

Regular Session, 2013

HOUSE BILL NO. 414

BY REPRESENTATIVE HUVAL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/POLICIES: Authorizes agency fees on health and accident insurance policies

1 AN ACT

2 To amend and reenact R.S. 22:855(H), relative to agency fees on insurance policies; to  
3 authorize such fees on health and accident insurance policies; and to provide for  
4 related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:855(H) is hereby amended and reenacted to read as follows:

7 §855. Quoted premium shall include all charges; dollar amount required

8 \* \* \*

9 H. The provisions of this Section shall apply to all policies except life,  
10 annuity, ~~health and accident~~, and reinsurance policies.

11 Section 2. This Act shall become effective upon signature by the governor or, if not  
12 signed by the governor, upon expiration of the time for bills to become law without signature  
13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
14 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
15 effective on the day following such approval.

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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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Huval

HB No. 414

**Abstract:** Authorizes agency fees on health and accident insurance policies.

Present law prohibits an insurer or its representative, including an insurance producer (agent) from charging or receiving any fee, compensation, or consideration for insurance which is not included in the premium quoted to the insured and the premium specified in the policy delivered to the insured, except for the following: the premium tax on a surplus lines policy, reimbursement for expenses due the producer, and for an agency fee. Specifically authorizes a producer to receive reimbursement from the insured for expenses and to charge a reasonable agency fee directly related to the services provided by the producer on all insurance policies other than life, annuity, health and accident, and reinsurance policies. Further requires that such an agency fee be prominently disclosed and itemized separately on the invoice.

Proposed law deletes the exemption of health and accident policies from present law, thus extending the authorization for a producer to receive reimbursement from the insured for expenses and to charge a reasonable agency fee related to the services provided by the producer to health and accident insurance policies.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 22:855(H))