

House Committee on Insurance

Minutes of Meeting
2016 Regular Session
March 30, 2016

I. CALL TO ORDER

Representative Kirk Talbot, chairman of the House Committee on Insurance, called the meeting to order at 9:40 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Kirk Talbot, chairman
Representative Mark Abraham
Representative John F. "Andy" Anders
Representative Chad Brown
Representative Gregory Cromer
Representative Paula P. Davis
Representative Cedric B. Glover
Representative Paul Hollis
Representative Mike Huval
Representative Vincent J. Pierre
Representative Jerome Richard
Representative Alan Seabaugh
Representative Major Thibaut, vice chairman

MEMBERS ABSENT:

Representative Chris Broadwater
Representative Robby Carter

STAFF MEMBERS PRESENT:

David Marcuse, attorney
Theresa H. Ray, legislative analyst
Christie L. Russell, secretary

ADDITIONAL ATTENDEES PRESENT:

Mertis Jarrell, sergeant at arms

III. DISCUSSION OF LEGISLATION

House Bill No. 352 by Representative Huval

Representative Huval presented House Bill No. 352, which provides for the retention of certain insurance records by producers and adjusters.

Representative Huval offered a motion to voluntarily defer action on House Bill No. 352. Without objection, action on House Bill No. 352 was voluntarily deferred by a vote of 9 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Huval, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 596 by Representative Huval

Representative Huval presented House Bill No. 596, which provides for notification and effectiveness of a material change in a contract between a health insurance issuer and a producer.

Jeff Albright, Independent Insurance Agents of Louisiana, Bluebonnet Blvd., Baton Rouge, LA 70810, 225-975-7171, spoke in support of House Bill No. 596.

Ronnell Nolan, , spoke in opposition of House Bill No. 352. Health Agents for America, P.O. Box 65128, Baton Rouge, LA 70802, (225) 921-6711, spoke in support of House Bill No. 596.

Witness cards submitted by individuals who did not speak are as follows: 36 in support. Witness cards are included in the committee records.

Representative Davis offered a motion to report House Bill No. 596 favorably. Without objection, House Bill No. 596 was reported favorably by a vote of 9 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Huval, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 746 by Representative Thibaut

Representative Thibaut presented House Bill No. 746, which provides for licensing and regulation of insurance consultants by the commissioner of insurance.

Jeff Albright, Independent Insurance Agents of Louisiana, Bluebonnet Blvd., Baton Rouge, LA 70810, 225-975-7171, spoke in support of House Bill No. 746.

Dale Ducote, LAHU, 7932 Summa Drive, Baton Rouge, LA 70809, (225) 413-8821, spoke in support of House Bill No. 746.

Lou Fey, Professional Insurance Agents of Louisiana, 2136 N. Woodchase Court, Baton Rouge, LA (225) 362-0018, spoke in support of House Bill No. 746.

Witness cards submitted by individuals who did not speak are as follows: 37 in support. Witness cards are included in the committee records.

Representative Talbot offered amendments to House Bill No. 746 proposed to: 1) Require licensed consultants to take three hours dedicated to the subject of flood insurance as part of their yearly continuing education requirements; 2) Allow only ten hours of excess hours of continuing education requirements be carried over yearly for all lines of consulting licenses.; 3) Exempt insurance providers providing consulting as part of the placement of coverage and loss control and accident prevention consultants from requirement to obtain consulting license; 4) Restore language inadvertently removed from bill prior to filing regarding necessity for written contract between the consultant and the party receiving the consulting services; and 5) Make technical changes. Representative Talbot offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

Representative Chad Brown offered a motion to report House Bill No. 746 with amendments. Without objection, House Bill No. 746 was reported with amendments by a vote of 13 yeas and 0 nays. Representatives Talbot, Abraham, Anders, Chad Brown, Cromer, Davis, Glover, Hollis, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 663 by Representative Thibaut

Representative Thibaut presented House Bill No. 663, which requires notice to a non-captive insurance producer prior to an insurance company terminating the producer's appointment.

Jeff Albright, Independent Insurance Agents of Louisiana, Bluebonnet Blvd., Baton Rouge, LA 70810, 225-975-7171, spoke in support of House Bill No. 663.

Chuck McMains, PCI, 8555 United Plaza, Baton Rouge, LA (225) 248-2000, spoke in opposition to House Bill No. 663.

Deb West, ACLI, 101 Constitution Avenue, Washington, D.C. (212) 778-7429, spoke in support to House Bill No. 596.

Witness cards submitted by individuals who did not speak are as follows: 36 in support and 10 in opposition. Witness cards are included in the committee records.

Representative Talbot offered amendments to House Bill No. 663, which propose to 1) Clarify that proposed law does not apply to captive producers; 2) Add additional reasons allowing termination

for cause without the 180 day notice; 3) Add exemptions from the application of proposed law to individually rated excess insurance policies and non-captive producers writing life and annuity insurance policies; and 4) Make technical changes. Representative Talbot offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Talbot, Abraham, Anders, Chad Brown, Cromer, Davis, Glover, Hollis, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

Representative Huval offered a motion to report House Bill No. 663 with amendments. Without objection, House Bill No. 663 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Glover, Hollis, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 832 by Representative Seabaugh

Representative Seabaugh presented House Bill No. 832, which provides for exemptions relative to the Department of Insurance and certain provisions applicable to employment and criminal records.

Witness cards submitted by individuals who did not speak are as follows: 1 for information only. Witness cards are included in the committee records.

Representative Talbot offered a motion to report House Bill No. 832 favorably. Without objection, House Bill No. 832 was reported favorably by a vote of 12 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Glover, Hollis, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 836 by Representative Seabaugh

Representative Seabaugh presented House Bill No. 836, which provides for the review and approval of health insurance rates in the individual and small group markets.

David Lavergne, Blue Cross/Blue Shield of Louisiana, 5525 Reitz Blvd., Baton Rouge, LA 70809, (225) 298-1532, spoke in opposition to House Bill No. 836.

Brian Small, Blue Cross/Blue Shield of Louisiana, 5525 Reitz Blvd., Baton Rouge, LA 70809, (225) 295-2488, spoke in opposition to House Bill No. 836.

Korey Harvey, Louisiana Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, (225) 342-1355, spoke for information only on House Bill No. 836.

Representative Seabaugh offered a motion to report House Bill No. 836 favorably. Without objection, by a vote of 5 yeas and 7 nays, the motion failed to pass. Representatives Anders, Glover,

Pierre, Richard, and Seabaugh voted yea. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Huval, and Thibaut voted nay.

Representative Talbot offered a motion to voluntarily defer action on House Bill No. 836. Without objection, action on House Bill No. 836 was voluntarily deferred by a vote of 12 yeas and 0 nays. Representatives Talbot, Abraham, Anders, Chad Brown, Cromer, Davis, Glover, Huval, Pierre, Richard, Seabaugh, and Thibaut voted yea.

House Bill No. 835 by Representative Seabaugh

Representative Seabaugh presented House Bill No. 835, which provides relative to audits of pharmacy records.

Steve McCall, CVS Health, 9501 E. Shea Blvd, Scottsdale, AZ 85260, (480) 614-7326, spoke in support of House Bill No. 835.

Randall Johnson, La. Independent Pharmacies Association, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 334-6165, spoke in opposition to House Bill No. 835.

Witness cards submitted by individuals who did not speak are as follows: 2 in support, 12 in opposition, and 2 for information only. Witness cards are included in the committee records.

Representative Seabaugh offered a motion to voluntarily defer action on House Bill No. 835. Without objection, action on House Bill No. 835 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Talbot, Abraham, Chad Brown, Cromer, Davis, Glover, Hollis, Huval, Seabaugh, and Thibaut voted yea.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 11:36 a.m.

Respectfully submitted,

Chairman Kirk Talbot
House Committee on Insurance

Date adopted: