

2017 Regular Session

HOUSE BILL NO. 407

BY REPRESENTATIVE HUVAL

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AN ACT

To amend and reenact R.S. 22:855(B)(1) and (2)(c) and 1568(B) and to enact R.S. 22:855(B)(2)(d), relative to producer compensation; to authorize agency fees on individual and group health insurance policies and supplemental benefit insurance policies; to provide for commissions and other forms of compensation; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:855(B)(1) and (2)(c) and 1568(B) are hereby amended and reenacted and R.S. 22:855(B)(2)(d) is hereby enacted to read as follows:

§855. Quoted premium shall include all charges; dollar amount required

\* \* \*

B.(1) No insurer or its officer, employee, producer, or other representative shall charge or receive 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 premium tax on a surplus lines policy which shall be separately stated, and except for reimbursement for expenses due the producer, and except for an agency fee, if any, as authorized hereunder for all lines of insurance including but not limited to property insurance, casualty insurance, individual and group health insurance, and supplemental benefit insurance coverages.

(2)

\* \* \*

1           (c) Expenses or agency fees charged for an individual health insurance  
2           policy shall be disclosed on a separate document which shall be signed by the named  
3           insured. The exclusive remedy for failure to obtain a signed disclosure on an  
4           individual health insurance policy shall be the return of expenses and agency fees.

5           (d) The commissioner of insurance may promulgate rules to enforce the  
6           provisions of this Section.

7   \*       \*       \*

8           §1568. Producer compensation for sales of health and welfare plans

9   \*       \*       \*

10           B. In addition to a commission for a individual and group health insurance  
11           ~~product~~ products, a health insurance producer may negotiate a charge, fee, or any  
12           other form of compensation directly with the insured, plan sponsor, or employer  
13           group as authorized by R.S. 22:855(B). The producer shall also provide notification  
14           in a separate written document of sufficient size and legibility that advises the  
15           insured that he may purchase the same health insurance policy online or by  
16           contacting a health care navigator. The notice shall also inform the insured that if  
17           he elects to purchase a health insurance policy with his current agent he may be  
18           charged a fee and expenses that he would not incur if he purchases a policy online  
19           or through a health care navigator. The form shall be signed by the named insured.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_