

2018 Regular Session

HOUSE BILL NO. 551

BY REPRESENTATIVE HUVAL

1 AN ACT

2 To amend and reenact R.S. 22:2082, 2083(A)(1), (2)(introductory paragraph) and (b), and
3 (5), (B)(1) and (2)(introductory paragraph), (a), (h)(introductory paragraph), (ii), and
4 (iii), and (i), and (C)(1), 2084(5), (6), (7), (8)(introductory paragraph), (11.1), and
5 (12), 2085(A)(introductory paragraph) and (4) and (B), 2086(A)(introductory
6 paragraph), (1), and (7), 2087(A)(introductory paragraph) and (1), (B)(introductory
7 paragraph) and (1), (C), (F), (L), (M)(1), (4), and (5), (N), and (Q)(introductory
8 paragraph), 2088(C), (E)(1)(a) and (b), (F) through (H), and (I)(5),
9 2090(A)(introductory paragraph) and (2), (B), (C), and (D), 2091(A)(introductory
10 paragraph), (1)(a)(iii) and (b), and (3), (B), and (C), 2093(C), (D), and (E)(1) through
11 (3), 2098(A), (B), and (C)(introductory paragraph) and (2), and 2099, to enact R.S.
12 22:254(H), 2083(B)(3) and (F), and 2085(C)(3)(h), and to repeal R.S. 22:2084(8)(a)
13 and 2091(E) and (G), relative to the Louisiana Life and Health Insurance Guaranty
14 Association; to provide for purpose, scope, and applicability; to define key terms;
15 to add health maintenance organizations as member insurers; to provide for the
16 assessment of member insurers relative to long-term care policies and contracts; to
17 provide for the reissuance of policies or contracts by the association; and to provide
18 for related matters.

19 Be it enacted by the Legislature of Louisiana:

20 Section 1. R.S. 22:2082, 2083(A)(1), (2)(introductory paragraph) and (b), and (5),
21 (B)(1) and (2)(introductory paragraph), (a), (h)(introductory paragraph), (ii), and (iii), and
22 (i), and (C)(1), 2084(5), (6), (7), (8)(introductory paragraph), (11.1), and (12),
23 2085(A)(introductory paragraph) and (4) and (B), 2086(A)(introductory paragraph), (1), and
24 (7), 2087(A)(introductory paragraph) and (1), (B)(introductory paragraph) and (1), (C), (F),

1 (L), (M)(1), (4), and (5), (N), and (Q)(introductory paragraph), 2088(C), (E)(1)(a) and (b),
2 (F) through (H), and (I)(5), 2090(A)(introductory paragraph) and (2), (B), (C), and (D),
3 2091(A)(introductory paragraph), (1)(a)(iii) and (b), and (3), (B), and (C), 2093(C), (D), and
4 (E)(1) through (3), 2098(A), (B), and (C)(introductory paragraph) and (2), and 2099 are
5 hereby amended and reenacted and R.S. 22:254(H), 2083(B)(3) and (F), and 2085(C)(3)(h)
6 are hereby enacted to read as follows:

7 §254. Protection against insolvency

8 * * *

9 H. Effective August 1, 2018, the liquidation or windup of affairs of a health
10 maintenance organization shall be governed by the provisions of Chapter 9 of this
11 Title, R.S. 22:2001 et seq.

12 * * *

13 §2082. Purpose

14 A. The purpose of this Part is to protect, subject to certain limitations, the
15 persons listed in R.S. 22:2083(A) against failure in the performance of contractual
16 obligations, under life, and health, ~~insurance policies~~ and annuity policies, plans, or
17 contracts specified in R.S. 22:2083(B), because of the impairment or insolvency of
18 the member insurer that issued the policies, plans, or contracts.

19 B. To provide this protection, an association of member insurers is hereby
20 created to pay benefits and to continue coverages as limited herein. Members of the
21 association are subject to assessment to provide funds to carry out the purpose of this
22 Part.

23 §2083. Coverages and limitations

24 A. This Part shall provide coverage for the policies and contracts specified
25 in Subsection B of this Section:

26 (1) To any person who, regardless of residence, except for a nonresident
27 certificate holder under a group policy or contract, is the beneficiary, assignee, or
28 payee, including healthcare providers rendering services covered under health
29 insurance policies or certificates, of a person covered under Paragraph (2) of this
30 Subsection.

1 (2) To any person who is the owner of or certificate holder or enrollee under
2 such a policy or contract, other than a structured settlement annuity, and who is
3 either:

4 * * *

5 (b) ~~Is not~~ Not a resident, but only if all of the following conditions are
6 satisfied:

7 (i) The member insurer which issued such policy or contract is domiciled in
8 this state.

9 (ii) The member insurer has never held a license or certificate of authority
10 in the state in which such person resides.

11 (iii) ~~Such~~ The state has an association similar to the association created by
12 this Part.

13 (iv) The person is not eligible for coverage by such association.

14 * * *

15 (5) This Part is intended to provide coverage to a person who is a resident
16 of this state and, in special circumstances, to a nonresident. In order to avoid
17 duplicate coverage, if a person who would otherwise receive coverage under this Part
18 is provided coverage under the laws of any other state, the person shall not be
19 provided coverage under this Part. In determining the application of the provisions
20 of this Paragraph in situations where a person could be covered by the association
21 of more than one state, whether as an owner, payee, enrollee, beneficiary or assignee,
22 this Part shall be construed in conjunction with other state laws to result in coverage
23 by only one association.

24 B.(1) This Part shall provide coverage to the persons specified in Subsection
25 A of this Section for policies or contracts of direct, non-group life insurance, health
26 insurance including, for purposes of this Part, health maintenance organization
27 subscriber contracts and certificates, or ~~annuity policies or contracts~~ annuities, for
28 certificates under direct group policies and contracts for supplemental contracts to
29 any of these, and for unallocated annuity contracts, in each case issued by member
30 insurers, except as limited by this Part.

1 business. Citizens of the United States that are either ~~(a)~~ residents of foreign
2 countries, or ~~(b)~~ residents of United States possessions, territories, or protectorates
3 that do not have an association similar to the association created by this Part, shall
4 be deemed residents of the state of domicile of the member insurer that issued the
5 policies or contracts.

6 * * *

7 §2085. Creation of the association

8 A. There is hereby created a nonprofit entity to be known as the Louisiana
9 Life and Health Insurance Guaranty Association whose legal domicile shall be in the
10 parish of East Baton Rouge. All member insurers shall be and remain members of
11 the association as a condition of their authority to transact insurance or a health
12 maintenance organization business in this state. The association shall perform its
13 function under the plan of operation established and approved pursuant to R.S.
14 22:2089 and shall exercise its powers through a board of directors established ~~by~~
15 pursuant to R.S. 22:2086. For purposes of administration and assessment, the
16 association shall maintain ~~four~~ all of the following accounts:

17 * * *

18 (4) The health ~~insurance~~ account.

19 B. The association shall come under the immediate supervision of the
20 commissioner and shall be subject to the applicable provisions of the insurance laws
21 of this state. The ~~commissioner~~ association shall ~~be provided~~ provide any records
22 ~~of the association~~ concerning the operations, budget, and management of the
23 association upon request of the commissioner.

24 * * *

25 C.

26 * * *

27 (3) The association may hold an executive session pursuant to R.S. 42:16 for
28 discussion of one or more of the following, and R.S. 44:1 et seq. shall not apply to

1 any documents as enumerated in R.S. 44:1(A)(2) which relate to one or more of the
2 following:

3 * * *

4 (h) Matters with respect to the abatement or deferral or the request for an
5 abatement or deferral of an assessment pursuant to R.S. 22:2088(D).

6 §2086. Board of directors

7 A. The board of directors of the association shall consist of one consumer
8 representative appointed by the commissioner subject to Senate confirmation, who
9 shall be a resident of the state of Louisiana, and ten member insurers serving terms
10 as established in the plan of operation. The consumer representative ~~may~~ shall not
11 be an officer, director, or employee of an insurance company or engaged in the
12 business of insurance or a health maintenance organization. The insurer members
13 of the board shall be selected by member insurers subject to the approval of the
14 commissioner from the following groups or their successors:

15 (1) One representative of a member insurer which is a domestic commercial
16 insurance company and a member of the Louisiana Insurers' Conference.

17 * * *

18 (7) One representative ~~to be approved by the commissioner~~, who represents
19 a member insurer which is a domestic nonprofit mutual insurer engaged exclusively
20 in the business of furnishing hospital service, medical, or surgical benefits.

21 * * *

22 §2087. Powers and duties of the association

23 A. If a member insurer is an impaired insurer, the association may, in its
24 discretion, subject to any conditions imposed by the association, take ~~such~~ any of the
25 following actions ~~as that~~ do not impair the contractual obligations of the impaired
26 insurer and that are approved by the commissioner:

27 (1) Guarantee, assume, reissue, or reinsure, or cause to be guaranteed,
28 assumed, reissued, or reinsured, any or all of the policies or contracts of the impaired
29 insurer.

30 * * *

1 convert coverage to individual coverage or to continue an individual policy, contract,
2 or annuity in force until a specified age or for a specified time, during which the
3 insurer or health maintenace organization had no right to unilaterally alter any
4 provision of the policy, contract, or annuity or had a right to undertake alterations
5 only in premium by class.

6 (4)(a) In providing the substitute coverage required ~~under~~ pursuant to
7 Paragraph (3) of this Subsection, the association may offer either to reissue the
8 terminated coverage or to issue an alternative policy or contract at actuarially
9 justified rates, subject to the prior approval of the commissioner.

10 (b) Alternative or reissued policies or contracts shall be offered without
11 requiring evidence of insurability, and shall not provide for any waiting period or
12 exclusion that would not have applied under the terminated policy or contract.

13 (c) The association may reinsure any alternative or reissued policy or
14 contract.

15 (5)(a) Alternative policies adopted by the association shall be subject to the
16 approval of the ~~domiciliary insurance commissioner and the receivership court.~~ The
17 association may adopt alternative policies or contracts of various types for future
18 issuance without regard to any particular impairment or insolvency.

19 (b) Alternative policies or contracts shall contain at least the minimum
20 statutory provisions required in this state and provide benefits that shall not be
21 unreasonable in relation to the premium charged. The association shall set the
22 premium in accordance with a table of rates that it shall adopt. The premium shall
23 reflect the amount of insurance to be provided and the age and class of risk of each
24 insured, but shall not reflect any changes in the health of the insured after the
25 original policy or contract was last underwritten.

26 (c) Any alternative policy or contract issued by the association shall provide
27 coverage of a type similar to that of the policy or contract issued by the impaired or
28 insolvent insurer, as determined by the association.

29 (6) If the association elects to reissue terminated coverage at a premium rate
30 different from that charged under the terminated policy or contract, the premium

1 shall be actuarially justified and set by the association in accordance with the amount
2 of insurance or coverage provided and the age and class of risk, subject to the prior
3 approval of the ~~domiciliary insurance~~ commissioner ~~and the receivership court~~.

4 (7) The association's obligations with respect to coverage under any policy
5 or contract of the impaired or insolvent insurer or under any reissued or alternative
6 policy or contract shall cease on the date the coverage or policy is replaced by
7 another similar policy or contract by the policy or contract owner, the insured, the
8 enrollee, or the association.

9 (8) When proceeding ~~under~~ pursuant to this Subsection with respect to a
10 policy or contract carrying guaranteed minimum interest rates, the association shall
11 assure the payment or crediting of a rate of interest consistent with R.S.
12 22:2083(B)(2)(c).

13 F. Nonpayment of premiums within thirty-one days after the date required
14 by the terms of any guaranteed, assumed, alternative, or reissued policy or contract
15 or substitute coverage shall terminate the association's obligations under such policy,
16 contract, or coverage under this Part with respect to such policy, contract, or
17 coverage, except with respect to any claims incurred or any net cash surrender value
18 which may be due in accordance with the provisions of this Part.

19 * * *

20 L. The association shall have standing to appear or intervene before any
21 court in this state or state agency with jurisdiction over an impaired or insolvent
22 insurer and concerning which the association shall become obligated under this Part
23 or with jurisdiction over any other person or property against which the association
24 may have benefit through subrogation or otherwise. The standing shall extend to all
25 matters germane to the powers and duties of the association, including but not
26 limited to proposals for reinsuring, reissuing, modifying, or guaranteeing the policies
27 or contracts of the impaired or insolvent insurer and the determination of the policies
28 or contracts and contractual obligations. The association shall also have the right to
29 appear or intervene before a court or agency in another state with jurisdiction over
30 any person or property for which the association shall become obligated or with

1 jurisdiction over a third party against whom the association may have rights through
 2 subrogation or otherwise.

3 M.(1) Any person receiving benefits under this Part shall be deemed to have
 4 assigned the rights under, and any causes of action relating to, the covered policy or
 5 contract to the association to the extent of the benefits received because of this Part,
 6 whether the benefits are payments of or on account of contractual obligations,
 7 continuation of coverage, or provision of substitute or alternative policies, contracts,
 8 or coverages. The association may require an assignment of such rights and cause
 9 of action by any enrollee, payee, policy or contract owner, beneficiary, insured, or
 10 annuitant as a condition precedent to the receipt of any right or benefits conferred by
 11 this Part upon such person.

12 * * *

13 (4) If the provisions of this Subsection are determined to be invalid or
 14 ineffective with respect to any person or claim for any reason, the amount payable
 15 by the association with respect to the related, covered obligations shall be reduced
 16 by the amount realized by any other person or claim that is attributable to the policies
 17 or contracts, or portion thereof, covered by the association.

18 (5) If the association has provided benefits with respect to a covered
 19 obligation and a person recovers amounts as to which the association has rights as
 20 described in Paragraph (4) of this Subsection, the person shall pay to the association
 21 the portion of the recovery attributable to the policies or contracts, or the portion
 22 thereof, covered by the association.

23 N. The association may do any of the following:

24 (1) Enter into ~~such~~ any contracts ~~as are~~ necessary or proper to implement the
 25 provisions and purposes of this Part.

26 (2) Sue or be sued, including taking any legal actions necessary or proper to
 27 recover any unpaid assessments pursuant to R.S. 22:2088 and to settle claims or
 28 potential claims against it.

1 (3) Borrow money to effect the purposes of this Part. Any notes or other
2 evidence of indebtedness of the association not in default shall be legal investments
3 for domestic member insurers and may be carried as admitted assets.

4 (4) Employ or retain ~~such~~ any persons ~~as are~~ necessary to handle the
5 financial and legal transactions of the association, and to perform ~~such~~ other
6 functions ~~as become~~ necessary or proper under in accordance with this Part.

7 (5) Take ~~such~~ any legal action ~~as may be~~ necessary to avoid payment or
8 recover payment of improper claims.

9 (6) Exercise, for the purposes of this Part and to the extent approved by the
10 commissioner, the powers of a domestic life ~~or insurer~~, health insurer, or health
11 maintenance organization, but in no case may the association issue ~~insurance~~ policies
12 or ~~annuity~~ contracts other than those issued to perform its obligations under this Part.

13 (7) Unless prohibited by law, in accordance with the terms and conditions
14 of the policy or contract, file for actuarially justified rate or premium increases for
15 any policy or contract for which it provides coverage pursuant to this Part.

16 * * *

17 Q. In carrying out its duties in connection with guaranteeing, assuming,
18 reissuing, or reinsuring policies or contracts under this Section, the association may;
19 ~~subject to approval of the receivership court~~, issue substitute coverage for a policy
20 or contract that provides an interest rate, crediting rate, or similar factor determined
21 by use of an index or other external reference stated in the policy or contract
22 employed in calculating returns or changes in value by issuing an alternative policy
23 or contract that meets the following requirements:

24 * * *

25 §2088. Assessments

26 * * *

27 C.(1) The amount of any Class A assessment shall be determined by the
28 board ~~and shall not exceed three hundred dollars per member insurer in any one~~
29 ~~calendar year~~. The amount of any Class B assessment, except for assessments
30 related to long-term care insurance, shall be allocated for assessment purposes

1 among the accounts pursuant to an allocation formula which may be based on the
2 premiums or reserves of the impaired or insolvent insurer or any other standard
3 deemed by the board in its sole discretion as being fair and reasonable under the
4 circumstances and established in the plan of operation.

5 (2) The amount of the Class B assessment for long-term care insurance
6 written by the impaired or insolvent insurer shall be allocated according to a
7 methodology included in the plan of operation and approved by the commissioner.
8 The methodology shall provide for fifty percent of the assessment to be allocated to
9 accident and health member insurers and fifty percent to be allocated to life and
10 annuity member insurers.

11 (3) Class B assessments against member insurers for each account shall be
12 in the proportion that the premiums received on business in this state by each
13 assessed member insurer on policies or contracts covered by each account for the
14 three most recent calendar years for which information is available preceding the
15 year in which the member insurer became impaired or insolvent, as the case may be,
16 bears to such premiums received on business in this state for such calendar years by
17 all assessed member insurers.

18 ~~(3)~~ (4) Assessments for funds to meet the requirements of the association
19 with respect to an impaired or insolvent insurer shall not be commenced by the board
20 of directors until necessary to implement the purposes of this Part. Classification of
21 assessments pursuant to Subsection B of this Section and computation of
22 assessments pursuant to this Subsection shall be made with a reasonable degree of
23 accuracy.

24 * * *

25 E.(1)(a) The total of all assessments upon an insurer for each account shall
26 not in any one calendar year exceed two percent of such average premiums received
27 of the insurers in this state on the policies and contracts covered by the account
28 during the three calendar years preceding the year in which the member insurer
29 became an impaired or insolvent insurer.

1 (b) With respect to member insurers that become impaired or insolvent in
 2 different calendar years, if two or more assessments are authorized in one calendar
 3 year, the average annual premiums for purposes of the aggregate assessment
 4 percentage limitation referenced in Subparagraph (a) of this Paragraph shall be equal
 5 and limited to the higher of the three-year average annual premiums for the
 6 applicable account as calculated pursuant to this Section.

7 * * *

8 F. The board may, by an equitable method as established in the plan of
 9 operation, refund to member insurers, in proportion to the contribution of each
 10 member insurer to that account, the amount by which the assets of that account
 11 exceed the amount the board finds is necessary to carry out during the coming year
 12 the obligations of the association with regard to that account, including assets
 13 accruing from assignment, subrogation, net realized gains, and income from
 14 investments. A reasonable amount may be retained in any account to provide funds
 15 for the continuing expenses of the association and for future losses.

16 G. It shall be proper for any member insurer, in determining its premium
 17 rates and policy owner dividends as to any kind of insurance or health maintenace
 18 organization business within the scope of this Part, to consider the amount
 19 reasonably necessary to meet its assessment obligations under this Part.

20 H. The association shall issue to each member insurer paying an assessment
 21 under this Part, other than Class A assessments, a certificate of contribution for Class
 22 B assessments, in a form prescribed by the commissioner for the amount of the
 23 assessment so paid. All outstanding certificates shall be of equal dignity and priority
 24 without reference to amounts or dates of issue. A certificate of contribution may be
 25 shown by the insurer in its financial statement as an asset in such form and for such
 26 amount, if any, and period of time as the commissioner may approve.

27 I.

28 * * *

29 (5) If the protest or appeal on the assessment is upheld, the amount paid in
 30 error or excess shall be returned to the member ~~company~~ insurer. Interest on a

1 refund due a protesting member insurer shall be paid at the rate actually earned by
2 the association.

3 * * *

4 §2090. Powers and duties of the commissioner

5 A. In addition to the duties and powers enumerated elsewhere in this Part,
6 and in other provisions of law, the commissioner shall do all of the following:

7 * * *

8 (2) When an impairment is declared and the amount of the impairment is
9 determined, serve a demand upon the impaired insurer to make good the impairment
10 within a reasonable time. The notice to the impaired insurer shall constitute notice
11 to its shareholders, if applicable. The failure of the impaired insurer to promptly
12 comply with such demand shall not excuse the association from the performance of
13 its powers and duties under this Part.

14 * * *

15 B. The commissioner may suspend or revoke, after compliance with R.S.
16 49:961, the certificate of authority to transact ~~insurance~~ business in this state of any
17 member insurer who fails to pay an assessment when due or fails to comply with the
18 plan of operation. As an alternative, the commissioner may also levy a fine on any
19 member insurer who fails to pay an assessment when due. The fine shall not exceed
20 five percent of the unpaid assessment per month, but no fine shall be less than one
21 hundred dollars per month.

22 C. Any action of the board of directors or the association may be appealed
23 to the commissioner by any member insurer if such appeal is taken within sixty days
24 of the final action being appealed. If a member ~~company~~ insurer is appealing an
25 assessment, the amount assessed shall be paid to the association and credited to meet
26 association obligations during the pendency of an appeal. If the appeal on the
27 assessment is upheld, the amount if paid in error or excess, shall be returned to the
28 member ~~company~~ insurer without interest. Any final action or order of the
29 commissioner shall be subject to judicial review in a court of competent jurisdiction.

1 D. The liquidator, rehabilitator, or conservator of any impaired or insolvent
2 insurer shall notify all interested persons of the effect of this Part.

3 §2091. Prevention of insolvencies

4 A. To aid in the detection and prevention of member insurer insolvencies or
5 impairments, it shall be the duty of the commissioner:

6 (1)(a) To notify the commissioner of insurance, or other appropriate official,
7 of all the other states, territories of the United States, and the District of Columbia
8 when he takes any of the following actions against a member insurer:

9 * * *

10 (iii) Makes any formal order that ~~such company~~ the member insurer restrict
11 its premium writing, obtain additional contributions to surplus, withdraw from the
12 state, reinsure all or any part of its business, or increase capital, surplus, or any other
13 account for the security of policyholders, contract owners, certificate holders, or
14 creditors.

15 (b) ~~Such~~ The notice shall be mailed to all such commissioners or other
16 appropriate officials within thirty days following the action taken or the date on
17 which such action occurs.

18 * * *

19 (3) To report to the board of directors when he has reasonable cause to
20 believe from any examination, whether completed or in process, of a member insurer
21 that ~~such~~ the member insurer may be an impaired or insolvent insurer.

22 * * *

23 B. The commissioner may seek the advice and recommendation of the board
24 of directors concerning any matter affecting his duties and responsibilities regarding
25 the financial condition of member insurers and ~~companies~~ insurers or health
26 maintenance organizations seeking admission to transact ~~insurance~~ business in this
27 state.

28 C. The board of directors may, upon majority vote, make reports and
29 recommendations to the commissioner upon any matter germane to the solvency,
30 liquidation, rehabilitation, or conservation of any member insurer or germane to the

1 §2098. Prohibited advertisement of Louisiana Life and Health Insurance Guaranty
 2 Association ~~Act~~ Law in insurance sales; notice to policyholders

3 A. No person, including ~~an~~ a member insurer, agent, or affiliate of ~~an~~ a
 4 member insurer shall make, publish, disseminate, circulate, or place before the
 5 public, or cause directly or indirectly, to be made, published, disseminated,
 6 circulated, or placed before the public, in any newspaper, magazine, or other
 7 publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over
 8 any radio station or television station, or in any other way, any advertisement,
 9 announcement, or statement, written or oral, which uses the existence of the Life and
 10 Health Insurance Guaranty Association of this state for the purpose of sales
 11 solicitation, or inducement to purchase any form of insurance or other coverage
 12 covered by the Louisiana Life and Health Insurance Guaranty Association Law. This
 13 Section shall not apply to the Louisiana Life and Health Insurance Guaranty
 14 Association or any other entity which does not sell or solicit insurance or coverage
 15 by a health maintenance organization.

16 B. Within one hundred eighty days of September 30, 1991, the association
 17 shall prepare a summary document describing the general purposes and current
 18 limitations of the Part and complying with R.S. 22:2092(C). This document shall be
 19 submitted to the commissioner for approval. Sixty days after receiving ~~such~~
 20 approval, no member insurer ~~may~~ shall deliver a policy or contract described in R.S.
 21 22:2083(B)(1) to a policy ~~or~~ owner, contract owner, certificate holder, or enrollee
 22 unless the document is delivered to the policy ~~or~~ owner, contract owner, certificate
 23 holder, or enrollee prior to or at the time of delivery of the policy or contract except
 24 if Subsection D of this Section applies. The document shall also be available upon
 25 request by a policyholder. The distribution, delivery, or contents or interpretation
 26 of this document shall not mean that either the policy or the contract or the policy
 27 owner, contract owner, certificate holder, or enrollee ~~thereof~~ would be covered in the
 28 event of the impairment or insolvency of a member insurer. The description
 29 document shall be revised by the association as amendments to this Part may require.
 30 Failure to receive this document shall not give the ~~policyholder~~, policy owner,

1 contract ~~holder, owner,~~ certificate holder, enrollee, or insured any greater rights than
2 those stated in this Part.

3 C. The document prepared pursuant to Subsection B of this Section shall
4 contain a clear and conspicuous disclaimer on its face. The commissioner shall
5 promulgate a rule establishing the form and content of the disclaimer. The
6 disclaimer shall do all of the following:

7 * * *

8 (2) Prominently warn the policy ~~or owner,~~ contract owner, certificate holder,
9 or enrollee that the association may not cover the policy or, if coverage is available,
10 it will be subject to substantial ~~limitation,~~ limitations and exclusions, and conditioned
11 on continued residence in the state.

12 * * *

13 §2099. Prospective application

14 ~~This Part shall not apply to any insurer or its subsidiaries, insurance holding~~
15 ~~company system or related, either directly or indirectly, agents, affiliates, or other~~
16 ~~entities which are insolvent or impaired or unable to fulfill its contractual obligations~~
17 ~~before September 30, 1991.~~

18 This Part shall not apply to any member insurer that is insolvent or impaired
19 or unable to fulfill its contractual obligations before August 1, 2018.

20 Section 2. R.S. 22:2084(8)(a) and 2091(E) and (G) are hereby repealed in their
21 entirety.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____