
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Cooper.

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| SB 480 Original | DIGEST 2020 Regular Session | Abraham |
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Present law defines "stop loss coverage" as insurance covering the loss of an insured above a specific amount or a self-insurer for losses over a stated amount.

Present law requires any insurer authorized to issue property and casualty or health and accident policies to report any premiums written in this state for stop-loss or excess insurance coverage to the department in the manner prescribed by the commissioner.

Present law requires a stop-loss or excess insurance policy form intended for issue to cover losses of a group health plan as defined in present law to satisfy certain conditions.

Proposed law retains present law and adds to the required conditions the following:

- (1) For any small group defined in present law, the stop-loss or excess insurance policy shall be guaranteed renewable at the option of the small group health plan. The stop-loss carrier may non-renew or discontinue coverage only on the failure of the small group health plan to timely pay premiums or if the small group health plan has performed an act of fraud or made an intentional misrepresentation of material fact.
- (2) The stop-loss or excess insurance policy shall not be subject to a premium increase of greater than 25% for any renewal.

Effective August 1, 2020.

(Adds R.S. 22:883(C)(8) and (9))