

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 614** HLS 13RS 993  
 Bill Text Version: **RE-REENGROSSED**  
 Opp. Chamb. Action: **w/ SEN COMM AMD**  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 23, 2013	11:44 AM	<b>Author:</b> HUVAL
<b>Dept./Agy.:</b> Louisiana Department of Insurance		<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Provide for licensing and regulation of health ins navigators		

INSURANCE/HEALTH RR1 +\$44,000 SG EX See Note Page 1 of 1  
 Provides for licensing and regulation of individuals and entities as health insurance navigators for a health benefit exchange

Proposed law provides for licensing and regulation by the commissioner of insurance of individuals and entities as navigators for health benefit exchanges authorized under the federal Patient Protection and Affordable Care Act (PPACA); establishes qualifications for individual navigators associated with health benefit exchanges; provides that entities acting as navigators or supervising navigators shall obtain a navigator entity license and establishes requirements; provides for the duration of a navigator license; requires certain ongoing training and continuation requirements for navigators; prohibits certain acts by navigators; authorizes the commissioner to place on probation, suspend, revoke, refuse to issue, renew or reinstate a navigator license; provides for levy of a fine not to exceed \$500 for violations; provides for restitution; authorizes examination and review of business affairs and records; requires disclosure by navigators of administrative actions taken by governmental agencies or criminal prosecution; provides for notification of navigator termination; exempts existing licensed insurance producers from proposed law; and authorizes promulgation of rules.

<b>EXPENDITURES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$44,000	\$0	\$0	\$0	\$0	<b>\$44,000</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$44,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$44,000</b>

<b>REVENUES</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW	SEE BELOW	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law will result in an increase in expenditures for the Louisiana Department of Insurance (LDI). Proposed law provides for the licensing and regulation of individuals and entities as health insurance navigators for health benefit exchanges authorized under the federal PPACA.

The Louisiana Department of Insurance estimates the requirements detailed in proposed law will result in the licensure and monitoring of approximately 100-150 navigators. The department anticipates that it is capable of absorbing the additional workload utilizing existing staff and expenditure authority. LDI will also require information technology programming of the LDI data system to accommodate the new proposed license type at a one-time cost of \$44,000 (estimated at 400 hours x \$110/hour).

**REVENUE EXPLANATION**

Proposed legislation may result in an indeterminable increase in fees and self-generated revenues for the Department of Insurance (DOI). Proposed law allows the commissioner to levy a fine not to exceed \$500 for specified violations. To the extent these violations occur, and navigators pay penalties, the department may realize an additional indeterminable increase in SGR revenues based on the frequency of such occurrences.

The navigator program is currently believed to sunset after one year (beginning October 1, 2013). To the extent that the federal government extends the program beyond the first grant period, the potential for fines levied against navigators for specified violations may extend into future fiscal years.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	

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