

2026 Regular Session

HOUSE BILL NO. 1241 (Substitute for House Bill No. 943 by Representative Firmment)

BY REPRESENTATIVE FIRMENT

CHILDREN/SUPPORT: Directs insurers to conduct data matches and to withhold and remit certain insurance and settlement payments to satisfy child support obligations

1 AN ACT

2 To enact R.S. 22:2472, relative to child support enforcement and insurer compliance; to
3 require insurers to conduct data matches with the Department of Children and Family
4 Services prior to issuing qualifying payments; to provide for withholding and
5 remittance of certain payments; to provide for enforcement by the commissioner of
6 insurance; to provide for rulemaking; to provide for an effective date; and to provide
7 for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 22:2472 is hereby enacted to read as follows:

10 §2472. Child support insurance intercept; insurer compliance; enforcement

11 A. For the purposes of this Section, the following definitions apply:

12 (1) "Claimant" means any person for whom any of the following apply:

13 (a) The person files a tort liability claim for bodily injury or wrongful death.

14 (b) The person is receiving disability insurance benefits.

15 (c) The person is receiving workers' compensation benefits.

16 (2) "Claim for bodily injury" does not mean a claim for uninsured or
17 underinsured vehicle coverage or medical payments coverage under a motor vehicle
18 liability policy.

1 (3) "Insurance claim data collection organization" means an organization that
2 maintains a centralized database of information concerning insurance claims to assist
3 insurers subscribed to the database in processing claims, detecting and preventing
4 fraud, and cooperating and coordinating with the federal or state child support
5 entities to share relevant information for insurance intercept purposes.

6 (4) "Office" means the office of child support within the Department of
7 Children and Family Services.

8 (5) "Qualifying payment" means a payment that is either a one-time lump
9 sum or an installment payment issued by an insurer doing business in the state,
10 which is made for the purpose of satisfying, compromising, or settling an insurance
11 claim for general damages or lost wages where the payment is in excess of five
12 hundred dollars and is intended to be paid directly to the claimant and not to a third
13 party, such as a healthcare provider. "Qualifying payment" includes any payment
14 scheduled to be issued after a data match conducted pursuant to this Section.

15 B. Every insurer doing business in this state shall comply with the obligation
16 to conduct data matches and to withhold and remit qualifying payments when
17 notified by the Department of Children and Family Services.

18 C.(1) Each insurer shall, prior to issuing a qualifying payment, exchange
19 information with the office in a manner prescribed by the Department of Children
20 and Family Services to verify whether a claimant owes debt for the support of one
21 or more children to the Department of Children and Family Services or to a person
22 receiving services from the office.

23 (2) To the extent feasible, the office shall facilitate a secure electronic
24 process to exchange information with insurers pursuant to this Section. The
25 obligation of an insurer to exchange information with the office is discharged upon
26 complying with the requirements of this Section. The exchange of information shall
27 comply with privacy protections under applicable state and federal laws and
28 regulations, including but not limited to the federal Health Insurance Portability and
29 Accountability Act.

1 D. To determine whether a claimant owes a debt being enforced by the
2 office, all insurers doing business in the state that issue qualifying payments to a
3 claimant shall provide minimum identifying information about the claimant to the
4 office, which may include the transmission of information to an insurance claim data
5 collection organization, the federal office of child support enforcement, the child
6 support lien network, or directly to the office in a manner prescribed by the
7 commissioner. Minimum identifying information may include the claimant's full
8 name, current physical address, and date of birth. The insurer shall provide the
9 claimant's social security number or other taxpayer identification number only if that
10 information is available in the insurer's records and is necessary to identify the
11 claimant.

12 E. If an insurer is notified by the office that a claimant owes debt for the
13 support of one or more children to the Department of Children and Family Services
14 or to a person receiving services from the office, the insurer shall, upon the receipt
15 of a notice issued by the Department of Children and Family Services identifying the
16 amount of debt owed, withhold from payment to the claimant the amount specified
17 in the notice and remit the amount withheld from the payment to the Department of
18 Children and Family Services within twenty days of receipt of the notice.

19 F. The Department of Children and Family Services shall give priority over
20 any withholding of payment pursuant to Subsection E of this Section to any lien,
21 claim, or demand for reasonable claim-related attorneys' fees, litigation expenses,
22 any portion of a claim based on damage or a loss of real or personal property,
23 documented unpaid expenses incurred for medical treatment causally related to the
24 claim, and any money assigned or designated as funeral or burial expenses.

25 G.(1) The Department of Children and Family Services shall consider any
26 information received from an insurer pursuant to this Section as confidential. Such
27 information shall be used or disclosed by the Department of Children and Family
28 Services only for the purpose of collecting past due child support or for the purpose
29 of carrying out the provisions of this Section.

1 (2) Information provided by the Department of Children and Family Services
2 shall not be used by the insurer or its agent for any purpose other than conducting a
3 data match pursuant to this Section and shall not be disclosed to any person except
4 to the extent necessary to conduct the data match.

5 (3) An insurer or other entity shall not be held liable in any civil or criminal
6 action for any act made in good faith pursuant to this Section including, but not
7 limited to any disclosure of information to the Department of Children and Family
8 Services or the withholding of any money from payment to a claimant or the
9 remittance of such money to the Department of Children and Family Services.

10 H. An insurer shall not delay the disbursement of a payment to a claimant
11 to comply with this Section. An insurer is not required to comply with Subsection
12 E of this Section if the notice issued by the Department of Children and Family
13 Services is received by the insurer after the payment has been disbursed. In the case
14 of periodic payments, an insurer is not required to comply with Subsection E of this
15 Section with regard to any payments disbursed before receipt of the notice, but shall
16 comply with Subsection E of this Section with regard to any payments scheduled
17 after receipt of the notice.

18 I. If periodic payments will be made to a claimant, the insurer shall, prior to
19 issuing each qualifying payment, exchange information with the office in a manner
20 prescribed by the Department of Children and Family Services, as provided in
21 Subsection C of this Section to verify whether the claimant owes a debt for the
22 support of one or more children to the Department of Children and Family Services
23 or to a person receiving services from the office.

24 J. The commissioner may promulgate rules and regulations for the
25 implementation and enforcement of the provisions of this Section.

26 Section 2. This Act shall become effective on July 1, 2027.

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 1241 Engrossed

2026 Regular Session

Firmen

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)