana be residents of the state.
- Authorizes the main office of the PIAL to be anywhere in the state.
- Removes the power to audit policies written by member companies.
- Signed by the Governor on 5/29/13 and became [Act 33](#).
- Effective 8/1/13.





# HB 228

## Rep. Fannin (D-Jonesboro)

- LDI legislative package
- Provides for balanced billing by and reimbursement of noncontracted facility-based physicians for covered health care services rendered in an in-network health care facility.
- Deferred in House Insurance on 4/30/13.

# HB 257

## Rep. Ritchie (D-Bogalusa)

- Adds a member to the board of directors of the Louisiana Citizens Property Insurance Corporation, to be appointed by the Commissioner from three nominees submitted by the Louisiana Chapter of the National Association of Insurance and Financial Advisors.
- Amended in the Senate to require “notice” of Citizens rate increase of more than 25% to be provided to the House and Senate Insurance committees for possible hearing; see SB 19.
- Signed by the Governor on 6/14/13 and became [Act 278](#).
- Effective 8/1/13

# HB 291

## Rep. Price (D-Gonzales)

- LDI legislative package
- Changes composition and requirements regarding the Advisory Committee on Equal Opportunity.
- Provides that Deputy Commissioner for Minority Affairs will serve as the Chair for the Committee.
- The La. Association of Health Plans, the Independent Insurance Agents and Brokers of La., and the La. Black Chamber of Commerce will nominate members.
- Signed by the Governor on 5/30/13 and became [Act 85](#).
- Effective 8/1/13.

# HB 294

## Rep. Ritchie (D-Bogalusa)

- LDI legislative package
- Requires the Commissioner to review and approve individual and group long-term care insurance policies offered to Louisiana residents, including group long-term insurance policies issued in other states.
- Deferred in House Insurance on 4/17/13.

# HB 342

## Rep. Huval (R-Breaux Bridge)

- LDI legislative package
- Requires a health insurance issuer to directly reimburse a health care provider who is not under contract and who renders emergency medical services to a patient, enrollee, or insured.
- Deferred in House Insurance on 4/30/13.

# HB 374

## Rep. Stokes (R-Metairie)

- LDI legislative package
- Changes the timing of payment of insurance premium taxes to the Commissioner for insurers with a net tax liability less than \$1 million per year from a quarterly payment to an annual payment.
- Fiscal note required, deferred in House Insurance on 4/17/13.

# HB 400

## Rep. Ritchie (D-Bogalusa)

- Provides that a home service repair contract provider shall not deny a contract holder's otherwise valid claim for repair due to the contract holder's failure to obtain prior approval before commencing the repair.
- Deferred in House Insurance on 5/1/13.

# HB 414

## Rep. Huval (R-Breaux Bridge)

- Authorizes producers to receive reimbursement from the insured for expenses and to charge a reasonable agency fee related to services provided in health and accident insurance policies.
- Requires health insurance issuers to establish one or more schedules of commission for each health insurance product it sells.
- Allows health insurance producers to negotiate charges and fees directly with the insured, plan sponsor, or employer group.
- Signed by the Governor on 6/14/13 and became [Act 283](#).
- Effective 6/14/13



# HB 524

## Rep. Burrell (D-Shreveport)

- Amends the categories of special groups which may be covered by blanket health and accident insurance.
- Extends coverage to students and teachers.
- Extends coverage to dependents or guests of an employer, as defined by reference to hazards incident to any activities or operations of the employer.
- Extends coverage to volunteers of fire departments and civil defense groups.
- With policies or contracts issued to health maintenance organizations, major medical health and accident coverage may not be provided to subscribers or other enrollees.
- Signed by the Governor on 6/10/13 and became [Act 201](#).
- Effective 8/1/13.

# HB 543

## Rep. Pierre (D-Lafayette)

- LDI legislative package
- Authorizes placement of insurance with a surplus lines insurer without regard to the availability of authorized insurance.
- Deletes certain eligibility requirements relative to surplus lines insurers that do not have certificates of authority to sell insurance in Louisiana, in order to conform to the federal Nonadmitted and Reinsurance Reform Act (NRRA) of 2010.
- Signed by the Governor on 6/10/13 and became [Act 203](#).
- Effective 6/10/13.

# HB 545

## Rep. Cromer (R-Slidell)

- Provides for an alternative long-term care benefit option for Medicaid applicants with life insurance policies who enter into certain viatical settlement contracts.
- Referred to House Insurance on 4/8/13. No hearing.

# HB 592

## Rep. Thibaut (D-New Roads)

- LDI legislative package
- Enacts the Network Adequacy Act to provide standards for the creation and maintenance of networks by health insurance issuers assuring the adequacy, accessibility, and quality of health care services offered to covered persons under its health benefit plans.
- Signed by the Governor on 6/10/13 and became [Act 205](#).
- Effective 6/10/13.

# HB 614

## Rep. Huval (R-Breaux Bridge)

- Provides for licensing and regulation by the Commissioner of individuals and entities as navigators for a health benefit exchange authorized under PPACA.
- Requires training, examination, fees, and licensure by the Commissioner.
- Specifies that only an insurance producer (a) may sell or negotiate health insurance, (b) provide advice regarding health benefits plans, and (c) recommend a particular health benefit plan.
- Deferred in Senate Finance on 5/27/13.
- Related Senate floor amendments added to SB 101.

# HB 638

## Rep. Stokes (R-Metairie)

- Requires the Louisiana Health Plan to cease enrollment and coverage by January 1, 2014, unless the absence of other plans offering such coverage necessitates the plan's continuation.
- Signed by the Governor on 6/17/13 and became [Act 325](#).
- Effective 6/17/13

# HB 645

## Rep. Cromer (R-Slidell)

- LDI legislative package
- Deletes the existing medical necessity appeals process and external review process.
- Replaces it with a utilization appeals process, grievance appeals process, internal review process, and external review procedures. Complies with PPACA.
- Signed by the Governor on 6/17/13 and became Act 326.
- Effective 1/1/15

# Senate Bills

Referred to the Insurance Committee



## SB 12

### Sen. Murray (D-New Orleans)

- Grants a refundable individual income tax credit for up to \$600 of deposits made in a tax year to Wind and Hail Deductible Savings Accounts which provide reimbursement to the account holder for damages or losses not covered because of a deductible.
- Considered 4/22/13 in Senate Revenue and Fiscal Affairs, and deferred.

# SB 19

## Sen. Allain (R-Franklin)

- Prohibits Citizens Insurance Corporation from assessing rates in excess of 25<sup>0</sup>% per year without approval from the House and Senate committees on insurance.
- Deferred in the House Insurance committee on 5/14/13.
- See Senate Floor amendment to HB 257.

# SB 33

## Sen. Brown (D-Napoleonville)

- LDI legislative package
- Provides that the LDI Division of Minority Affairs may conduct a survey of the hiring and contracting practices insurers use in relation to minorities.
- Provides that the survey shall fall within the exception to the Public Records Law.
- Signed by the Governor on 6/10/13 and became [Act 209](#).
- Effective 8/1/13.

# SB 53

## Sen. Erdey (R-Baton Rouge)

- Increases the continuing education requirements from six (6) to twelve (12) hours of approved instruction for title insurance producers.
- Requires two (2) hours of the CE to be dedicated to state and federal consumer finance protection laws.
- Signed by the Governor on 5/23/13 and became [Act 21](#).
- Effective 8/1/13.

# SB 100

## Sen. Morrish (R-Baton Rouge)

- Requires homeowners' insurance providers who use a named-storm or wind and hail deductible to offer the policyholder a discount on the annual premium.
- Heard in Senate Insurance on 4/17/13 and deferred.

# SB 101

## Sen. Johns (R-Baton Rouge)

- LDI legislative package
- Requires the Commissioner to use a principles-based NAIC valuation manual to annually value the reserve liabilities of all outstanding life insurance contracts, annuity and pure endowment contracts, accident and health contracts, and deposit-type contracts of every company.
- Conference committee amendment added which gives the commissioner the authority to promulgate rules and regulations to register and regulate health insurance navigators. Also requires the House and Senate Insurance committees to meet jointly to review any proposed rules and regulations related to health insurance navigators.
- Signed by the Governor on 6/17/13 and became [Act 349](#).
- Effective 1/1/14

# SB 120

## Sen. Walsworth (R-Baton Rouge)

- Extends Commissioner's authority to grant reinsurance credits to captive insurers.
- Allows a captive insurer to take credit for reserves on risks ceded to a reinsurer or to a pool, exchange, or association acting as a reinsurer.
- Signed by the Governor on 5/23/13 and became [Act 23](#).
- Effective 5/23/13.

# SB 126

## Sen. Gary Smith (D-Baton Rouge)

- LDI legislative package
- Makes rate review and approval requirements applicable to health benefit plans in large group, small group, and individual markets.
- Prohibits the maintenance of separate risk pools, and requires all health insurance issuers to maintain a single state-wide risk pool in small group, individual, and student health plans.
- Considered favorably on 5/1/13 in Senate Insurance.
- Considered on 5/13/13 in Senate Finance and deferred.



# SB 180

## Sen. Erdey (R-Baton Rouge)

- LDI legislative package
- Creates a division of insurance fraud within the LDI for the investigation and prevention of administrative or civil violations of insurance laws.
- Authorizes commissioned LDI fraud investigators to carry firearms after POST training and certification.
- Deletes the office of receivership.
- Signed by the Governor on 6/10/13 and became [Act 217](#).
- Effective 8/1/13.

# House Concurrent Resolutions

Referred to the Insurance Committee



## HCR 18

### Rep. Abramson (D-New Orleans)

- Establishes the Title Insurance Committee to study title search periods regarding the required periods of mortgage and conveyance records for the issuance of title insurance property.
- Enrolled and sent to the Secretary of State on 5/28/13.



# HCR 53

## Rep. Cromer (R-Slidell)

- Memorializes Congress to repeal that portion of the PPACA which imposes a health insurance tax on health insurance providers beginning in 2014.
- Enrolled and sent to the Secretary of State on 6/4/13.

# House Resolutions

Referred to the Insurance Committee



# HR 87

## Rep. K. Jackson (D-Monroe)

- Memorializes congress to support all provisions of the PPACA and to ensure that no provision of the act is repealed.
- Referred to the House Insurance committee on 5/8/13, but was not heard.
- Withdrawn on 5/10/13.