

RÉSUMÉ DIGEST

ACT 56 (HB 695)

2022 Regular Session

Wright

Existing law provides for health and accident insurance. New law retains existing law and the meaning of such insurance, but changes the terminology from health and accident to accident and health or sickness insurance.

Existing law authorizes a self-insurer with a certificate of authority in accordance with existing law (R.S. 22:1541 et seq.) to contract with and appoint, as its producer or producers, any person licensed as a life and health producer. Requires the appointed producer to receive notification that its appointment has been recorded by the commissioner of insurance prior to making solicitations of insurance. Further authorizes the producer to begin solicitation of insurance if the commissioner has not notified the self-insurer of the commissioner's disapproval of the producer within 30 days of receipt of the self-insurer's appointment of the producer. New law retains existing law.

Prior law required a self-insurer to submit to the commissioner by certified mail an alphabetical list of the licensed producers it wished to appoint, together with a \$10 fee for each appointment, by March 1st of each year. Required appointments to remain effective until the 30th day of April following the date of recordation by the commissioner, unless the appointment was revoked by the commissioner or canceled by the self-insurer through its written notice to the producer and the commissioner. New law deletes prior law.

Prior law assessed a self-insurer a \$10 fine for each producer's appointment untimely received by the commissioner after March 1st of each year. New law deletes prior law.

New law requires a self-insurer to file a notice of a producer's appointment in a manner prescribed by the commissioner within 15 days from the date the agency contract is executed. Requires appointment notice to include the fee prescribed in existing law (R.S. 22:821).

New law provides that if any producer is operating or intends to operate as a partnership, corporation, or other business entity, the appointments in new and existing law may be issued by a self-insurer in the name of the partnership, corporation, or other business entity if all persons in such partnership, corporation, or business entity actively engaged in soliciting, negotiating, or effecting contracts of insurance or renewals also hold an active producer license and are registered in accordance with new and existing law.

New law provides for appointments to remain effective until the following date of renewal, unless the license of the named appointed producer is revoked by the commissioner or until canceled by the insurer through written notice to the producer and the commissioner.

New law provides that appointments for individual producers expire on January 1st of each year. Requires a self-insurer to submit to the commissioner, in a manner prescribed by the commissioner, a list of appointed individual producers which it intends to reappoint by the expiration date of January 1st, including the fee prescribed in existing law (R.S. 22:821).

New law provides that appointments for a business entity expire on August 1st of each year and requires a self-insurer to submit to the commissioner, in a manner prescribed by the commissioner, a list of appointed business entity producers which it intends to reappoint no later than the expiration date of August 1st, including the fee prescribed in existing law (R.S. 22:821).

New law provides that if a self-insurer issues or delivers a policy or contract of insurance pursuant to the application or request of a producer who is not appointed to represent the self-insurer as a producer, the self-insurer is deemed to have authorized such producer to act on the insurer's behalf. Provides that payment to the producer is payment to the self-insurer with all resultant obligations and duties.

New law establishes an agency relationship for premiums collected pursuant to new and existing law.

Existing law prohibits an insurer or producer from canceling or rewriting certain contracts which would change the producer of record during the term of the contract. New law retains

existing law but authorizes such alterations to a contract upon specific, written instruction of the owner of the policy or the first-named insured on the policy.

New law makes technical changes.

Effective August 1, 2022.

(Amends R.S. 22:456, 1547(F) and (I)(intro. para.), 1551(C)(intro. para.), (3), and (4), 1564(B)(2), 1573(C), (E), and (G), 1575(A)(1), and 1808.4(A)(2))