

Regular Session, 2012

HOUSE BILL NO. 150

BY REPRESENTATIVE RITCHIE

INSURANCE/HMO: Clarifies the minimum capital and surplus requirements for health maintenance organizations

1 AN ACT

2 To amend and reenact R.S. 22:254(C), relative to health maintenance organizations; to
3 clarify the minimum required capital and surplus for each such entity; and to provide
4 for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:254(C) is hereby amended and reenacted to read as follows:

7 §254. Protection against insolvency

8 * * *

9 C. Each health maintenance organization shall establish prior to the issuance
10 of any certificate of authority, and shall maintain as long as it does business in
11 Louisiana as a health maintenance organization, ~~the following~~ capital and surplus
12 requirements: in the amount of three million dollars.

13 ~~(1) For each health maintenance organization which, by July 1, 1995, has not~~
14 ~~filed its application for a certificate of authority with the commissioner as required~~
15 ~~by law, a minimum of the greater of three million dollars or the amounts required by~~
16 ~~Subpart D of Part III of this Chapter, R.S. 22:631 et seq. The million dollar deposit~~
17 ~~required pursuant to Subsection A of this Section shall apply as a part of this~~
18 ~~minimum requirement.~~

