

Regular Session, 2010

SENATE BILL NO. 666

BY SENATOR HEBERT

HEALTH/ACC INSURANCE. Provide for the filing of articles of incorporation of health maintenance organizations in the office of the secretary of state. (8/15/10)

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AN ACT

To amend and reenact R.S. 22:243(D)(1) and 251, relative to health maintenance organizations; to provide with respect to the filing of articles of incorporation of health maintenance organizations in the office of the secretary of state; to provide for the retention of original records; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:243(D)(1) and 251 are hereby amended and reenacted to read as follows:

§243. Incorporation

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D.(1) After the payment of all fees owed to the Department of Insurance, the articles showing the approval of the commissioner shall be filed in the office of the secretary of state ~~by the commissioner~~ together with an initial report, as prescribed by R.S. 12:101. If the first directors are not named in the articles of incorporation and the initial report, a supplemental report, setting forth their names and addresses, and signed by each incorporator or by any shareholder, shall be filed with the secretary of state and filed for record as provided by Paragraph (4) of this Subsection as soon

1 as they have been selected.

2 * * *

3 §251. Books and records of health maintenance organizations

4 A. Every health maintenance organization shall maintain the books and
 5 records relating to activities conducted in the state in its offices within the state
 6 pursuant to the provisions of this Subpart. **Such health maintenance organization**
 7 **may cause any or all such books, records, documents, accounts, and vouchers**
 8 **to be photographed or reproduced on film. Any such photographs,**
 9 **microphotographs, optical imaging, or film reproductions of any original books,**
 10 **records, documents, accounts, and vouchers shall for all purposes be considered**
 11 **the same as the originals thereof and a transcript, exemplification, or certified**
 12 **copy of any such photograph, microphotograph, optical imaging, or film**
 13 **reproduction shall for all purposes be deemed to be a transcript,**
 14 **exemplification, or certified copy of the original. Any original so reproduced**
 15 **may thereafter be disposed of or destroyed, as provided for in Subsection B of**
 16 **this Section, if provision is made for preserving and examining such**
 17 **reproductions.**

18 **B. All such original books, records, documents, accounts, and vouchers,**
 19 **or such reproductions thereof, shall be preserved and kept available in this state**
 20 **for the purpose of examination and until authority to destroy or otherwise**
 21 **dispose of such records is secured from the commissioner. At a minimum all**
 22 **such original records shall be maintained for the period commencing on the**
 23 **first day following the last period examined by the commissioner through the**
 24 **subsequent examination period, or five years, whichever is greater. Such**
 25 **original records may, however, be kept and maintained outside this state if,**
 26 **according to a plan adopted by the company's board of directors and approved**
 27 **by the commissioner, it maintains suitable records in lieu thereof.**

28 ~~B. C. If books and records, other than those required by Subsection A of this~~
 29 ~~Section, to be located in the state, are located outside the state, the health~~

1 maintenance organization shall make the records and books available to the
2 commissioner at a location within this state or pay reasonable and necessary
3 expenses for the commissioner or his representative to examine them at the place
4 where the records and books are maintained. The commissioner may designate
5 representatives, including comparable officials of the state in which the records are
6 located, to inspect the books and records on behalf of the commissioner.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Cheryl Horne.

DIGEST

Hebert (SB 666)

Present law requires the commissioner of insurance to file the articles of incorporation for health maintenance organizations with the secretary of state. Proposed law requires that the health maintenance organization file their articles of incorporation with the secretary of state.

Present law requires a health maintenance organization to maintain the books and records relating to activities conducted in the state in its offices within the state.

Proposed law retains present law and allows health maintenance organizations to cause any or all books and records to be photographed or reproduced on film. Requires any such film reproductions to be considered the same as the originals. Requires a transcript, exemplification, or certified copy of any reproduction to be deemed to be a transcript or certified copy of the original.

Proposed law requires all original books, records, documents, accounts and vouchers, or such reproductions thereof, to be preserved and kept available in the state for the purpose of examination until authority to destroy or otherwise dispose of such records is secured by the commissioner. Requires all original records to be maintained for the period commencing on the first day following the last period examined by the commissioner through the subsequent examination period, or five years, whichever is greater. Permits original records to be kept and maintained outside the state if, according to a plan adopted by the company's board of directors and approved by the commissioner, it maintains suitable records in lieu thereof.

Effective August 15, 2010.

(Amends R.S. 22:243(D)(1) & 251)