
SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Insurance to Original Senate Bill No. 207
by Senator Morrish

AMENDMENT NO. 1

On page 1, between lines 16 and 17, insert the following:

"(3) "Excepted benefits" means benefits under one or more of the following:

(a) Benefits not subject to requirements:

(i) Coverage only for accident or disability income insurance, or any combination.

(ii) Coverage issued as a supplement to liability insurance.

(iii) Liability insurance, including general liability insurance and automobile liability insurance.

(iv) Workers' compensation or similar insurance.

(v) Automobile medical payment insurance.

(vi) Credit-only insurance.

(vii) Coverage for on-site medical clinics.

(viii) Other similar insurance coverage, specified in regulations issued by the commissioner under the Administrative Procedure Act, under which benefits for medical care are secondary or incidental to other insurance benefits.

(b) Benefits not subject to requirements if offered separately:

(i) Limited scope dental or vision benefits.

(ii) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof.

(iii) Such other similar, limited benefits as specified in reasonable regulations issued by the commissioner.

(c) Benefits not subject to requirements if offered as independent, non-coordinated benefits:

(i) Coverage only for a specified disease or illness.

(ii) Hospital indemnity or other fixed indemnity insurance.

(d) Benefits not subject to requirements if offered as a separate insurance policy:

(i) Medicare supplemental health insurance as defined under Section 1882(g)(1) of the Social Security Act.

(ii) Insurance coverage supplemental to military health benefits.

(iii) Similar supplemental coverage provided under a group health benefit plan.

(4) "Excessive" in relation to premiums means the premium charged for the health insurance coverage is considered to be unreasonably high in relation to the benefits provided under the product. In determining whether the premium rate is unreasonably high in relation to the benefits provided, the department shall consider:

(a) Whether the premium rate results in a projected medical loss ratio below the federal medical loss ratio standard in the applicable market to which the premium rate applies, after accounting for any adjustments allowable under federal law.

(b) Whether one or more of the assumptions on which the premium rate is based is not supported by substantial evidence.

(c) Whether the choice of assumptions or combination of assumptions on which the premium rate is based is unreasonable.

(5) "Grandfathered health plan" has the same meaning as that in 45 C.F.R. 147.140."

1 AMENDMENT NO. 22 On page 1, line 17, change "(3)" to "(6)"3 AMENDMENT NO. 34 On page 2, line 1, after "insurance" and before "subject" insert "or subscriber agreement"5 AMENDMENT NO. 46 On page 2, line 3, delete "in R.S. 22:242" and insert "and licensed pursuant to Subpart
7 I of Part I of Chapter 2 of this Title"8 AMENDMENT NO. 5

9 On page 2, delete lines 4 through 10 in their entirety and in lieu thereof insert the following:

10 "(7) 'Individual health insurance coverage' or 'individual policy'
11 means health insurance coverage offered to individuals in the individual
12 market, or through an association.13 (8) 'Product' means a package of benefits with a discrete set of rating
14 and pricing methodologies including health care services paid for under any
15 plan, policy, subscriber agreement, or certificate of insurance offered in the
16 state. Products, for the purposes of this Section, shall not include excepted
17 benefits plans, high deductible health plans, or grandfathered plans.18 (9) 'Rate increase' means an increase of the rates for a product,
19 including a premium volume-weighted average increase for all insureds for the
20 aggregate rate changes during the twelve-month period preceding the proposed
21 rate increase effective date."22 AMENDMENT NO. 623 On page 2, at the beginning of line 11 change "(7)" to "(10)"24 AMENDMENT NO. 7

25 On page 2, delete lines 13 through 16 in their entirety and in lieu thereof insert the following:

26 "(11) 'Small group market' means the market in which small group
27 coverage is issued as currently defined in R.S. 22:1061. 'Small group' or
28 'small employer' means any person, firm, corporation, partnership, trust, or
29 association actively engaged in business which has employed an average of at
30 least one but not more than fifty employees, and beginning on January 1, 2014,
31 at least one but not more than one hundred employees, on business days during
32 the preceding calendar year or plan year and that employs at least one employee
33 on the first day of the plan year. 'Small group' or 'small employer' shall
34 include coverage sold to small groups or small employers through associations
35 or through a blanket policy. An employer group of one shall be considered
36 individual insurance under this Section.37 (12) 'Unfairly discriminatory' means premium rates that result in
38 premium differences between insureds within similar risk categories that do not
39 reasonably correspond to differences in expected costs. When applied to
40 premium rates charged, 'unfairly discriminatory' shall refer to any premium
41 rate charged by a small group or individual health insurance issuer in violation
42 of R.S. 22:1095.43 (13) 'Unjustified' means a premium rate for which a health insurance
44 issuer has provided data or documentation to the department in connection with
45 premium rates for a product that is incomplete, inadequate, or otherwise do not
46 provide a basis upon which the reasonableness of a premium rate may be
47 determined or is otherwise inadequate insofar as the premium rate charged is
48 clearly insufficient to sustain projected losses and expenses.

(14) "Unreasonable rate increase" means a rate increase subject to review that, following review, fails to meet specified criteria. "Unreasonable" means any rate increase that contains a provision or provisions that:

(a) Are excessive.

(b) Are unfairly discriminatory.

(c) Are unjustified.

(d) Do not comply with R.S. 22:1095 or federal law."

AMENDMENT NO. 8

On page 2, line 18, after "**issuer**" delete the remainder of the line and delete line 19 in its entirety and in lieu thereof insert the following:

"proposes a rate increase that meets or exceeds ten percent of the rate implemented, the issuer shall file with"

AMENDMENT NO. 9

On page 2, delete line 29 and in lieu thereof insert the following:

"(a) Part I shall be a rate increase summary, consisting"

AMENDMENT NO. 10

On page 3, line 12, between "**be a**" and "**simple**" insert "**written description justifying the rate increase, including a**"

AMENDMENT NO. 11

On page 3, delete lines 16 and 17 in their entirety and in lieu thereof insert the following:

"(ii) An explanation of the most significant factors causing the increase, including a brief description of the relevant claims and non-claims expense increases reported in the rate increase summary.

(iii) A brief description of the policies' overall experience, including historical and projected expenses, and loss ratios."

AMENDMENT NO. 12

On page 4, line 18, change "**forty-five**" to "**sixty**"

AMENDMENT NO. 13

On page 5, line 13, between "**costs**" and the period "." insert: "**related to programs that improve health care quality**"

AMENDMENT NO. 14

On page 5, line 16, after "**status**" insert "**and surplus**"

AMENDMENT NO. 15

On page 5, delete lines 19 through 21 in their entirety and in lieu thereof insert the following:

"whether a rate increase is an unreasonable rate increase or is otherwise unlawful:

(a) To determine whether a rate increase is excessive, he shall consider whether the increase would cause the premium to be unreasonably"

AMENDMENT NO. 16

On page 5, delete line 29 in its entirety and in lieu thereof insert the following:

"(b) To determine whether a rate increase is an unjustified rate increase, he shall consider whether data or documentation provided by the health insurance"

1 AMENDMENT NO. 172 On page 6, line 3, after "(c)" delete "**Whether**" and insert:3 **"To determine whether a rate increase is unfairly discriminatory,**
4 **he shall consider whether"**5 AMENDMENT NO. 18

6 On page 6, between lines 5 and 6, insert the following:

7 **"(d) The commissioner shall consider R.S. 22:1095 and any applicable**
8 **federal rating restrictions to determine whether rating increases are compliant**
9 **with state and federal law."**10 AMENDMENT NO. 19

11 On page 6, delete lines 6 through 8 in their entirety and in lieu thereof insert the following:

12 **"(6) Within fifteen days of submission of any proposed rate increase**
13 **which meets or exceeds the federal review threshold, the department shall**
14 **publish a summary consistent with Part I and Part II of the rate increase**
15 **information provided by the health insurance issuer on the department's**
16 **website. After publication, the public shall have thirty days to submit**
17 **comments to the department regarding the proposed rate increase."**18 AMENDMENT NO. 2019 On page 6, line 11, between "C(2)" and "of" insert "(c)"20 AMENDMENT NO. 21

21 On page 6, delete lines 13 through 15 in their entirety and in lieu thereof insert the following:

22 **"(8) A proposed rate increase shall be deemed to have been reasonable**
23 **after the sixtieth day following the date of filing with the commissioner if notice**
24 **is not received by the health insurance issuer from the commissioner regarding**
25 **a final determination with respect to the reasonableness of the filing."**26 AMENDMENT NO. 22

27 On page 6, between lines 21 and 22, insert the following:

28 **"F. Any premium rate reviewed by the department shall be implemented**
29 **within ninety days of the proposed effective date documented in the filing. Any**
30 **premium rate implemented following this date shall be void, and any health**
31 **insurance issuer seeking to implement the rate thereafter shall be required to**
32 **file a new rate filing in compliance with this Section.**33 **G. The requirements set forth in this Section shall not apply to excepted**
34 **benefits, high deductible health plans, grandfathered plans, or to those benefits**
35 **specifically excepted from review in R.S. 22:1091(A).**36 **H. The commissioner may promulgate such rules and regulations as may**
37 **be necessary or proper to carry out the provisions of this Section. Such rules**
38 **and regulations shall be promulgated and adopted in accordance with the**
39 **Administrative Procedure Act, R.S. 49:950 et seq."**40 AMENDMENT NO. 23

41 On page 6, delete lines 22 through 27 in their entirety and in lieu thereof insert the following:

42 **"Section 2. The provisions of this Act shall expire and be void after a final, non-**
43 **appealable judgment by the United States Supreme Court that includes the merits of the**
44 **provisions of Section 2794 of the Public Health Service Act and that rejects the validity of**
45 **such provisions, together with any and all federal regulations promulgated in accordance**
46 **therewith by any federal agency. The provisions of this Act shall become null and void**
47 **immediately upon congressional repeal of Section 2794 of the Public Health Service Act."**