

RÉSUMÉ DIGEST

ACT 782 (HB 200)

2024 Regular Session

Melerine

New law provides the circumstances for when an insurer is allowed or prohibited from collecting past payments of workers' compensation premiums.

New 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.

New law prohibits an insurer from collecting additional workers' compensation premiums, if the insurer conducts a payroll audit, which shall serve as notice to the insured, and fails to notify the insured by the notification requirements provided for in new law.

New law prohibits an insurer from modifying or completing a payroll audit more than three years after the end of the policy period.

New law provides the following exceptions for instances where the provisions of new law do not apply:

- (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) A reclassification due to a determination by a court of competent jurisdiction.

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

New law does not apply to self-insurance funds.

Effective August 1, 2024.

(Adds R.S. 23:1172.3)