

2016 Regular Session

HOUSE BILL NO. 782

BY REPRESENTATIVE DAVIS

AN ACT

To amend and reenact R.S. 22:1061(5)(e)(iii) and 1091(B)(13) and (22) and to enact R.S. 22:1061(5)(e)(vii), relative to certain definitions in the Insurance Code used in the regulation of health insurance; to define the terms "employer", "small employer", "small group", "large employer", and "large group"; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1061(5)(e)(iii) and 1091(B)(13) and (22) are hereby amended and reenacted and R.S. 22:1061(5)(e)(vii) is hereby enacted to read as follows:

§1061. Definitions

As used in R.S. 22:984 and 1061 through 1079, the following terms shall have the following meanings:

* * *

(5) Other definitions are:

* * *

(e)

* * *

(iii) "Small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least ~~two~~ one but not more than fifty employees on business days during the preceding calendar year and who employs at least ~~two employees~~ one employee on the first day of the plan year.

* * *

1 (vii) At the option of a health insurance issuer, the health insurance issuer
2 may require that a majority of the employees covered under an employee benefit
3 plan are employed or reside in this state, and that there is a bona fide
4 employer-employee relationship to prevent the formation of employer groups
5 primarily for the purposes of buying health insurance.

6 * * *

7 §1091. Health insurance plans subject to rate review

8 * * *

9 B. As used in this Subpart, the following terms shall have the meanings
10 ascribed to them in this Section:

11 * * *

12 (13) "Large group" or "large employer" means, in connection with a group
13 health plan with respect to a calendar year and a plan year, an employer who
14 employed an average of at least fifty-one employees on business days during the
15 preceding calendar year and who employs at least two employees on the first day of
16 the plan year, ~~and beginning on January 1, 2016, an employer who employed an~~
17 ~~average of at least one hundred one employees on business days during the preceding~~
18 ~~calendar year and who employs at least two employees on the first day of the plan~~
19 year.

20 * * *

21 (22) "Small group" or "small employer" means any person, firm,
22 corporation, partnership, trust, or association actively engaged in business which has
23 employed an average of at least one but not more than fifty employees on business
24 days during the preceding calendar year and who employs at least one employee on
25 the first day of the plan year, ~~and beginning on January 1, 2016, an employer who~~
26 ~~employed an average of at least one but not more than one hundred employees on~~
27 ~~business days during the preceding calendar year and who employs at least one~~
28 ~~employee on the first day of the plan year.~~ "Small group" or "small employer" shall
29 include coverage sold to small groups or small employers through associations or
30 through a blanket policy. For purposes of rate calculation by a health insurance

5 * * *

GOVERNOR OF THE STATE OF LOUISIANA

CODING: Words in ~~struck-through~~ type are deletions from existing law; words underscored are additions.