

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 16

2025 Regular Session

McMath

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

HEALTH/ACC INSURANCE. Provides relative to health stop-loss insurance. (8/1/25)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Add policy provisions relative to health stop-loss insurance of an employer with less than 5 employees.
2. Change the standardized disclosure form deadline date from November 1, 2025 to January 1, 2026.
3. Add provision that the renewal rate increase may not exceed the percentage change in the medical care index of the consumer price index over the previous plan year plus 50%.
4. Add provision that the contract term's guaranteed rates may change if the number of covered employees increase or decreases by more than 15%.
5. Change requirement that the contract include both a specific attachment point and an aggregate attachment point to a requirement that the contract include either provision, unless the parties agree otherwise.
6. Allow exception to requirement that stop-loss benefits align with employer's health plan benefits.
7. Change the deadline for payment of unpaid claims after the expiration date of the contract from 48 months to 12 months.
8. Add provision requiring payment of eligible plan claims regardless of the termination of the plan prior to the end of the contract period.
9. Make technical changes.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 16 Reengrossed

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Present law provides requirements for insurers that issue stop-loss insurance.

Present law defines a small employer, in connection with a group health plan, as an employer who employed an average of not more than 50 employees on business days during the preceding calendar year and who employs at least one employee on the first day of the plan year.

Proposed law provides conditions for issuance of health stop-loss insurance policies issued in connection with employee benefit plans issued on or after January 1, 2026, to a small employer as defined in present law.

Proposed law requires any health stop-loss policy issued after January 1, 2026, include a separate disclosure form, developed by the commissioner, containing the limitations of coverage, employer risk, and impact of claims on renewals, and signed by the employer.

Proposed law prohibits health stop-loss insurance from being issued by an employer with less than five employees, if the employee benefit plan contains a provision that permits or authorizes the adjustment of specific deductibles, attachment points, or specific diseases or conditions.

Proposed law provides that the commissioner of insurance shall develop a standardized disclosure form by January 1, 2026.

Effective August 1, 2025.

(Adds R.S. 22:883(H) and (I))