Regular Session, 2010

HOUSE BILL NO. 744

1

BY REPRESENTATIVE ROY

2 To amend and reenact R.S. 22:1068(B)(2) and 1074(B)(2) and to enact R.S. 22:1063(C), 3 relative to discontinuance or cancellation of health insurance coverage; to limit such discontinuance or cancellation under certain circumstances; and to provide for 4 5 related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 22:1068(B)(2) and 1074(B)(2) are hereby amended and reenacted 8 and R.S. 22:1063(C) is hereby enacted to read as follows: 9 §1063. Prohibiting discrimination against individual participants and beneficiaries 10 based on health status 11 12 C. A health insurance issuer offering group health insurance coverage shall 13 not rescind such coverage with respect to an enrollee or insured once the enrollee or 14 insured is covered under such coverage involved, except that this Subsection shall 15 not apply to an enrollee or insured who has performed an act or practice that 16 constitutes fraud or makes an intentional misrepresentation of material fact. Such 17 coverage may not be cancelled except with prior notice to the enrollee or insured, 18 and only as permitted by federal law or regulation pursuant to 42 U.S.C.A. Section 19 300gg-12, (Public Health Services Act). The provisions of this Subsection shall not 20 apply to limited benefit health insurance policies or contracts, disability income, 21 long-term care, nursing home care, home health care, community based care, dental 22 or vision benefits, Medicare supplement, specified disease or illness, hospital

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1	indefinity of other fixed indefinity insurance, workers compensation of similar
2	insurance.
3	* * *
4	§1068. Guaranteed renewability of coverage for employers in the group market
5	* * *
6	B. A health insurance issuer may non-renew or discontinue health insurance
7	coverage offered in connection with a group health plan in the small or large group
8	market based only on one or more of the following:
9	* * *
10	(2) The plan sponsor has performed an act or practice that constitutes fraud
11	or made an intentional misrepresentation of material fact. under the terms of the
12	coverage. Such health insurance coverage may not be cancelled except with prior
13	notice to the enrollee or insured, and only as permitted by federal law or regulation
14	pursuant to 42 U.S.C. A. Section 300gg-12, (Public Health Services Act). The
15	provisions of this Paragraph shall not apply to limited benefit health insurance
16	policies or contracts authorized to be issued in this state. The provisions of this
17	Subsection shall not apply to limited benefit health insurance policies or contracts,
18	disability income, long-term care, nursing home care, home health care, community
19	based care, dental or vision benefits, Medicare supplement, specified disease or
20	illness, hospital indemnity or other fixed indemnity insurance, workers'
21	compensation or similar insurance.
22	* * *
23	§1074. Guaranteed renewability of individual health insurance coverage
24	* * *
25	B. A health insurance issuer may non-renew or discontinue health insurance
26	coverage of an individual in the individual market based only on one or more of the
27	following:
28	* * *
29	(2) The individual has performed an act or practice that constitutes fraud or
30	made an intentional misrepresentation of material fact. under the terms of the

HB NO. 744 **ENROLLED** 1 coverage; Such health insurance coverage may not be cancelled except with prior 2 notice to the enrollee or insured, and only as permitted by federal law or regulation pursuant to 42 U.S.C.A. Section 300gg-12, (Public Health Services Act). The 3 4 provisions of this Paragraph shall not apply to limited benefit health insurance 5 policies or contracts authorized to be issued in this state. The provisions of this Subsection shall not apply to limited benefit health insurance policies or contracts, 6 7 disability income, long-term care, nursing home care, home health care, community 8 based care, dental or vision benefits, Medicare supplement, specified disease or 9 illness, hospital indemnity or other fixed indemnity insurance, workers' 10 compensation or similar insurance. 11 12 Section 2. This Act shall become effective on September 23, 2010.

APPROVED: _____