

Regular Session, 2013

HOUSE BILL NO. 524

BY REPRESENTATIVE BURRELL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/HEALTH: Provides relative to group blanket health and accident insurance

1 AN ACT

2 To amend and reenact R.S. 22:1000(A)(3)(a), (b), (c), (d), (f), (g), and (h) and to enact R.S.
3 22:1000(A)(3)(i) through (p), relative to group blanket health and accident
4 insurance; to provide additional special groups relative to group blanket health and
5 accident insurance; to clarify provisions relative to policies of group blanket health
6 and accident insurance and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:1000(A)(3)(a), (b), (c), (d), (f), (g), and (h) are hereby amended
9 and reenacted and R.S. 22:1000(A)(3)(i) through (p) are hereby enacted to read as follows:

10 §1000. Group, family group, blanket, and association health and accident insurance

11 A. Any insurer authorized to write health and accident insurance in this state
12 shall have the power to issue policies described in this Section.

13 * * *

14 (3) Blanket health and accident insurance is any policy covering special
15 groups of persons as enumerated in one of the following Subparagraphs (a) through
16 ~~(g)~~: (o):

17 (a) Under a policy or contract issued to any common carrier or to any
18 operator, owner, or lessee of a means of transportation which operates as a common
19 carrier, which shall be deemed the policyholder, covering a group defined as all

1 persons who may become passengers on such common carrier or means of
2 transportation.

3 (b) Under a policy issued to an employer, who shall be deemed the
4 policyholder, covering any group of employees, dependents or guests defined by
5 reference to ~~exceptional~~ hazards incident to activities or operations of the
6 policyholder such employment.

7 (c) Under a policy issued to a college, school, or other institution of learning,
8 a school district or districts or school jurisdictional unit, or to the head, ~~or~~ principal,
9 or governing board thereof, of that institution who or which shall be deemed the
10 policyholder, covering students, ~~or~~ teachers, employees, or volunteers.

11 (d) Under a policy issued in the name of any volunteer or governmental fire
12 department, first aid, civil defense, or other such volunteer group, which shall be
13 deemed the policyholder, covering any group ~~all~~ of the members, participants, or
14 volunteers incident to any activities or operations sponsored or supervised by ~~of~~ such
15 department or group.

16 * * *

17 (f) Under a policy or contract issued to a sports team, camp, or sponsor
18 thereof which shall be deemed the policyholder, covering members, campers,
19 employees, officials, supervisors, or volunteers.

20 (g) Under a policy or contract issued to a religious, charitable, recreational,
21 educational, or civic organization or branch thereof, which shall be deemed the
22 policyholder, covering any group of members, participants, or volunteers defined by
23 reference to specified hazards incident to any activities or operations sponsored or
24 supervised by or on the premises of such policyholder.

25 (h) Under a policy or contract issued to a newspaper or other publisher,
26 which shall be deemed the policyholder, covering its carriers.

27 (i) Under a policy or contract issued to a restaurant, hotel, motel, resort,
28 innkeeper, or other group with a high degree of potential customer liability, which
29 shall be deemed the policyholder, covering patrons, guests, or volunteers.

1 (j) Under a policy or contract issued to a health maintenance organization,
2 a health care provider or other arranger of health services, which shall be deemed the
3 policyholder, covering subscribers, patients, donors, and surrogates, provided that
4 the coverage is not made a condition of receiving care.

5 (k) Under a policy or contract issued to a bank or other financial association
6 or institution, vendor, or to a parent holding company or to the trustee, trustees, or
7 agent designated by one or more banks or other financial associations or institutions
8 or vendors under which account holders, credit card holders, debtors, guarantors, or
9 purchasers are insured.

10 (l) Under a policy or contract issued to an incorporated or unincorporated
11 association of persons having a common interest or calling, formed for purposes
12 other than obtaining insurance, which association shall be deemed the policyholder,
13 covering members or participants of such association.

14 (m) Under a policy or contract issued to a travel agency or other organization
15 that provides travel related services, which organization shall be deemed the
16 policyholder, to cover all persons for which travel related services are provided.

17 ~~(f)~~ (n) Under a policy issued to any other ~~substantially similar group risk or~~
18 class of risks which, in the discretion of the commissioner of insurance, may be
19 subject to the issuance of a blanket health and accident policy. The discretion of the
20 commissioner may be exercised on an individual risk basis or class of risks, or both.

21 ~~(g)~~ (o) Under a policy or contract issued to the Department of Health and
22 Hospitals, which shall be deemed the policyholder, covering a group defined as all
23 persons who are eligible for medical assistance pursuant to a coverage program
24 implemented pursuant to approval of the secretary of the United States Department
25 of Health and Human Services using authority granted under Section 1115 of the
26 Social Security Act.

27 ~~(h)~~ (p) An individual application shall not be required from a person covered
28 under such a blanket policy. The insurer shall furnish to the policyholder for
29 delivery to the insured a certificate of insurance which shall disclose the benefits,

1 limitations, exclusions, and reductions contained in the policy and the provisions
 2 relating to notice of claim, proof of loss, time of payment of claim, and any other
 3 relevant information, including the name and address of the insurer. All benefits
 4 under any such blanket policy shall be payable to the person insured, or to his
 5 designated beneficiary or beneficiaries, if the policy permits the designation of
 6 named beneficiaries, or to his estate, except that if the person insured be a minor
 7 such benefits may be made payable to his parent, guardian, or other person actually
 8 supporting him.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Burrell

HB No. 524

Abstract: Adds categories of special groups to the enumerated list of special groups which may be covered by blanket health and accident insurance.

- (1) Present law recognizes group health and accident insurance as a policy of health and accident insurance which covers more than one person, with certain exceptions.
- (2) Present law recognizes blanket health and accident insurance as a type of group health and accident insurance that covers special groups of persons. Present law further lists these special groups.

Proposed law retains present law and adds to the list of special groups with respect to blanket health and accident insurance.

- (3) Present law lists common carriers as a special group.

Proposed law retains present law and clarifies that the special group of "common carriers" includes any operator, owner, or lessee of a means of transportation that operates as a common carrier.

- (4) Present law lists employers as a special group, and states that the policy of insurance shall cover employees defined by reference to exceptional hazards incident to employment.

Proposed law alters present law to include coverage for dependents or guests of an employer, as defined by reference to hazards incident to any activities or operations of the employer-policyholder.

- (5) Present law lists colleges, schools, and other institutions of learning as a special group, stating that the head or principal of such institution of learning is the policyholder. Present law states that coverage may extend to students and teachers.

Proposed law retains present law and adds school districts and school jurisdiction units to the type of institutions of learning which may be recognized as a special

group; further includes a governing board of such institution as a potential policyholder. Proposed law further extends coverage to employees and volunteers of such institutions.

- (6) Present law lists volunteer fire departments, first aid groups, and other such groups as a special group. Present law states that coverage extends to all members of such fire departments and first aid groups.

Proposed law retains present law and adds governmental fire departments, as well as civil defense groups. Proposed law further extends coverage to "participants" and "volunteers" of such departments and first aid or civil defense group, incident to sponsored or supervised activities.

- (7) Proposed law adds sports teams, camps, and their sponsors to the list of special groups, with coverage extended to members, campers, employees, officials, supervisors, and volunteers.

- (8) Proposed law adds religious, charitable, recreational, educational, and civic organizations to the list of special groups, with coverage extended to members participants, and volunteers.

- (9) Proposed law adds newspapers and their publishers to the list of special groups, with coverage extended to carriers of such newspapers.

- (10) Proposed law adds restaurants, hotels, motels, resorts, innkeepers, and establishments with a high degree of customer liability to the list of special groups, with coverage extended to patrons, guests, and volunteers.

- (11) Proposed law adds health maintenance organizations, health care providers and other arrangers of health services, with coverage extended to subscribers, patients, donors, and surrogates. Proposed law stipulates that such coverage shall not be made a condition precedent to such individuals receipt of care.

- (12) Proposed law adds banks and other financial associations or institutions to the list of special groups, with coverage extended to account holders, credit card holders, debtors, guarantors, and purchasers.

- (13) Proposed law adds incorporated and unincorporated associations of persons who have a common interest other than the purpose of obtaining insurance to the list of special groups. Coverage extends to members and participants of such associations.

- (14) Proposed law adds travel agencies and organizations that provide travel related services to the list of special groups, with coverage extended to all persons for which travel related services are provided.

- (15) Present law lists "substantially similar groups" as a special group which, subject to the discretion of the commissioner of insurance.

Proposed law changes "substantially similar group" to "risk or class of risks" and authorizes the commissioner to exercise his discretion on an individual risk basis or as a class of risks, or both.

- (16) Present law lists policies issued to the Department of Health and Hospitals as a special group.

Proposed law retains present law.

- (17) Present law states that an individual application shall not be required of a person covered by such a group blanket policy.

Proposed law retains present law.

(Amends . R.S. 22:1000(A)(3)(a), (b), (c), (d), (f), (g), and (h); adds R.S. 22:1000(A)(3)(i)-(p))