

2015 Regular Session

HOUSE BILL NO. 602

BY REPRESENTATIVE ROBERT JOHNSON

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

INSURANCE/HEALTH: Provides relative to collection of coinsurance and deductibles

1 AN ACT

2 To enact R.S. 22:1839, relative to health insurance; to provide for the collection of
3 coinsurance and deductibles by health insurance issuers; to provide for definitions;
4 to provide for exclusions; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1839 is hereby enacted to read as follows:

7 §1839. Collection of coinsurance and deductibles by health insurance issuers

8 A. As used in this Section, the following terms are defined as follows:

9 (1) "Coinsurance" means a percentage of the allowed charge, after a
10 copayment, if any, that an insured will pay for covered services received under the
11 applicable health insurance coverage.

12 (2) "Copayment" means a fixed dollar amount structured by the health
13 insurance issuer that may be required to be paid by the insured to the healthcare
14 provider at the time the insured receives covered services.

15 (3) "Deductible" means an annual dollar amount that shall be paid by an
16 insured for the provision of healthcare services that an insured uses before the health
17 insurance issuer becomes obligated to pay for covered services. This term shall not
18 include any portion of the premium paid by the insured.

19 (4) "Health insurance coverage" or "coverage" means benefits consisting of
20 healthcare services provided directly, through insurance or reimbursement, or

1 otherwise and including items and services paid for as healthcare services under any
2 hospital or medical service policy or certificate, hospital or medical service plan
3 contract, preferred provider organization agreement, or health maintenance
4 organization contract offered by a health insurance issuer. However, "health
5 insurance coverage" or "coverage" shall not include benefits due under Chapter 10
6 of Title 23 of the Louisiana Revised Statutes of 1950 or limited benefit and
7 supplemental health insurance policies, benefits provided under a separate policy,
8 certificate, or contract of insurance for accidents, disability income, limited scope
9 dental or vision benefits, or benefits for long-term care, nursing home care, home
10 healthcare, or specific diseases or illnesses.

11 (5) "Health insurance issuer" or "issuer" means any entity that offers health
12 insurance coverage through a policy, contract, or certificate of insurance subject to
13 state law that regulates the business of insurance. For purposes of this Subpart, a
14 "health insurance issuer" or "issuer" shall include but not be limited to a health
15 maintenance organization as defined and licensed pursuant to Subpart I of Part I of
16 Chapter 2 of this Title.

17 (6) "High deductible" means a deductible which is set at a dollar value of one
18 thousand dollars or greater.

19 B. A health insurance issuer shall not execute, amend, or renew any contract
20 with a healthcare provider which requires the healthcare provider to collect any
21 applicable coinsurance or deductible amount which may be the responsibility of the
22 insured pursuant to the insured's contract for health insurance coverage when such
23 contract includes a high deductible. A health insurance issuer shall recover all
24 coinsurance and deductible amounts due from insureds for covered services as
25 required pursuant to the insured's contract for health insurance coverage when such
26 contract includes a high deductible. Payment of claims submitted by healthcare
27 providers shall not be dependent on the health insurance issuer recovering any
28 applicable coinsurance and deductible amounts pursuant to the insured's contract for
29 health insurance coverage when such contract includes a high deductible nor shall

1 collection of any applicable coinsurance, deductible, and copayment amounts be
2 required to be completed prior to processing and paying a claim made by a
3 healthcare provider pursuant to such a contract.

4 C. The provisions of this Section shall not have any effect as to the collection
5 of copayments.

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)]

HB 602 Original

2015 Regular Session

Robert Johnson

Abstract: Provides for collection by the health insurance issuer of applicable coinsurance or deductible amounts owed by an insured under any contract providing for a high deductible.

Proposed law provides for definitions, including defining a "high deductible" as one set at \$1,000 or greater.

Proposed law prohibits a health insurance issuer from executing, amending, or renewing any contract with a healthcare provider which requires that provider to collect any applicable coinsurance or deductible amount which may be the responsibility of the insured pursuant to the insured's contract for health insurance coverage when such contract includes a high deductible. Further requires a health insurance issuer to recover all coinsurance and deductible amounts due from insureds for covered services as required pursuant to such a contract. Also provides that payment of claims submitted by healthcare providers shall not be dependent on the health insurance issuer recovering any applicable coinsurance and deductible amounts pursuant to such a contract, nor shall collection of any applicable coinsurance, deductible, and copayment amounts be required to be completed prior to processing and paying a claim made by a healthcare provider pursuant to such a contract.

Proposed law provides that its provisions shall not have any effect as to the collection of copayments.

(Adds R.S. 22:1839)