

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 16** SLS 25RS 50

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 9, 2025	5:20 PM	Author: MCMATH
Dept./Agy.: Insurance		Analyst: Anthony Shamis
Subject: Health Stop-Loss Insurance		

HEALTH/ACC INSURANCE EG NO IMPACT See Note
Provides relative to health stop-loss insurance. (gov sig)

Present law provides requirements for insurers that issue stop-loss insurance. Proposed law provides that stop-loss insurance issued in connection with an employee benefit plan of a small employer as defined in present law shall be issued on or after August 1, 2025, only if the following conditions are met: (a) The policy of insurance contains no provision permitting or authorizing the adjustment of specific deductibles or attachment points of a plan member or specific diseases or conditions. (b) The policy of insurance is not subject to renewal rate increases exceeding the medical care index of the consumer price index plus fifteen percent, unless an increase greater than fifteen percent is actuarially justified. (c) the policy of insurance is issued by a licensed health insurance issuer, health maintenance organization or third-party administrator, or through affiliates within an insurance holding company system, which issues policies of health and accident insurance to small employers as defined in present state and federal law. Proposed law shall not be applicable to any policy in effect prior to August 1, 2025.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Proposed law will have no fiscal impact on the Department of Insurance (DOI), Office of Group Benefits, or Department of Health, as it simply provides requirements for specific instances where stop-loss insurance may be issued in connection with an employee benefit plan of a small employer as defined in present law. DOI reports that they do not have information on the number of groups impacted by this legislation, and that there is no anticipated fiscal impact to the DOI related to market compliance.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The DOI does not anticipate any increases in revenue resulting from filings in response to potential movement of policies from stop-loss to fully insured.

Senate

Dual Referral Rules

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
- 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

- 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer