

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.

1 AN ACT

2 To amend and reenact R.S. 22:855(H) and to enact R.S. 22:1568, relative to producer
3 compensation; to authorize agency fees on health and accident insurance policies;
4 to provide for commissions and other forms of compensation; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:855(H) is hereby amended and reenacted and R.S. 22:1568 is
8 hereby enacted to read as follows:

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

10 * * *

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

13 * * *

14 §1568. Producer compensation for sales of health and welfare plans

15 A. A health insurance issuer shall establish one or more schedules of
16 commission for the sale of each health insurance product by an insurance producer.

17 Such schedules of commission shall be uniformly applied to all producers within the
18 same schedule and shall be payable to all insurance producers licensed and appointed

19 to sell the health insurance products of the issuer. The provisions of this Subsection
20 shall not apply to any employee welfare benefit plan exclusively regulated by the

21 United States Department of Labor pursuant to Section 514 of the Employee
22 Retirement Income Security Act of 1974, 29 U.S.C. 1144, or Section 4 of the same

23 act, 29 U.S.C. 1003.

1 B. In addition to a commission for a health insurance product, a health
2 insurance producer may negotiate a charge, fee, or any other form of compensation
3 directly with the plan sponsor or employer group.

4 C. Each health insurance contract entered into prior to the effective date of
5 this Act shall comply with the provisions of this Section at the annual anniversary
6 or renewal date following the effective date of this Act. This Section shall apply to
7 political subdivisions as defined by R.S. 42:1102(17), except for any political
8 subdivision that had a contract on the effective date of this Act with an insurance
9 producer or health insurance plan on a net of commission or stipulated fee basis for
10 the placement of group health insurance coverage.

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.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____