## 2015 Regular Session

## HOUSE CONCURRENT RESOLUTION NO. 113

#### BY REPRESENTATIVE HARRISON

### INSURANCE/GROUP-STATE: Urges and requests the Office of Group Benefits to study the cost for each member school board to terminate participation in the programs offered by the Office of Group Benefits

| 1  | A CONCURRENT RESOLUTION   |
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| 2  | To urge and request the Office of Group Benefits to study the cost for each member school     |
| 3  | board to terminate its participation in the programs offered through the Office of            |
| 4  | Group Benefits and to submit a written report of findings to the House Committee              |
| 5  | on Appropriations and the Senate Committee on Finance not later than sixty days               |
| 6  | prior to the beginning of the 2016 Regular Session of the Legislature of Louisiana.           |
| 7  | WHEREAS, R.S. 42:801 et seq. provides for group insurance for certain government              |
| 8  | employees through programs administered by the Office of Group Benefits; and                  |
| 9  | WHEREAS, R.S. 42:811 authorizes groups participating in a program offered                     |
| 10 | through the office to terminate its participation under certain circumstances; and            |
| 11 | WHEREAS, prior to withdrawing from a program offered by the office, the group                 |
| 12 | terminating its participation in the program is required to pay an actuarially determined pro |
| 13 | rata share of any accrued liabilities of the program; and                                     |
| 14 | WHEREAS, the group withdrawing is assessed for its estimated pro rata share of                |
| 15 | incurred but not reported (IBNR) claims liability for the run out of incurred claims and any  |
| 16 | group-specific known accounts payable; and  |
| 17 | WHEREAS, the pro rata share is determined by prorating the current IBNR by the                |
| 18 | total plan membership to develop a per-member IBNR factor and applying the per-member         |
| 19 | IBNR factor to the membership count of the group terminating its participation from the       |
| 20 | program; and  |

1 WHEREAS, for local school boards located in smaller parishes, the cost of 2 termination based on current assessments may be cost-prohibitive, leaving the local school 3 boards with no option but to remain in the program. 4 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby 5 urge and request the Office of Group Benefits to study the cost for each member school 6 board to terminate its participation in the programs offered through the Office of Group 7 Benefits. 8 BE IT FURTHER RESOLVED that the Office of Group Benefits shall submit a 9 written report of its findings to the House Committee on Appropriations and the Senate 10 Committee on Finance not later than sixty days prior to the beginning of the 2016 Regular 11 Session of the Legislature of Louisiana.

12 BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted

13 to the chief executive officer of the Office of Group Benefits and the commissioner of

14 administration.

# DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HCR 113 Engrossed

2015 Regular Session

Harrison

Urges and requests the Office of Group Benefits to study the cost for each member school board to terminate its participation in the programs offered through the office.