

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

INSURANCE/HEALTH. Provides relative to coverage of dependents.

DIGEST

Present law sets the maximum age for health insurance coverage of dependent children and grandchildren for policies and contracts that provide for a dependent coverage at age 26, including but not limited to group, family group, blanket, association, or similar coverage issued by a health maintenance organization. Only exempts the Office of Group Benefits.

Present law defines excepted benefits as:

- (1) The following benefits if offered separately:
 - (a) Limited scope dental or vision benefits.
 - (b) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination of these benefits.
 - (c) The other similar, limited benefits as specified in reasonable regulations issued by the commissioner of insurance.
- (2) The following benefits if offered as independent, non-coordinated benefits:
 - (a) Coverage only for a specified disease or illness.
 - (b) Hospital indemnity or other fixed indemnity insurance.
 - (c) Benefits not subject to requirements if offered as a separate insurance policy.
 - (d) Medicare supplemental health insurance as defined under the federal Social Security Act.
 - (e) Insurance coverage supplemental to military health benefits.
 - (f) Similar supplemental coverage provided under a group health plan.

Proposed law provides that present law for dependent health insurance coverage does not apply to excepted benefits and to benefits of short-term limited duration insurance as defined pursuant to 45 CFR 144.103. Instead provides for applicability of the following age requirements and conditions for the benefits:

- (1) To an unmarried dependent child or grandchild but who is not a full-time student until the age of 21.
- (2) To an unmarried dependent child or grandchild who is enrolled as a full-time student until the age of 24. Specifies that enrollment may be at an accredited college or university or at a vocational, technical, vocational-technical, or trade school or institute.
- (3) To an unmarried dependent child or grandchild who is a full-time student and who develops a mental or nervous condition, problem, or disorder which renders the child or grandchild, in the opinion of a qualified psychiatrist, subject to a second opinion if deemed necessary by the health insurance issuer or health maintenance organization, unable to attend school as a full-time student and from holding self-sustaining employment, until the age of 24.

- (4) To an unmarried dependent child or grandchild who is incapable of self-sustaining employment by reason of mental retardation or physical handicap, who became so incapable prior to the age of 21, optional continuous coverage, regardless of age.

Present law requires that a dependent grandchild shall be in the legal custody or tutorship of and residing with the grandparent to qualify for dependent health insurance coverage.

Proposed law retains this requirement.

Present law prohibits a premium increase on the basis of the addition of a dependent child or grandchild unless there are no dependent children covered under the policy or similar coverage prior to the addition of a child or grandchild.

Proposed law additionally exempts from the prohibition when the health insurance issuer or health maintenance organization utilizes a consistent and uniform premium rating system that, in compliance with federal and state law, sets rates according to the specific risk represented by the dependent.

Proposed law exempts excepted benefits and benefits of short-term limited duration insurance as defined pursuant to 45 CFR 144.103 from other requirements for dependent coverage, including portability and a special enrollment period.

Present law requires payment of premiums for Medicare supplement policies to be made by check, money order, bank draft or cash.

Proposed law retains present law and includes credit or debit card as an acceptable form of payment of premiums for Medicare supplement policies.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1000(A)(1)(a)(vi) and (2), 1003(A) and (C), and 1003.1(A)(1) and (C) and R.S. 22:1111 (K))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Insurance to the original bill.

1. Added benefits of short-term limited duration insurance as defined pursuant to 45 CFR 144.103 to those benefits exempted from present law providing for the maximum age requirement of 26 for health insurance coverage of dependent children and grandchildren.

House Floor Amendments to the engrossed bill.

1. Provided that a dependent grandchild may also be in the tutorship of and residing with the grandparent to qualify for dependent health insurance coverage.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the reengrossed bill.

1. Makes technical changes.
2. Changes "short-term medical policies" to "short-term, limited duration insurance as defined pursuant to 45 CFR 144.103".
3. Includes credit or debit cards as forms of payment for Medicare supplement policy premiums.