AN ACT

To amend and reenact R.S. 42:802(B)(7), 881, and 882(A), (B), (D), and (E), and to enact R.S. 39:21.3(G) and R.S. 42:802(D), relative to the Office of Group Benefits; to provide for oversight of the Office of Group Benefits; to provide for estimating the operational and actuarial costs of group benefits program; to provide for the membership and duties of the Group Benefits Estimating Conference; to provide for the duties of the Group Benefits Policy and Planning Board; to provide for the membership of the Group Benefits Policy and Planning Board; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:21.3(G) is hereby enacted to read as follows:

§21.3. Consensus estimating conferences; duties and principals

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(1) Duties. The Group Benefits Estimating Conference shall develop or gather official information relating to group health and life insurance planning, premium rates, and budgeting as is determined by the conference principals to be needed for the state planning and budgeting system.

(2) Principals. The principals of the Group Benefits Estimating Conference are as follows:

(a) A member of the professional staff of the office of the governor to be appointed by the governor.

(b) A member of the professional staff of the division of administration to be appointed by the commissioner of administration.

(c) A member of the professional staff of the legislature who shall have
fiscal expertise to be appointed by the president of the Senate.

(d) A member of the professional staff of the legislature who shall have
fiscal experience to be appointed by the speaker of the House of
Representatives.

(e) A member of the professional staff of the Office of Group Benefits
who shall have fiscal experience to be appointed by the commissioner of
administration.

(f) An individual with a minimum of five years professional experience
or fiscal expertise in the industries of health insurance, actuarial services,
financial services, or banking to be selected by the other principals from a list
of no more than two names submitted by each of the following: the
commissioner of insurance, the commissioner of financial institutions, and the
legislative auditor.

(3) Principal to preside over meetings. The principal representing the
office of the governor shall preside over sessions of the conference.

Section 2. R.S. 42:802(B)(7), 881, and 882(A), (B), (D), and (E) are hereby amended
and reenacted and R.S. 42:802(D) is hereby enacted to read as follows:

§802. Powers and duties; Office of Group Benefits

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

(7) To Subject to the board's review and recommendation, to establish
premium rates, under the direction of the commissioner of administration and in
consultation with actuaries for the life, health, and other benefit programs offered
through the office. The commissioner of administration, the chief executive
officer of the Office of Group Benefits, and the Policy and Planning Board shall
also use any official information developed, gathered, and presented to the
parties by the Group Benefits Estimating Conference in the development of
premium rates.
D. (1) Notwithstanding any other provision of this Section to the contrary, any new plan of benefits or the annual plan of benefits submitted under the direction of the commissioner of administration for the life, health, and other benefit programs offered through the Office of Group Benefits or any professional, personal, and social services contracts other than contracts for legal services or actuarial services negotiated through the Office of Group Benefits under the provisions of Chapter 17 of Subtitle III of Title 39 of the Louisiana Revised Statutes of 1950 as provided in Subsection A and Paragraph (B)(8) of this Section or any contracts in connection therewith shall be subject to review and final approval by the appropriate standing committees of the legislature having jurisdiction over review of agency rules by the Office of Group Benefits as designated by R.S. 49:968(B)(21)(c), or the subcommittees on oversight of such standing committees, and the office of state procurement of the division of administration.

(2) The implementation of these programs or contracts in connection therewith shall constitute a rule as defined by R.S. 49:951(6) and shall be adopted and implemented through the procedures set forth in the Administrative Procedure Act.

(3) Additionally, any adjustments to such contracts in the amount of one million dollars or more shall require the review and approval of the oversight committees before the modified contracts may be implemented. Such adjustments shall indicate the fiscal impact to the plan of benefits as well as the rate structure, if any, over the subsequent three years or maximum contract period.

§881. Establishment of the Group Benefits Policy and Planning Board

A. There is hereby established the Group Benefits Policy and Planning Board within the Office of Group Benefits. The board shall review and recommend life and health benefit programs offered to eligible employees, including the proposed
rate structure which will support the life and health benefit plan. Annually, At
least annually, the chief executive officer shall submit any proposed changes to the
rate structure and the associated life and health benefits programs to the board to
review and recommend prior to the final adoption of the plan. The plan submitted
by the chief executive officer shall include an estimate of the costs and an
estimated rate structure for a three-year period. The board shall submit a written
report to the commissioner of administration, the chief executive officer of the
Office of Group Benefits, and the appropriate legislative oversight committees,
including any comments and recommendations regarding modifications to such
proposed benefit plans and the associated rates.

B. The Group Benefits Policy and Planning Board shall use any official
information provided by the Group Benefits Estimating Conference as may be
necessary in the review and approval of benefits plans and proposed rate
structures required by this Section.

§882. Composition of board

A. Membership and qualifications. The board shall be composed of sixteen
eleven voting members, fifteen of whom shall be voting members, as follows:

(1) One member of the House of Representatives Three members who shall
be appointed by the speaker of the House who shall be a voting member each of
whom shall have a minimum of five years professional experience or fiscal
expertise in the industries of health insurance, actuarial services, financial
services, or banking and shall be submitted to the Senate for confirmation.

(2) One member of the Senate Three members who shall be appointed by
the president of the Senate who shall be a voting member each of whom shall have
a minimum of five years professional experience or fiscal expertise in the
industries of health insurance, actuarial services, financial services, or banking
and shall be submitted to the Senate for confirmation.

(3) The commissioner of insurance or his designee, who shall be a nonvoting
member.

(4) Five members Three members who shall be appointed by the governor
from individuals from the private sector, who shall be voting members, as follows:

each of whom shall have a minimum of five years professional experience or

fiscal expertise in the industries of health insurance, actuarial services, financial

services, or banking and shall be submitted to the Senate for confirmation.

(a) Three such members shall be appointed, one from each of the following

occupations or professions:

(i) An employee health care/employee benefits specialist.

(ii) A certified public accountant.

(iii) A licensed health and life insurance agent.

(b) Two members shall be appointed from the private sector at large:

(c) At least one of the members appointed as provided in this Paragraph shall

be a member of a minority race.

(5)(4) Two members who shall be elected by retired participants in the health

benefits programs offered by the Office of Group Benefits and who shall be voting

members, as follows:

(a) One retiree member who shall be elected from among retired teachers or

other retired school employees.

(b) One retiree member who shall be elected from among retired state

employees.

(c) Members elected as provided in this Paragraph shall have been continuous

full-time employees for a minimum of five years as a state employee or as a teacher

or other school employee, respectively, and shall be submitted to the Senate for

confirmation.

(6)(a) Six members who shall be elected by participants in health benefits

programs offered by the Office of Group Benefits, and who shall be voting members,

as follows:

(i) One member who shall be elected from among the personnel of the public

institutions of higher education in the state.

(ii) One member who shall be elected from among the teachers or other

school employees of the elementary and secondary schools of the state.
(iii) One member who shall be elected from among the personnel of the Department of Health and Hospitals and the Department of Children and Family Services.

(iv) One member who shall be elected from among the personnel of the Department of Transportation and Development.

(v) One member who shall be elected from among the personnel of the Department of Public Safety and Corrections.

(vi) One member who shall be elected from among all other personnel of state government.

(b) Members elected as provided in this Paragraph shall be participants in health programs offered by the Office of Group Benefits and shall have ten years' work experience as a state employee, or teacher or other school employee, respectively, or shall have at least three years' work experience in one of the following areas: human resources, health care, employee benefits programs, executive level management, or budget management.

B. Terms. The terms of the members of the board shall be as follows:

(1) Each of the members as provided in Paragraphs (A)(1), and (2), and (3) of this Section shall serve a four-year term concurrent with his the term of office of the speaker of the House of Representatives or the president of the Senate, respectively.

(2) Each of the members of the board appointed by the governor as provided in Paragraph (A)(4) of this Section shall serve a term of six years. No such person shall be appointed to serve more than two terms.

(3) The eight two elected members elected pursuant to Paragraphs Paragraph (A)(5) and (6) of this Section shall serve a term of six years. No such person shall be elected to serve more than two terms. The board shall adopt rules and regulations to govern the election of these members.

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D. Vacancies. (1) With the exception of the members elected pursuant to Paragraphs Paragraph (A)(5) and (6) of this Section, any vacancy in the
membership of the board shall be filled in the same manner as the original
appointment for the remainder of the unexpired term.

(2) In the event of a vacancy of a member elected pursuant to Paragraphs Paragraph (A)(5) (4) and (6) of this Section, the board shall fill the vacancy by
appointment for the unexpired portion of the term unless the unexpired portion of the
term is for a period of more than two years, in which case the appointment shall be
until a successor is elected to fill the unexpired portion of the term. Such
appointments and elections shall be in accordance with rules adopted and
promulgated by the board and subject to confirmation by the Senate.

E. Attendance. In the event that any member of the board is absent from three
consecutive scheduled board and committee meetings, the board shall declare a
vacancy in that position. Such vacancy shall be filled as provided in Subsection D
of this Section. Nothing in this Subsection shall be construed to prohibit the
reappointment or reelection of any person removed under these provisions. This
Subsection shall not apply to the member as provided in Paragraph (A)(3) of this
Section:

Section 3. This Act shall become effective on January 1, 2016; if vetoed by the
governor and subsequently approved by the legislature, this Act shall become effective on
January 1, 2016, or on the day following such approval by the legislature, whichever is later.