
DIGEST

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HB 839 Original

2020 Regular Session

Robert Owen

Abstract: Creates the La. Right to Shop Act, including an interactive marketplace for consumers seeking health care.

Proposed law defines "allowed amount", "commissioner", "comparable healthcare service", "department", "healthcare benefit plan", "healthcare entity", "health insurance issuer", and "shopping and decision support program".

Proposed law requires insurance companies offering health benefit plans in the state of La. to offer a "shopping and decision support program" hereinafter "program" for enrollees seeking healthcare services in this state. Further requires an issuer to make the program available as a component of all health benefit plans offered by the issuer in this state.

Annually, at enrollment or renewal, proposed law requires an issuer to provide, at a minimum, notice to enrollees of the right to obtain information about the actual amounts paid to network providers for services or procedures the enrollees may receive, as well as a description of how the enrollee can earn incentives for electing to receive comparable healthcare services from a network provider under certain circumstances.

Proposed law allows the program to provide each enrollee with at least 50% of the issuer's saved costs for each comparable healthcare service. Further allows the program to exclude incentive payments, credits, or reductions for services where the savings to the issuer is \$50.00 or less.

Proposed law requires the average allowed amount to be based on the actual allowed amounts paid to network providers under the enrollee's health benefit plan within a reasonable time frame, not to exceed one year.

Proposed law prohibits the total value of incentives offered to any one enrollee from exceeding \$599.00 in any calendar year.

Prior to offering the program to any enrollee, proposed law requires an issuer to file with the La. Dept. of Insurance (LDI) a description of the program established by the issuer. Authorizes the issuer to exercise discretion as to the appropriate format for providing the required information. Further authorizes LDI to review the issuer's filing to determine if the issuer's program complies with the provisions of proposed law.

Proposed law requires an issuer to annually file with LDI, for the most recent calendar year, the total

number of comparable healthcare service incentive payments made pursuant to proposed law, the use of comparable healthcare services by category of service for which comparable healthcare service incentive payments were made, the total incentive payments made to enrollees, the average amount of incentive payments made by service for the transactions, and the total number and percentage of an issuer's enrollees that participated in the transactions.

By April 1 of each year, proposed law requires the commissioner to submit an aggregate report for all issuers filing the information required by proposed law to the House and Senate committees on insurance. Authorizes the commissioner to set reasonable limits on the annual reporting requirements on issuers to focus on more popular comparable healthcare services.

By December 1, 2022, proposed law requires an issuer to make available an interactive member portal or a toll-free phone number that enables an enrollee to request and obtain from the issuer information on out-of-pocket costs to the enrollee for comparable healthcare services, or the average payments made by the issuer to network entities or providers for comparable healthcare services.

Proposed law does not prohibit an issuer from imposing cost-sharing requirements disclosed in the enrollee's policy, contract, or certificate of coverage for unforeseen healthcare services that arise out of the nonemergency procedure or service or for a procedure or service provided to an enrollee that was not included in the original estimate.

Proposed law requires an issuer to notify an enrollee that the provided costs are estimated costs, and that the actual amount the enrollee will be responsible to pay may vary due to unforeseen services that arise out of the proposed nonemergency procedure or service.

Proposed law requires a healthcare provider to provide a patient with a copy of an order for a comparable healthcare service within two business days of the patient's request.

By January 1, 2021, proposed law requires LDI to publish a report with examples of shared savings incentive programs that directly incentivize current enrollees and retirees to shop for lower cost care in other states and consider implementation of such a program in the state of La. Authorizes LDI to implement such a program as part of the next open enrollment period if it is believed to be cost effective. Requires LDI to share the report in writing to the House and Senate committees on insurance.

Proposed law authorizes the commissioner to promulgate rules as necessary to implement proposed law in accordance with the APA.

Proposed law does not apply to any plan described in certain sections of the federal Patient Protection and Affordable Care Act or the federal Health Care and Education Reconciliation Act.

Effective Jan. 1, 2021.

(Adds R.S. 22:1081-1088)

