
DIGEST

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HB 1241 Original

2026 Regular Session

Firment

Abstract: Requires insurers to perform data matches with the Department of Children and Family Services (DCFS), in coordination with the office of child support, prior to issuing qualifying insurance payments.

Proposed law requires insurers issuing certain qualifying insurance payments to exchange information with the office of child support within the Department of Children and Family Services (DCFS), prior to issuing such payments, to determine whether the claimant owes past due child support.

Proposed law requires the exchange of information to be conducted in a manner prescribed by DCFS and in compliance with applicable state and federal privacy laws. Proposed law authorizes insurers to conduct required data matches through insurance claim data collection organizations, federal child support enforcement systems, child support lien networks, or direct data exchanges with DCFS.

Proposed law requires an insurer, upon receipt of notice from DCFS identifying a child support obligation and specifying the amount owed, to withhold the specified amount from a qualifying payment and remit the withheld funds to DCFS within twenty days of receipt of notice. Proposed law requires DCFS to give priority, before any withholding for child support, to certain liens, claims, and documented expenses, including reasonable attorneys' fees, litigation expenses, damage or loss of real or personal property, unpaid medical expenses causally related to the claim, and funeral or burial expenses.

Proposed law establishes confidentiality requirements governing information exchanged between insurers and DCFS and limits the use and disclosure of such information to purposes directly related to child support enforcement and administration of the law. Proposed law provides immunity from civil and criminal liability for insurers and other entities acting in good faith in complying with the law.

Proposed law provides that insurers are not required to delay the disbursement of qualifying payments to comply with the law and are not liable for payments disbursed prior to receipt of notice from DCFS. Proposed law establishes compliance requirements for periodic payments issued after receipt of notice.

Proposed law authorizes DCFS to reimburse insurers for reasonable administrative costs incurred in conducting data matches and complying with the law. Proposed law defines relevant terms, including "claimant", "insurance claim", "qualifying payment", and "insurance claim data collection

organization", and grants enforcement and rulemaking authority to the commissioner of insurance. Proposed law clarifies that child support enforcement authority remains vested with DCFS.

Effective July 1, 2027.

(Adds R.S. 22:2472)