
HOUSE COMMITTEE AMENDMENTS

2016 Regular Session

Amendments proposed by House Committee on Insurance to Original House Bill No. 312
by Representative Davis

1 AMENDMENT NO. 1

2 On page 1, line 2, after "To" delete "repeal R.S. 22:1047," and insert "amend and reenact
3 R.S. 36:686(F), to enact Part VIII of Chapter 11 of Title 22 of the Louisiana Revised Statutes
4 of 1950, to be comprised of R.S. 22:2187, and to repeal R.S. 22:1047 and"

5 AMENDMENT NO. 2

6 On page 1, line 3, after "2186.1," delete "and R.S. 36:686(F),"

7 AMENDMENT NO. 3

8 On page 1, line 4, after "to" change "abolish" to "reconstitute"

9 AMENDMENT NO. 4

10 On page 1, at the end of line 6, delete "mandates." and insert "mandates; and to provide for
11 related matters."

12 AMENDMENT NO. 5

13 On page 1, between lines 7 and 8, insert the following:

14 "Section 1. Part VIII of Chapter 11 of Title 22 of the Louisiana Revised
15 Statutes of 1950, to be comprised of R.S. 22:02187, is hereby enacted to read as
16 follows:

17 PART VIII. LOUISIANA MANDATED HEALTH BENEFITS COMMISSION

18 A. The Louisiana Mandated Health Benefits Commission is hereby created
19 and shall exercise its powers, duties, functions, and responsibilities in the manner
20 provided in R.S. 36:802. The commission shall be staffed by the office of health,
21 life, and annuity within the Department of Insurance.

22 B. The commission shall be comprised of the following members:

23 (1) The chairman of the House Committee on Insurance or his designee.

24 (2) The chairman of the Senate Committee on Insurance or his designee.

25 (3) The commissioner of administration or his designee.

26 (4) Two persons appointed by the commissioner of insurance.

27 C. Members of the commission shall serve on an ex officio basis except that
28 the two persons appointed by the commissioner of insurance shall serve terms
29 concurrent with that of the commissioner of insurance.

30 D. The commission shall conduct its duties under the direction of the
31 commissioner of insurance. The commission shall elect its own chair, who shall
32 preside at meetings, and its own vice chair, who shall preside in the absence of the
33 chair. The commission shall conduct its business according to Robert's Rules of
34 Order. A quorum for conducting business shall be a majority of the members. All
35 members shall be voting members.

36 E. The commissioner of insurance shall have the authority, in addition to the
37 authority of the chairman of the commission, to order the commission to convene to
38 conduct its business.

39 F. Pursuant to 42 U.S.C. 18031(d)(3)(B), the annual cost of any mandated
40 benefit in excess of Essential Health Benefits (EHBs) for Qualified Health Plans
41 (QHPs) shall be a legal obligation of the state of Louisiana and shall be defrayed by

the state through direct reimbursement to any health insurance issuer entitled to such reimbursement pursuant to 42 U.S.C. 18031(d)(3)(B)

G. The duties of the commission shall include:

(1) Reviewing proposed legislation in any session of the legislature to determine if the legislation creates a mandated health benefit that would require the state to defray the costs of the mandate for QHPs in excess of EHBs pursuant to 42 U.S.C. 18031(d)(3)(B). The commission shall give full consideration to relevant implementing regulations in Title 45 of the Code of Federal Regulations.

(a) After reviewing such proposed legislation, the commission, if it determines that a mandate for QHPs is in excess of EHBs, shall, in consultation with the Department of Insurance, notify the House and Senate committees on insurance of the commission's determination that a mandate has been proposed and shall provide an actuarial cost projection for the cost of the proposed mandate for QHPs and non-QHPs.

(b) In the event that the legislature enacts a mandate that is in excess of EHBs, the commission shall determine, pursuant to the review process specified in this Paragraph, what the cost of the enacted mandate is to all QHPs and shall, by majority vote in an open meeting, adopt an actuarially sound cost estimate for the first plan or policy year for the mandate in excess of EHBs for all QHPs in this state.

(c) Following the adoption of the cost estimate by majority vote, the commission shall tender the cost estimate to the division of administration, the speaker of the House of Representatives, the president of the Senate, and the chairman of the House Committee on Appropriations, the chairman of the House Committee on Insurance, the chairman of the Senate Committee on Finance, and the chairman of the Senate Committee on Insurance.

(d) For any policy or plan years following the initial effective policy or plan year, the commission shall include historical experience of the cost of the mandate in excess of EHBs in its deliberative process.

(e) Following adoption of the cost estimate, the commission shall, in conjunction with the Department of Insurance, give formal notice of such adoption in the State Register.

(2) Conducting the review process specified in this Subsection for any mandate that was enacted after December 31, 2011, and if determined to be a mandate in excess of EHBs for QHPs, the commission shall follow the process for adoption of the cost of the enacted mandate in the manner prescribed in Subparagraphs (1)(b) through (e) of this Subsection.

(3) Promulgating rules and regulations pursuant to the Administrative Procedure Act.

(4) Any functions necessary and proper for the completion of the duties specified in this Subsection.

H. Any health insurance issuer that issues QHPs shall have the right to appear and be heard and to submit information to the commission for consideration in the performance of the duties of the commission.

I. Any health insurance issuer that objects to the adoption of the cost estimate pursuant to Subsection G of this Section shall have the right to file an appeal in the Nineteenth Judicial District Court of the state of Louisiana within thirty days of the adoption of the cost estimate in open meeting.

J. For purposes of this Section, "health insurance issuer" means an entity subject to the insurance laws and regulations of this state, or subject to the jurisdiction of the commissioner, that contracts or offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services, including through a health benefit plan, and shall include a sickness and accident insurance company, a health maintenance organization, a preferred provider organization or any similar entity, or any other entity providing a plan of health insurance or health benefits.

Section 2. R.S. 36:686(F) is hereby amended and reenacted to read as follows:

§686. Transfer of agencies to the Department of Insurance

* * *

1 F. The Louisiana Mandated Health Benefits Commission (~~R.S. 22:2186 et~~
2 ~~seq.~~) (R.S. 22:2187) is hereby placed within the Department of Insurance and shall
3 exercise its powers, duties, functions, and responsibilities in the same manner as
4 agencies transferred in the manner provided in R.S. 36:802.
5 * * *

6 AMENDMENT NO. 6

7 On page 1, at the beginning of line 8, change "Section 1. R.S. 22:1047," to "Section 3. R.S.
8 22:1047 and"

9 AMENDMENT NO. 7

10 On page 1, line 9, after "2186.1," delete "and R.S. 36:686(F)"