RÉSUMÉ DIGEST

ACT 3 (HB 341)   **2016 Regular Session**   **Talbot**

<u>Existing law</u> provides for regulation of discount medical plan organizations by the commissioner of insurance. Defines a "discount medical plan" as a business arrangement or contract in which a person, in exchange for fees, dues, charges, or other valuable consideration, provides access for plan members to providers of medical services and the right to receive medical services from those providers at a discount. Defines a "discount medical plan organization" as any person or organization that operates a discount medical plan and contracts with providers, provider networks, or other discount medical plan organizations to offer access to medical services at a discount.

<u>Existing law</u> prohibits any discount medical plan organization from conducting business or otherwise operating in the state unless it is registered with the commissioner of insurance. Specifies that registration includes the submission of a detailed application including the following information: the name and address of each person owning 10% or more of the entity operating the discount medical plan; a sample copy of a contract with a member which includes a general description of the member's rights under the discount medical plan; a description of the member complaint procedures to be established and maintained by the applicant; and the name and address of the applicant's La. statutory agent for service of process. However, for an applicant not domiciled in this state, instead requires a power of attorney executed by the applicant, appointing the insurance commissioner as his agent for service of process.

<u>New law</u> alternatively allows an applicant for registration as a discount medical plan organization which is not domiciled in this state to appoint a La. statutory agent for service of process. Requires such an applicant to submit the agent's name and address as part of the information required as part of the application.

Effective August 1, 2016.

(Amends R.S. 22:1260.4(B)(10))