

2024 Regular Session

HOUSE BILL NO. 616

BY REPRESENTATIVE GREEN

1 AN ACT

2 To enact Part VIII of Chapter 11 of Title 22 of the Louisiana Revised Statutes of 1950, to  
3 be comprised of R.S. 22:2188, and to repeal Part VIII of Chapter 11 of Title 22 of  
4 the Louisiana Revised Statutes of 1950, comprised of R.S. 22:2187, relative to  
5 actuarial reviews of healthcare legislation; to require the Department of Insurance  
6 to contract with entities to perform actuarial reviews; to require relative to public  
7 meetings; to provide relative to legislators' requests for actuarial reviews; to outline  
8 intended outcomes; to provide relative to the commissioner of administration; to  
9 provide for certain appropriations; to provide with respect to the confidentiality of  
10 certain information; to repeal the Louisiana Mandated Health Benefits Commission;  
11 and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. Part VIII of Chapter 11 of Title 22 of the Louisiana Revised Statutes of  
14 1950, comprised of R.S. 22:2188, is hereby enacted to read as follows:

15 PART VIII. LOUISIANA MANDATED HEALTH ACTUARIAL ANALYSIS

16 §2188. Actuarial reviews of proposed healthcare legislation

17 A. On or before February first, the department shall retain by contract one  
18 or more entities that have experience in actuarial reviews and healthcare policy for  
19 the purpose of performing actuarial reviews of legislative proposals that may impose  
20 a new health benefit coverage mandate on health benefit plans or reduce or eliminate  
21 coverage mandated under health benefit plans. At least one of the contracted entities  
22 shall be an actuary or actuarial firm or a Louisiana-based university department or

1 academic faculty with experience analyzing health insurance premiums. The  
2 department shall ensure that contractors are independent and free from conflicts of  
3 interest that might affect the neutrality of the actuarial reviews. The contractors,  
4 under the direction of the department, shall conduct actuarial reviews of legislative  
5 proposals.

6 B. A member of the legislature who requests an actuarial review of a  
7 legislative proposal shall submit the request to the department no later than  
8 December first of the year preceding the regular session of the legislature in which  
9 the legislative proposal will be proposed.

10 C. A contractor shall consider in its actuarial review the predicted effects of  
11 the legislative proposal during the year immediately following the effective date of  
12 the legislative proposal, or during another time period following the effective date  
13 of the legislative proposal if such consideration is more actuarially feasible,  
14 including all of the following:

15 (1) An estimate of the number of state residents who will be directly affected  
16 by the legislative proposal.

17 (2) Estimates of changes in the rates of utilization of specific healthcare  
18 services that may result from the legislative proposal.

19 (3) Estimates concerning any changes in consumer cost sharing that would  
20 result from the legislative proposal.

21 (4) Estimates of any increases or decreases in premiums charged to covered  
22 persons or employers for health benefit plans offered in the individual, small group,  
23 and large group markets that would result from the legislative proposal.

24 (5) An estimate of the out-of-pocket healthcare cost changes associated with  
25 the legislative proposal.

26 (6) An estimate of the potential long-term healthcare cost changes associated  
27 with the legislative proposal.

28 (7)(a) An estimate of the amounts necessary to defray the cost of the mandate  
29 for health insurance products subject to state or federal laws requiring payments to

1           defray such costs, including an evaluation of whether the legislative proposal  
2           includes a mandate requiring defrayal of costs.

3           (b) The department may seek the evaluation described in this Paragraph prior  
4           to requesting the remaining actuarial review required by this Section.

5           (8) Identification of any potential health benefits for individuals or  
6           communities that would result from the legislative proposal.

7           (9) To the extent practicable, the social and economic impacts of the  
8           legislative proposal.

9           D. Contractors shall provide all of the following in the report of an actuarial  
10          review performed pursuant to this Section:

11          (1) Information described in Paragraph (C)(4) of this Section in terms of  
12          percentage increase or decrease and in terms of per-member, per-month charges.

13          (2) Information described in Paragraph (C)(5) of this Section in terms of  
14          dollar amounts.

15          (3) Information described in Paragraph (C)(7) of this Section in terms of  
16          per-member, per-month costs and monthly enrollment estimates by a health benefit  
17          plan.

18          (4) If available, information concerning who would benefit from any cost  
19          changes and health benefits from the legislative proposal, as identified in Paragraphs  
20          (C)(3) through (C)(8) of this Section, and any disproportionate effects that the  
21          legislative proposal would have on state residents, which information, if available,  
22          shall be disaggregated, at a minimum, by race, ethnicity, sex, gender, and age.

23          (5) To the extent practicable, a qualitative analysis of the impact of the  
24          legislative proposal. For purposes of this Paragraph, a member of the legislature  
25          who requests an actuarial review of a legislative proposal pursuant to this Section  
26          may designate one or more persons to provide data to the contractors in order to  
27          inform this qualitative analysis.

28          E. In performing actuarial reviews of legislative proposals, the contractors  
29          may utilize data from any reasonable source, including data collected from insurers.

1 Insurers shall provide information to, and otherwise cooperate with, the contractors  
2 and the department for purposes of this Section.

3 F. A request for an actuarial review pursuant to this Section and the final  
4 report resulting from such a request shall be treated as confidential until the  
5 legislative proposal that is the subject of the actuarial review is introduced in the  
6 regular legislative session following submission of the request for the actuarial  
7 review or, if no such legislative proposal is introduced, until after the end of the  
8 legislative session following the submission of the request.

9 G. Upon enactment of any legislative proposal for which a defrayal cost has  
10 been estimated pursuant to Paragraph (C)(7) of this Section, the department shall  
11 notify, in writing, the commissioner of administration and the chairmen of the House  
12 Committee on Appropriations and the Senate Committee on Finance of the estimated  
13 cost. Upon receipt of the written notification, the commissioner of administration  
14 shall request an appropriation to pay the estimated defrayal cost of each enacted  
15 legislative proposal prior to implementation in the subsequent plan year.

16 H. Each year following initial implementation, the department shall require  
17 insurers to provide actuarial estimates, based on appropriate claims and other data,  
18 of the per-member, per-month amount necessary to defray the cost of the enacted  
19 mandate for the subsequent plan year. After determining these estimates to be  
20 actuarially sound, the department shall notify the commissioner of administration  
21 and the chairmen of the House Committee on Appropriations and the Senate  
22 Committee on Finance of the amounts needed to defray the cost of the enacted  
23 mandates for each health benefit plan. The commissioner of administration shall  
24 request an appropriation to pay these amounts prior to implementation in the  
25 subsequent plan year.

26 I. Nothing in this Section delegates or requires delegation of any state or  
27 federal authority to a non-state entity, including but not limited to the authority to  
28 request fiscal impact analyses from the legislative fiscal office or the authority to  
29 make determinations regarding the legal status of state benefit mandates pursuant to  
30 state and federal law.

1                    J. Notwithstanding any other provision of law to the contrary, the department  
 2                    shall not engage any contractor to perform an actuarial review as described in this  
 3                    Section unless the department determines that there are adequate resources available  
 4                    within existing appropriations to compensate the contractor for actuarial review.

5                    K. Any claims, reimbursement, and other data, cost estimates, and other  
 6                    information provided by a health insurer, health plan, or other health insurance issuer  
 7                    to a contractor, the department, or any other entity pursuant to the provisions of this  
 8                    Section shall be kept confidential.

9                    Section 2. The department shall retain contracted entities, as required in R.S.  
 10                  22:2188(A) of this Act, by February 1, 2025.

11                  Section 3. Part VIII of Chapter 11 of Title 22 of the Louisiana Revised Statutes of  
 12                  1950, comprised of R.S. 22:2187, is hereby repealed in its entirety.

13                  Section 4. The Louisiana State Law Institute is hereby directed to redesignate Part  
 14                  VIII of Chapter 11 of Title 22 of the Louisiana Revised Statutes of 1950, comprised of R.S.  
 15                  22:2188, enacted by Section. 1 of this Act, as R.S. 22:2187.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

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