AN ACT

To amend and reenact R.S. 22:572, relative to catastrophe response plans for insurance; to provide for the requirements for catastrophe response plans; to provide for filing with and review of plans by the commissioner; to provide for confidentiality; to provide for enforcement and penalties; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:572 is hereby amended and reenacted to read as follows:

§572. Written catastrophe response plans

A. Every insurer, as defined in R.S. 22:46(10), and every health maintenance organization operating in this state, writing any form of commercial or residential property insurance, automobile insurance, marine, or inland marine insurance or writing life or health and accident insurance shall maintain a written catastrophe response plan or plan that describes how the insurer will respond to a catastrophe affecting its business operations and policyholders or subscribers. Additionally, each health maintenance organization, managing general agent, and every third-party administrator shall maintain a written catastrophe response plan or plan that describes how it will respond to a catastrophe affecting its business operations. However, insurers are not required to ensure compliance by third-party administrators with this Section. During an examination required by R.S. 22:1981, or at such other time as the commissioner deems appropriate, he shall review the written catastrophe response plan of each insurer, health maintenance organization, managing general agent, and third-party administrator, the insurance written, and the

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response plan most appropriate for the type of insureds or business operations at issue.

B. Catastrophe response plans required pursuant to this Section shall include all of the following:

(1) Emergency contact information of key or essential personnel.

(2) Alternative office locations or work sites likely to be used in the event of a catastrophe.

(3) Procedures to address the following:

(a) The backup, storage, retrieval, and security of records and data used to adjust claims.

(b) The handling and processing of claims, whether prior to or subsequent to the catastrophe.

(c) Relevant training of staff.

(d) Communication with agents, policyholders, and subscribers, in the event of mail delivery or other communication system disruption. Such communication shall address, at minimum, the process for filing a claim and the method whereby an agent, policyholder, or subscriber can obtain information concerning a claim.

(e) The distribution of catastrophe claims information to policyholders or subscribers.

(4) Considering the scale of the catastrophe and the number of policies issued in the affected area, the methodology for determining the following:

(a) The approximate number of field adjusters, desk adjusters, and other administrative personnel necessary to respond to the catastrophe.

(b) The process through which the insurer will provide claims and administrative personnel to service policyholder and subscriber needs in a timely manner.

(c) The process through which the insurer will provide logistical support for claims and administrative personnel in the area affected by the catastrophe.

C. Every insurer, health maintenance organization, and third-party administrator shall file a catastrophe response plan that conforms to the provisions...
of this Section with the commissioner no later than June 1, 2023, and shall file a revised plan when any changes are made to the plan. The commissioner shall review each catastrophe response plan when filed to ensure that it meets the requirements of this Section and any applicable rules and regulations.

D. The written catastrophe response plan of each insurer, health maintenance organization, managing general agent, and third-party administrator Catastrophe response plans required pursuant to this Section shall be deemed to be confidential, proprietary information subject to the protections of the Uniform Trade Secrets Act, pursuant to Chapter 13-A of Title 51 of the Louisiana Revised Statutes of 1950, shall not be subject to the public records disclosures of R.S. 44:1, and shall not be made public by the commissioner.

E. The commissioner may promulgate rules in accordance with the Administrative Procedure Act to implement and enforce the provisions of this Section.

F. If the commissioner finds that a violation of this Section has occurred, the commissioner may take necessary and appropriate enforcement and regulatory action, including action pursuant to R.S. 22:18.

Section 2. This Act shall become effective January 1, 2023.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________________

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