

2017 Regular Session

HOUSE BILL NO. 407

BY REPRESENTATIVE HUVAL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURERS/AGENTS: Provides for producer fees for individual and group health insurance policies

1 AN ACT

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

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:855(B)(1) and 1568(B) are hereby amended and reenacted to read
8 as follows:

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

10 * * *

11 B.(1) No insurer or its officer, employee, producer or other representative
12 shall charge or receive any fee, compensation, or consideration for insurance which
13 is not included in the premium quoted to the insured and the premium specified in
14 the policy delivered to the insured, except for the premium tax on a surplus lines
15 policy which shall be separately stated, and except for reimbursement for expenses
16 due the producer, and except for an agency fee, if any, as authorized hereunder for
17 all lines of insurance including but not limited to property insurance, casualty
18 insurance, individual and group health insurance, and supplemental benefit insurance
19 coverages.

20 * * *

1 §1568. Producer compensation for sales of health and welfare plans

2 * * *

3 B. In addition to a commission for a individual and group health insurance
4 ~~product~~ products, a health insurance producer may negotiate a charge, fee, or any
5 other form of compensation directly with the insured, plan sponsor or employer
6 group as authorized by R.S. 22:855(B).

7 * * *

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 407 Engrossed

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Abstract: Authorizes agency fees on individual health and accident insurance policies.

Present law allows health insurance producers to negotiate charges, fees, and any other form of compensation directly with the plan sponsor or employer group for group health and accident insurance policies.

Proposed law retains present law and additionally allows health insurance producers to negotiate charges, fees, and any other form of compensation directly with the insured for an individual health and accident policy.

Proposed law allows producers to negotiate charges, fees, and any other form of compensation directly with the insured for supplemental benefit insurance coverages.

(Amends R.S. 22:855(B)(1) and 1568(B))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Insurance to the original bill:

1. Allow producers to negotiate an agency fee for supplemental benefit insurance coverages.