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## DIGEST

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Huval

HB No. 414

**Abstract:** Authorizes agency fees on health and accident insurance policies.

Present law prohibits an insurer or its representative, including an insurance producer (agent) from charging or receiving any fee, compensation, or consideration for insurance which is not included in the premium quoted to the insured and the premium specified in the policy delivered to the insured, except for the following: the premium tax on a surplus lines policy, reimbursement for expenses due the producer, and for an agency fee. Specifically authorizes a producer to receive reimbursement from the insured for expenses and to charge a reasonable agency fee directly related to the services provided by the producer on all insurance policies other than life, annuity, health and accident, and reinsurance policies. Further requires that such an agency fee be prominently disclosed and itemized separately on the invoice.

Proposed law deletes the exemption of health and accident policies from present law, thus extending the authorization for a producer to receive reimbursement from the insured for expenses and to charge a reasonable agency fee related to the services provided by the producer to health and accident insurance policies.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:855(H))