

2020 Regular Session

SENATE BILL NO. 174

BY SENATOR BERNARD

HEALTH/ACC INSURANCE. Provides relative to health insurance. (8/1/20)

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AN ACT

To amend and reenact R.S. 22:1063(C), 1068(B)(2), 1074(B)(2), 1091(B)(9), 1092(I), and the introductory paragraph of R.S. 22:2401, relative to health insurance; to make technical changes in references to federal law; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1063(C), 1068(B)(2), 1074(B)(2), 1091(B)(9), 1092(I), and the introductory paragraph of R.S. 22:2401 are hereby amended and reenacted to read as follows:

§1063. Prohibiting discrimination against individual participants and beneficiaries based on health status

\* \* \*

C. A health insurance issuer offering group health insurance coverage shall not rescind such coverage with respect to an enrollee or insured once the enrollee or insured is covered under such coverage involved, except that this Subsection shall not apply to an enrollee or insured who has performed an act or practice that constitutes fraud or makes an intentional misrepresentation of material fact. Such coverage may not be cancelled except with prior notice to the enrollee or insured,

1 and ~~only as permitted by~~ **shall comply with any applicable** federal law or regulation  
 2 ~~pursuant to 42 U.S.C.A. Section 300gg-12, (Public Health Services Act).~~ The  
 3 provisions of this Subsection shall not apply to limited benefit health insurance  
 4 policies or contracts, disability income, long-term care, nursing home care, home  
 5 health care, community based care, dental or vision benefits, Medicare supplement,  
 6 specified disease or illness, hospital indemnity or other fixed indemnity insurance,  
 7 workers' compensation or similar insurance.

\* \* \*

9 §1068. Guaranteed renewability of coverage for employers in the group market

10 \* \* \*

11 B. A health insurance issuer may non-renew or discontinue health insurance  
 12 coverage offered in connection with a group health plan in the small or large group  
 13 market based only on one or more of the following:

14 \* \* \*

15 (2) The plan sponsor has performed an act or practice that constitutes fraud  
 16 or made an intentional misrepresentation of material fact. Such health insurance  
 17 coverage may not be cancelled except with prior notice to the enrollee or insured,  
 18 and ~~only as permitted by~~ **shall comply with any applicable** federal law or regulation  
 19 ~~pursuant to 42 U.S.C. A. Section 300gg-12, (Public Health Services Act).~~ The  
 20 provisions of this Paragraph shall not apply to limited benefit health insurance  
 21 policies or contracts authorized to be issued in this state. The provisions of this  
 22 Subsection shall not apply to limited benefit health insurance policies or contracts,  
 23 disability income, long-term care, nursing home care, home health care, community  
 24 based care, dental or vision benefits, Medicare supplement, specified disease or  
 25 illness, hospital indemnity or other fixed indemnity insurance, workers'  
 26 compensation or similar insurance.

27 \* \* \*

28 §1074. Guaranteed renewability of individual health insurance coverage

29 \* \* \*

1 B. A health insurance issuer may non-renew or discontinue health insurance  
2 coverage of an individual in the individual market based only on one or more of the  
3 following:

4 \* \* \*

5 (2) The individual has performed an act or practice that constitutes fraud or  
6 made an intentional misrepresentation of material fact. Such health insurance  
7 coverage may not be cancelled except with prior notice to the enrollee or insured,  
8 and ~~only as permitted by~~ **shall comply with any applicable** federal law or regulation  
9 ~~pursuant to 42 U.S.C. Section 300gg-12, (Public Health Services Act).~~ The  
10 provisions of this Paragraph shall not apply to limited benefit health insurance  
11 policies or contracts authorized to be issued in this state. The provisions of this  
12 Subsection shall not apply to limited benefit health insurance policies or contracts,  
13 disability income, long-term care, nursing home care, home health care, community  
14 based care, dental or vision benefits, Medicare supplement, specified disease or  
15 illness, hospital indemnity or other fixed indemnity insurance, workers'  
16 compensation or similar insurance.

17 \* \* \*

18 §1091. Health insurance plans subject to rate review

19 \* \* \*

20 B. As used in this Subpart, the following terms shall have the meanings  
21 ascribed to them in this Section:

22 \* \* \*

23 (9) "Index rate" means the average rate resulting from the estimated  
24 combined claims experience for all Essential Health Benefits, pursuant to 42 U.S.C.  
25 18022, Section 1302(b) of the Patient Protection and Affordable Care Act, of all  
26 nontransitional and nongrandfathered health plan coverage within a health insurance  
27 issuer's single, statewide risk pool in the individual market and within a health  
28 insurance issuer's single, statewide risk pool in the small group market, with a  
29 separate index rate being calculated for each market. Health insurance issuers may



Effective August 1, 2020.

(Amends R.S. 22:1063(C), 1068(B)(2), 1074(B)(2), 1091(B)(9), 1092(I), and 2401(intro para))