

RÉSUMÉ DIGEST

ACT 676 (SB 554)

2018 Regular Session

Claitor

Prior law required employer and employee contributions for payment of premiums for group benefits to be deposited directly with the Office of Group Benefits (OGB).

New law retains prior law and requires employer and employee contributions for payment of premiums for group benefits to be deposited directly with OGB or its third-party administrator.

Excludes from the deposit requirement premiums associated with either of the following:

- (1) Any individual Medicare marketplace health reimbursement arrangement contracted by OGB for Medicare-eligible enrollees.
- (2) Health plans administered by LSU.

Prior law required the loss of eligibility for coverage under both the life insurance plan and the health and accident insurance plan by any person convicted of fraudulently obtaining funds from OGB.

New law permits OGB to retroactively cancel coverage in the following instances:

- (1) To the extent the cancellation of coverage is attributable to a failure by the enrollee to timely pay required premiums or contributions toward the cost of coverage.
- (2) The cancellation of coverage is initiated by the enrollee or dependent.

New law provides the enrollee whose coverage is cancelled pursuant to new law is liable to OGB for all benefits paid by the office on behalf of the enrollee and dependents after the effective date of rescission or cancellation of coverage.

Prior law required coverage of any person with a developmental disability who acquired such disability prior to attaining the age of 21, with one parent whose coverage of such person was terminated as a result of lost employment of the parent and one parent who is an employee.

New law permits OGB to offer group insurance coverage to the following dependents of an enrollee:

- (1) The spouse of the enrollee.
- (2) A child or grandchild of the enrollee, until the end of the month the child reaches the age of 26, unless coverage is terminated earlier.
- (3) A dependent for whom the enrollee has court-ordered legal custody or court-ordered legal guardianship until the dependent turns 18.

Prior law permitted OGB participating employers to deduct from the employee's pay the employee's portion of the premiums for benefit programs.

New law retains prior law and allows deduction of surcharges and other voluntary contributions authorized by the employee in writing.

Prior law permitted OGB to impose a surcharge, payable solely by the participant employer, upon any class of employees or retirees. Further requires OGB to remove the participant employer and all of its employees and retirees from participation in OGB programs for failure to pay the surcharge.

New law retains prior law and authorizes OGB to impose a surcharge on an enrollee and to remove an enrollee and his dependents for failing to pay the surcharge.

Prior law provided for filling vacancies on the OGB Policy and Planning Board.

New law retains prior law and requires the board to fill a vacancy by appointment in the event no person qualifies to run for one or more elected positions. Requires the board to promulgate rules to implement new law.

Effective August 1, 2018.

(Amends R.S. 42:805(D), 807, 808(E), 809, 857, 883(A); adds R.S. 42:808(F) and 882(D)(3); repeals R.S. 42:804, 854(A) and (B), and 855 and R.S. 22:1002)