

RÉSUMÉ DIGEST

ACT 412 (SB 173)

2019 Regular Session

Mills

New law, which takes effect only after certain delays following a final and definitive judgment ruling the Patient Protection and Affordable Care Act, P.L. 111-148, (ACA) unconstitutional, requires every health insurance policy or contract issued or issued for delivery in this state to adhere to certain standards. Provides for open enrollment, rate setting, and coverage for dependent children who are under the age of 26. Prohibits preexisting condition exclusions and annual and lifetime limits.

Requires the attorney general to notify the commissioner, the legislature, and the Louisiana State Law Institute if a judgment ruling the ACA unconstitutional becomes final and definitive. Provides that the provisions of new law take effect ninety days after receipt by the commissioner of the notification.

New law requires that health insurance policies cover "essential health benefits". Charges the commissioner with defining the essential health benefits that are required. Specifies that the definition shall include certain categories; among these are ambulatory patient services, emergency services, hospitalization, maternity and newborn care and pediatric services, mental health services, prescription drugs, and wellness services. Provides a framework for monitoring, assessing, and updating the definition of essential health benefits package.

Requires the commissioner to promulgate rules pursuant to the Administrative Procedure Act for purposes of implementing new law. Requires initial administrative rules to be adopted ninety days after final judgment of a court of competent jurisdiction on the constitutionality of ACA. Authorizes the commissioner to issue emergency rules without finding an emergency exists.

New law applies to any health insurance policy or contract issued or issued for delivery in this state beginning ninety days after the attorney general notifies the commissioner that the ACA has been ruled unconstitutional. New law does not abridge or affect the provisions of insurance policies or contracts already in effect until the policies or contracts are renewed.

New law provides that in case of any conflict between the provisions of proposed law and any other provision of law, the provisions of new law shall control unless application of new law results in a reduction in coverage for any insured.

New law provides that applicability of new law shall occur only if the current federal tax credit is held to be valid by a court of competent jurisdiction or is otherwise enforceable at law, or unless adequate appropriations are timely made by the federal or state government in an amount that is calculated in the same manner as the tax credit in Section 1401 of the Patient Protection and Affordable Care Act.

New law provides that it shall not apply to grandfathered coverage, health benefit plans in the large groups or to the large group market, or to limited or excepted benefits policies as defined in prior law.

New law establishes the "Louisiana Guaranteed Benefits Pool" to be administered by the commissioner of insurance which shall be a risk-sharing program to provide payment to health insurance issuers for claims for healthcare services provided to eligible individuals with expected high healthcare costs for the purpose of lowering premiums for health insurance coverage offered in the individual market.

New law establishes program operations and parameters, actuarial analysis, approval of the program by the Joint Legislative Committee on the Budget, and enrollment or participation limitations.

Effective upon signature of the governor (June 11, 2019).

(Adds R.S. 22:11.1 and 1121-1138)