SLS 20RS-128 **ENGROSSED**

2020 Regular Session

SENATE BILL NO. 122

BY SENATORS CARTER, BARROW AND CLOUD

GROUP BENEFITS PROGRAM. Provides relative to notice and appeal rights for over-age dependent coverage by any health plan offered under the purview of the Office of Group Benefits. (8/1/20)

AN ACT

To amend and reenact R.S. 42:808(F), relative to the Office of Group Benefits; to provide for the coverage of certain dependents; to provide for notice to certain parents and grandparents; to provide for the right to appeal to an appeal review panel in certain circumstances; to provide relative to the authority of appeal review panels; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 42:808(F) is hereby amended and reenacted to read as follows:

§808. Eligibility in group programs

* * *

F.(1) Attainment of the respective limiting age of a child or grandchild shall not operate to terminate the coverage of such child or grandchild if the child or grandchild became incapable of self-sustaining employment by reason of physical or mental disability prior to attaining the respective limiting age, provided that **no later than seven months** before the child or grandchild reaches the limiting age, **the health plan authorized by R.S. 42:851(A) shall send a notice notifying the parent or grandparent that the coverage shall expire unless** ~~but no earlier than six~~

~~months prior thereto,~~ an application for continued coverage is filed with the office on a form designated by the office, and the application is subsequently approved. **The notice shall provide that if the application for continued coverage is not filed prior to the date the child or grandchild reaches the respective limiting age, the child or grandchild shall lose coverage. The notice shall explain the right of the parent or grandparent to appeal for an administrative review if the documentation is not submitted timely.** This application shall be **submitted no earlier than six months prior to the child or grandchild attaining the respective limiting age and shall be** accompanied by an attestation from the dependent's attending physician setting forth the specific physical or mental disability and certifying that the child or grandchild is incapable of self-sustaining employment by reason of that disability. The office may require additional medical or other supporting documentation regarding the disability to process the application.

(2) After the initial approval, the office may require the submission of additional medical or other supporting documentation substantiating the continuance of the disability, but not more frequently than annually, as a precondition to continued coverage. **If continued coverage is denied due to the failure of the parent or grandparent to obtain the additional documentation, upon submitting the documentation, the parent or grandparent may appeal for an administrative review to reinstate the coverage. For good cause shown and after considering the totality of the circumstances, the administrative review panel may decide to reinstate coverage for the child or grandchild.**

(3) The parent or grandparent who fails to submit the application for continued coverage prior to the date the child or grandchild reaches the respective limiting age, may appeal for an administrative review of the denial of coverage. The parent or grandparent shall explain the reasons for the untimely filing. For good cause shown and after considering the totality of the circumstances, the administrative review panel may decide to continue coverage for the child or grandchild.

(4) The provisions of this Subsection shall apply to any health plan authorized by R.S. 42:851(A).

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

DIGEST

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Present law provides for eligibility in programs sponsored by the Office of Group Benefits, subject to certain limitations.

Present law authorizes the Office of Group Benefits to procure private contracts of policies of group health, accident, accidental death and dismemberment, and hospital, surgical, or medical expense benefits and to contract for all or a portion of the administration, operation, or both of a self-funded program for that purpose.

Present law provides that the respective limiting age of a child or grandchild of an enrollee shall not terminate the coverage of the child or grandchild if they are incapable of self-sustaining employment by reason of physical or mental disability prior to attaining the respective limiting age.

Present law further provides that before the child or grandchild reaches the limiting age, but no earlier than six months before, an application for continued coverage is filed and subsequently approved.

Present law stipulates the application shall be accompanied by an attestation from the dependent's attending physician specifying the physical or mental disability and certifying that the child or grandchild is incapable of self-sustaining employment by reason of that disability. The office may require additional medical or other supporting documentation regarding the disability to process the application.

Present law also provides that after the initial approval, the office may require the submission of additional medical or other supporting documentation substantiating continued disability, but not more frequently than annually, as a precondition to continued coverage.

Proposed law provides that no later than seven months before the child or grandchild reaches limiting age, the health plan shall send notice to the parent or grandparent that coverage expires unless an application for continued coverage is filed. Proposed law stipulates that the notice shall specify that if the application for continued coverage is not filed prior to the date the child or grandchild reaches the respective limiting age, the child or grandchild shall lose coverage.

Proposed law requires that the notice contain an explanation of the right of the parent or grandparent to appeal for an administrative review if the documentation is not submitted timely. Proposed law requires that the application be submitted no earlier than six months prior to the child or grandchild attaining the respective limiting age.

Proposed law provides that if continued coverage is denied due to failure to obtain the additional required documentation, upon submitting documentation, the parent or grandparent shall have the right to appeal for an administrative review to reinstate the coverage. The administrative review panel may decide, after consideration of the totality of circumstances and for good cause, to reinstate coverage.

Proposed law further provides that if the parent or grandparent does not submit the

application for continued coverage prior to the date the child or grandchild reaches the respective limiting age, they shall have the right to appeal for an administrative review and to explain the reasons for untimely filing. Authorizes the administrative review panel to decide, after consideration of the totality of circumstances and for good cause, to reinstate coverage.

Proposed law applies to any health plan under the purview of present law.

Effective August 1, 2020.

(Amends R.S. 42:808(F))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Changes time period for the health plan to give notice to the parent or grandparent that coverage shall expire unless an application for continued coverage is received and approved from eight months to seven months.

2. Provides that the entity giving the notice to the parent or grandparent shall be the health plan authorized by current law.

3. Changes references from "appeal review panel" to "administrative review".