

2022 Regular Session

HOUSE BILL NO. 198

BY REPRESENTATIVE WILLARD

INSURANCE/LIFE: Provides for group life insurance

1 AN ACT

2 To enact R.S. 22:941(A)(5), relative to group life insurance; to authorize discretionary group  
3 life insurance; to require out-of-state policies to meet in-state standards; to prescribe  
4 certain payment requirements; to authorize exclusions and limitations; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:941(A)(5) is hereby enacted to read as follows:

8 § 941. Group life insurance defined; eligibility; payment of premiums; limits and  
9 coverage

10 A. A policy of group life insurance may be issued to any of the following  
11 groups or combination thereof, or to the trustees thereof who shall be deemed the  
12 policyholder:

13 \* \* \*

14 (5) Members of a group other than one described in Paragraphs (1) through  
15 (4) of this Subsection subject to the following requirements:

16 (a) A policy of group life insurance shall not be delivered in this state unless  
17 the commissioner finds all of the following:

18 (i) The issuance of the group policy is not contrary to the best interest of the  
19 public.

1                   (ii) The issuance of the group policy would result in economies of acquisition  
2                   or administration.

3                   (iii) The benefits are reasonable in relation to the premiums charged.

4                   (b) A policy of group life insurance shall not be offered in this state by an  
5                   insurer under a policy issued in another state unless the state has requirements  
6                   substantially similar to those in Subparagraph (a) of this Paragraph, and this state has  
7                   determined that the requirements have been met.

8                   (c) The premium for the policy shall be paid from either or both of the  
9                   following sources:

10                  (i) The policyholder's funds.

11                  (ii) Funds contributed by the covered persons.

12                  (d) An insurer may exclude or limit the coverage on any person as to whom  
13                  evidence of individual insurability is not satisfactory to the insurer.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 198 Original

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**Abstract:** Authorizes issuance of discretionary group life insurance policies under certain conditions.

Present law (R.S. 22:941(A)(1)-(4)) authorizes issuance of group life insurance policies to certain groups of persons or trustees thereof. Proposed law further authorizes issuance of such policies for members of groups other than those provided for in present law, if the commissioner of insurance finds that issuance of the policy is not contrary to the best interest of the public, the policy would result in economies of acquisition or administration, and the benefits are reasonable in relation to the premiums charged. Otherwise retains present law.

Proposed law prohibits a policy of group life insurance for offer in this state by an insurer under a policy issued in another state, unless the state has requirements substantially similar to requirements in proposed law (R.S. 22:941(A)(5)(a)), and the state of La. determines that the requirements have been met.

Proposed law requires the premium for the policy to be paid from either the policyholder's funds or funds contributed by the covered persons, or by both types of funds.

Proposed law authorizes an insurer to exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

(Adds R.S. 22:941(A)(5))