

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 200

2024 Regular Session

Melerine

WORKERS COMPENSATION: Provides relative to past payments of workers' compensation premiums

Synopsis of Senate Amendments

1. Modifies the notification requirements for how and when the insurer shall provide written notice to the insured in regards to recovering a past due payment of workers' compensation premiums.
2. Prohibits any insurer from modifying or completing a payroll audit more than three years after the end of the policy period.
3. Provides exceptions for when an insurer can modify or complete a payroll audit more than three years after the end of the policy period.
4. Removes provisions of proposed law regarding if the National Council on Compensation Insurance conducts an audit and reclassifies an employee.
5. Removes the provision of proposed law that exempted self-insurance funds from proposed law.
6. Makes technical changes.

Digest of Bill as Finally Passed by Senate

Proposed law prohibits an insurer from collecting a pay due payment of workers' compensation premiums from an insured for a claim that arises out of the misclassification of an employee, unless, the insurer provides written notice to the insured by certified mail, commercial courier, or via electronic transmission within 90 days of the completion of the payroll audit.

Proposed law prohibits an insurer from collecting additional workers' compensation premiums, if the insurer conducts a payroll audit and fails to notify the insured by the aforementioned notification requirements. Proposed law clarifies that an audit by the insurer shall serve as notice to the insured.

Proposed law prohibits an insurer from modifying or completing a payroll audit more than three years after the end of the policy period or cancellation of a workers' compensation policy. Proposed law also provides that the provisions of proposed law (R.S. 23:1172.3(C)) shall not apply to the following:

- (1) A misrepresentation or omission of relevant information during a prior audit.
- (2) A noncompliant payroll audit.
- (3) A payroll audit disputed by an insured.
- (4) Any modification or review related to a fraud investigation.
- (5) Reclassification due to a determination by a court of competent jurisdiction.

Proposed law allows an insurer to return premiums to the insured if the insurer receives relevant information after the audit is completed.

Proposed law provides that proposed law does not apply to self-insurance funds.

(Adds R.S. 23:1172.3)