

Regular Session, 2003

ACT No. 140

HOUSE BILL NO. 1537

BY REPRESENTATIVE HEBERT

AN ACT

To amend and reenact R.S. 22:675(C)(2) and (5), relative to insurance; to provide for stop-loss; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:675(C)(2) and (5) are hereby amended and reenacted to read as follows:

§675. Stop-loss insurance coverage

* * *

C. A stop-loss or excess insurance policy form intended for issue to cover losses of a group health plan, as defined in R.S. 22:250.1(1), shall be submitted to the Department of Insurance for prior approval pursuant to the policy form filing requirements established by R.S. 22:620 and shall satisfy the following conditions:

* * *

(2) Payments by the insurer shall be made to the sponsor of the group health plan or the plan itself and not the employees, members, participants, or providers ~~except as required by Paragraph (4) of this Subsection.~~

* * *

(5)(a) The stop-loss or excess insurance policy shall contain a provision that eligible claims incurred under the group health plan during the initial contract period shall be covered, provided that proof

of payment by the plan is furnished to the insurer within ninety days after the expiration of the policy or any later period that is provided in the contract or insurance policy.

(b) All applications for stop-loss or excess insurance must include the option to purchase coverage extending, for at least ninety days beyond the expiration of the contract term, the period within which claims incurred during the contract term must be submitted and paid.

(c) All applications for stop-loss or excess insurance that include the option to purchase a policy providing coverage restricted to claims both incurred and paid during the contract term must contain a form for acceptance or rejection of the offer mandated in Subparagraph (5)(b) and must include disclosures as prescribed by the commissioner.

(d) All applications for stop-loss or excess insurance including options to purchase a policy providing coverage for claims incurred prior to the contract term, or providing coverage for claims incurred prior to the contract term but paid during the contract term, must contain a form for acceptance or rejection of the offer mandated in Subparagraph (5)(b) and must include disclosures as prescribed by the commissioner.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____