

2020 Regular Session

HOUSE BILL NO. 131

BY REPRESENTATIVE FIRMENT

INSURANCE CLAIMS: Provides relative to covered claims of the Louisiana Insurance Guaranty Association

1 AN ACT

2 To amend and reenact R.S. 22:2055(6)(b)(iii) and to enact R.S. 22:2055(6)(b)(xii), relative
3 to claims covered by the Louisiana Insurance Guaranty Association; to exclude
4 claims made by Medicare or Medicare Advantage plans; to exclude claims made by
5 agencies and programs of the federal and state government; to provide for an
6 effective date; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:2055(6)(b)(iii) is hereby amended and reenacted and R.S.
9 22:2055(6)(b)(xii) is hereby enacted to read as follows:

10 §2055. Definitions

11 As used in this Part:

12 * * *

13 (6) "Covered claim" means the following:

14 * * *

15 (b) "Covered claim" shall not include:

16 * * *

17 (iii) Any amount due any reinsurer, insurer, insurance pool or underwriting
18 association, health maintenance organization or plan, preferred provider organization
19 or plan, hospital plan corporation, professional health service corporation, employee
20 retirement fund including but not limited to plans subject to the Employee

1 Retirement Income Security Act of 1974, Medicare or Medicare Advantage,
 2 Medicaid, or the self-insured portion due any self-insurer as subrogation recoveries,
 3 reinsurance recoveries, contribution, indemnification, or otherwise. In addition, any
 4 person insured under a policy issued by an insolvent insurer shall likewise not be
 5 liable for any subrogation claim or any contractual indemnity claim asserted by any
 6 reinsurer, insurer, insurance pool, underwriting association, health maintenance
 7 organization or plan, hospital plan corporation, professional health service
 8 corporation, preferred provider organization or plan, employee retirement fund
 9 including but not limited to plans subject to the Employee Retirement Income
 10 Security Act of 1974, Medicare or Medicare Advantage, Medicaid, self-insurer, or
 11 any other person with an interest in the claim, other than to the extent the claim
 12 exceeds the association's obligation limitations.

* * *

14 (xii) Any claim by any agency or program of the federal government or of
 15 any state or political subdivision thereof.

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17 Section 2. This Act shall become effective on July 1, 2020.

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)]

HB 131 Original	2020 Regular Session	Firmment
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Abstract: Excludes claims by Medicare, Medicare Advantage plans, and federal and state governments from coverage by the Louisiana Insurance Guaranty Association.

Present law establishes the La. Insurance Guaranty Association (LIGA) as a private, nonprofit entity to pay for qualified property and casualty insurance claims in the event an insurer becomes insolvent.

Proposed law retains present law.

Present law provides for which types of claims are covered by LIGA.

Proposed law retains present law.

Present law provides for which types of claims are excluded from coverage by LIGA.

Proposed law retains present law and adds an exclusion for claims by all of the following:

- (1) Medicare.
- (2) Medicare Advantage plans.
- (3) Any agency or program of the federal government or of any state or political subdivision thereof.

Effective July 1, 2020.

(Amends R.S. 22:2055(6)(b)(iii); Adds R.S. 22:2055(6)(b)(xii))