

2015 Regular Session

HOUSE BILL NO. 370

BY REPRESENTATIVES BROADWATER, EDWARDS, AND SHADOIN

1 AN ACT

2 To amend and reenact R.S. 42:802(B)(6) and (7) and to enact R.S. 42:802.1(F), 812, and  
3 Part VI of Chapter 12 of Title 42 of the Louisiana Revised Statutes of 1950, to be  
4 comprised of R.S. 42:891 through 893, relative to the Office of Group Benefits; to  
5 provide for the powers and duties of the Office of Group Benefits; to provide for  
6 definitions; to provide with respect to an annual actuarial report; to provide with  
7 respect to premium rates; to establish the Group Benefits Actuarial Committee; to  
8 provide for rule promulgation; to provide for an effective date; and to provide for  
9 related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 42:802(B)(6) and (7) are hereby amended and reenacted and R.S.  
12 42:802.1(F), 812, and Part VI of Chapter 12 of Title 42 of the Louisiana Revised Statutes  
13 of 1950, comprised of R.S. 42:891 through 893, are hereby enacted to read as follows:

14 §802. Powers and duties; Office of Group Benefits

15 \* \* \*

16 B. In addition, the office shall have the following powers and duties:

17 \* \* \*

18 (6) To establish benefit plans, under the direction of the commissioner of  
19 administration, for the life, health, and other benefit programs offered through the  
20 office, subject to promulgation in accordance with the provisions of the  
21 Administrative Procedure Act. This duty shall include the responsibility to ensure,  
22 to the greatest extent practicable, that the plans for benefits and coverages available  
23 for employees in all parts of the state are comparable with respect to coverages  
24 offered.



1                    PART VI. GROUP BENEFITS ACTUARIAL COMMITTEE2                    §891. Creation

3                    A. There is hereby established the Group Benefits Actuarial Committee,  
4                    herein after referred to as "the committee", within the department of insurance. As  
5                    provided in this Part, the committee shall:

6                    (1) Review actuarial studies submitted by the independent actuary appointed  
7                    by the Office of Group Benefits in accordance with R.S. 42:812.

8                    (2) Review and approve premium rates for benefit programs offered through  
9                    the Office of Group Benefits.

10                  B. The committee shall be comprised of the following voting members:

11                  (1) The commissioner of insurance, or his designee, who shall serve as  
12                  chairman of the committee.

13                  (2) The state treasurer, or his designee.

14                  (3) The legislative auditor, or his designee.

15                  §892. Review of actuarial study; review and approval of premium rate

16                  A.(1) The Office of Group Benefits shall cause its appointed actuary to  
17                  annually submit to the committee no less than thirty days prior to each new plan year  
18                  an actuarial study as required by R.S. 42:812. The Office of Group Benefits shall  
19                  also submit to the committee no less than thirty days prior to the new plan year the  
20                  premium rate recommendation, regardless of whether any change to the premium  
21                  rate from the prior plan year is recommended.

22                  (2) In the event the Office of Group Benefits recommends a change in the  
23                  premium rate change during a plan year, and implementation is recommended to  
24                  occur prior to the beginning of a new plan year, the Office of Group Benefits shall  
25                  cause its appointed actuary to submit to the committee an actuarial study relative to  
26                  the recommended change. The Office of Group Benefits shall submit to the  
27                  committee the recommended premium rate change no less than thirty days prior to  
28                  the recommended date of change.

29                  B. Upon receiving an actuarial study and premium rate recommendation, the  
30                  committee shall hold a public hearing to review the actuarial study and receive

1 evidence relative to the premium rate recommendation. The hearing shall occur  
2 prior to the new plan effective date or the implementation date of the recommended  
3 premium rate. The Office of Group Benefits shall give notice to all plan members,  
4 whether active or retired, of the premium rate recommendation and the date, time,  
5 and location of the committee's public hearing.

6 C. The committee shall either approve, modify, or reject the premium rate  
7 recommendation.

8 D. The Office of Group Benefits shall implement the premium rate approved  
9 by the committee.

10 §893. Rules and Regulations

11 The commissioner of insurance shall promulgate rules and regulations in  
12 accordance with the Administrative Procedure Act to implement this Part. The rules  
13 and regulations promulgated by the commissioner shall be subject to approval of the  
14 appropriate standing committees of the legislature having jurisdiction over review  
15 of agency rules of the Department of Insurance as designated by R.S. 49:968(B)(14).

16 \* \* \*

17 Section 3. This Act shall become effective upon signature by the governor or, if not  
18 signed by the governor, upon expiration of the time for bills to become law without signature  
19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
20 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
21 effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_