
DIGEST

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HB 616 Original

2024 Regular Session

Green

Abstract: Requires legislative review and actuarial analysis of proposed, mandated healthcare legislation.

Proposed law requires the Dept. of Insurance (DOI) to implement a process for actuarial reviews of healthcare legislation. By Dec. 1, 2024, proposed law requires DOI to contract with one or more entities with experience in actuarial reviews and healthcare policy for the purpose of performing actuarial reviews of legislative proposals.

Proposed law requires at least one of the contracted entities to be an actuary or actuarial firm with experience analyzing health insurance premiums. Requires contractors to conduct actuarial reviews of up to 6 legislative proposals, regardless of the number of legislative proposals that are requested for each regular legislative session.

Proposed law requires DOI to hold a public meeting no later than Sept. 1, 2024, to obtain input and recommendations from stakeholders.

Proposed law requires legislators requesting actuarial reviews of legislative proposals to submit requests to DOI no later than Dec. 1st of the year preceding the regular session of the legislature in which the legislative proposal will be proposed. Requires DOI to notify the chairmen of the respective House and Senate Committees on Insurance of the requests and selection of proposals for contractors' review. Further requires each respective chairman to notify DOI of 3 proposed selections by Dec. 15 of the year preceding the regular session of the legislature.

Proposed law requires contractors to consider in actuarial reviews the predicted effects of the legislative proposal during the 5 years immediately following the effective date of the proposal, or during another time period following the effective date of the proposal if such consideration is more actuarially feasible. Predicted effects include but are not limited to certain estimated cost changes with respect to consumer cost sharing, premiums, out-of-pocket expenses, impacts to health benefit plans, and social and other economic impacts.

Proposed law requires contractors to provide certain information regarding actuarial reviews including but not limited to enrollment estimates of health benefit plans and certain disaggregated demographic information.

Proposed law provides for qualitative analysis of the impact of legislative proposals. Authorizes a legislator who requests an actuarial review of a legislative proposal to designate one or more persons

to provide data to contractors in order to inform the qualitative analysis. Authorizes contractors performing legislative reviews to use data from any reasonable source, including data collected from insurers. Further requires insurers to provide information to and cooperate with contractors and DOI.

Proposed law provides that the reports of actuarial reviews are confidential, except to the requesting legislator or the respective chairmen of the House and Senate Committees on Insurance, until the legislative proposal is introduced in the following regular legislative session, or if no legislative proposal is introduced, until after the end of the legislative session following the submission of the request.

Proposed law requires DOI to provide written notification to the commissioner of administration and the chairmen of the House Appropriations Committee and Senate Finance Committee of the estimated defrayal cost. Upon receipt of the written notification, proposed law requires the commissioner of administration to request an appropriation to pay the estimated defrayal cost of each enacted legislative proposal prior to implementation in the subsequent plan year.

Proposed law requires insurers to provide actuarial estimates, based on appropriate claims and data of the per-member, per-month amount necessary to defray the cost of the enacted mandate for the subsequent plan year. Requires estimates to be actuarially sound. Requires DOI to notify the commissioner of administration and the chairmen of the House Appropriations Committee and Senate Finance Committee of the amounts needed to defray the cost of the enacted mandates for each health benefit plan. Further requires the commissioner of administration to request an appropriation to pay these amounts prior to implementation in the subsequent plan year.

Proposed law prohibits DOI from engaging a contractor to perform an actuarial review unless DOI determines adequate resources within existing appropriations for compensation.

Present law provides for the La. Mandated Health Benefits Commission. Proposed law repeals present law and authorizes the La. State Law Institute to redesignate proposed law.

(Adds R.S. 22:2188; Repeals R.S. 22:2187)