

House Committee on Insurance

Minutes of Meeting
2018 Regular Session
March 21, 2018

I. CALL TO ORDER

Representative Kirk Talbot, chairman of the House Committee on Insurance, called the meeting to order at 10:02 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Kirk Talbot, chairman
Representative Major Thibaut, vice chairman
Representative Mark Abraham
Representative John F. "Andy" Anders
Representative Chad Brown
Representative Paula P. Davis
Representative Cedric B. Glover
Representative Paul Hollis
Representative Mike Huval
Representative Edmond Jordan
Representative Vincent J. Pierre

MEMBERS ABSENT:

Representative Robby Carter
Representative Gregory Cromer
Representative Alan Seabaugh

STAFF MEMBERS PRESENT:

Brandi Cannon, attorney
Christie L. Russell, secretary

ADDITIONAL ATTENDEES PRESENT:

Beverly Vincent, sergeant at arms
Hunter Sikaffy, clerk

III. DISCUSSION OF LEGISLATION

House Bill No. 607 by Representative Seabaugh

Representative Talbot offered a motion to voluntarily defer action on House Bill No. 607, which provides relative to the commissioner of insurance's examination and investigation authority. Without objection, action on House Bill No. 607 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Chad Brown, Davis, Huval, and Pierre voted yea.

House Bill No. 608 by Representative Seabaugh

Representative Talbot offered a motion to voluntarily defer action on House Bill No. 608, which provides relative to persons subject to the examination authority of the commissioner of insurance. Without objection, action on House Bill No. 608 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Chad Brown, Davis, Huval, and Pierre voted yea.

House Bill No. 609 by Representative Seabaugh

Representative Talbot offered a motion to voluntarily defer action on House Bill No. 609, which provides relative to the administration of large deductible policies and collateral. Without objection, action on House Bill No. 609 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Chad Brown, Davis, Huval, and Pierre voted yea.

House Bill No. 246 by Representative Thibaut

Representative Thibaut presented House Bill No. 246, which authorizes the commissioner of insurance to apply for a state innovation waiver to establish and implement a reinsurance program.

James Donelon, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke in support of House Bill No. 246.

Korey Harvey, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 246.

Leanne Gassaway, America's Health Insurance Plans, 01 Pennsylvania Avenue, Suite 500, Washington, D.C., 20004, spoke for information only on House Bill No. 246.

Ronnell Nolan, HAFA, P.O. Box 65128, Baton Rouge, LA 70896, spoke in support of House Bill No. 246.

Representative Davis offered a motion to report House Bill No. 246 favorably. Without objection, House Bill No. 246 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Chad Brown, Davis, Hollis, Huval, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 9 in support and 2 in opposition. Witness cards are included in the committee records.

House Bill No. 472 by Representative Thibaut

Representative Thibaut presented House Bill No. 472, which establishes the Louisiana Health Reinsurance Association.

Jim Donelon, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 472.

Korey Harvey, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 472.

David Lavergne, Blue Cross/Blue Shield of Louisiana, 8525 Reitz Avenue, Baton Rouge, LA 70809, spoke in support of House Bill No. 472.

Ronnell Nolan, HAFA, P.O. Box 65128, Baton Rouge, LA 70896, spoke in support of House Bill No. 472.

Scott Chapman, United Healthcare, 2828 N. Causeway Blvd, Metairie, LA 70002, spoke in opposition to House Bill No. 472.

Diane Davidson, Roy O. Martin, Inc., 2189 Memorial Drive, Alexandria, LA 71301, spoke in opposition to House Bill No. 472.

Representative Thibaut offered amendments to House Bill No. 472, which: 1) Delete proposed law relative to health care sharing ministries; 2) Decrease the per member per month fee from \$5.00 to \$2.50; and 3) Make technical changes. Representative Thibaut 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, Thibaut, Abraham, Anders, Chad Brown, Davis, Hollis, Huval, Jordan, and Pierre voted yea.

Representative Thibaut offered a motion to report House Bill No. 472 with amendments. Without objection, House Bill No. 472 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Thibaut, Abraham, Anders, Chad Brown, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 9 in support and 7 in opposition. Witness cards are included in the committee records.

House Bill No. 333 by Representative Talbot

Representative Talbot presented House Bill No. 333, which provides relative to the Louisiana Citizens Property Insurance Corporation Policy Take-Out Program.

Jeff Albright, Independent Insurance Agents, 18153 East Petroleum Drive, Baton Rouge, LA 70809, spoke in support of House Bill No. 333.

Representative Anders offered a motion to report House Bill No. 333 favorably. Without objection, House Bill No. 333 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 6 in support. Witness cards are included in the committee records.

House Bill No. 370 by Representative Talbot

Representative Talbot presented House Bill No. 370, which: authorizes electronic delivery of insurance coverage notices.

Kevin Cunningham, American Insurance Association, 543 Spanish Town, Baton Rouge, LA 70802, spoke in support of House Bill No. 370.

Representative Anders offered amendments to House Bill No. 370, which 1) Provide that electronic delivery shall have the same effect as any other delivery method required by law; 2) Limit civil liability for a party's failure to receive a notice or document by electronic means; and 3) Make technical changes. Representative Anders offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Talbot, Thibaut, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Representative Pierre offered a motion to report House Bill No. 370 with amendments. Without objection, House Bill No. 370 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in support. Witness cards are included in the committee records.

House Bill No. 451 by Representative Pierre

Representative Pierre presented House Bill No. 451, which provides relative to the licensing of foreign and alien insurers.

Warren Byrd, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 451.

Representative Jordan offered a motion to report House Bill No. 451 favorably. Without objection, House Bill No. 451 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

House Bill No. 644 by Representative Pierre

Representative Pierre presented House Bill No. 644, which provides relative to the licensing of third party administrators.

Barry Ward, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 644.

Representative Abraham offered a motion to report House Bill No. 644 favorably. Without objection, House Bill No. 644 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

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

House Bill No. 227 by Representative Anders

Representative Anders presented House Bill No. 227, which provides relative to reapplication for a producer license subsequent to revocation.

Barry Ward, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 227.

Representative Talbot offered a motion to report House Bill No. 227 favorably. Without objection, House Bill No. 227 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

House Bill No. 244 by Representative Talbot

Representative Talbot offered a motion to voluntarily defer action on House Bill No. 244, which provides for the regulation of prepaid entities participating in the Louisiana Medicaid Program. Without objection, action on House Bill No. 244 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

House Bill No. 436 by Representative Johnson

Representative Johnson presented House Bill No. 436, which provides relative to the regulation of pharmacy benefit managers.

Jim Donelon, Department of Insurance, 1702 N. 3rd Street, Baton Rouge, LA 70802, spoke for information only on House Bill No. 436.

Leanne Gassaway, America's Health Insurance Plans, 601 Pennsylvania Avenue, Suite 500, Washington, D.C., 20004, spoke in opposition to House Bill No. 436.

Robert L. Reiger, Adams and Reese LLP, 450 Laurel Street, Baton Rouge, LA 70801, spoke in opposition to House Bill No. 436.

Meladie Shroder, PCMA, 325 7th Avenue, Washington, D.C., 20005, spoke in opposition to House Bill No. 436.

Representative Talbot offered an amendment to House Bill No. 436, which would delete proposed law requiring an appeal to be granted to the appealing pharmacy if the commissioner is unable to obtain information from the pharmacy benefit manager that is necessary to resolve the appeal. Representative Talbot offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Talbot, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Representative Talbot offered technical amendments to House Bill No. 436. Representative Talbot offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Talbot, Abraham, Anders, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Representative Abraham offered a motion to voluntarily defer action on House Bill No. 436, to which Representative Glover objected. Representative Abraham then withdrew his motion to defer the proposed legislation.

Representative Glover offered a motion to report House Bill No. 436 with amendments. Without objection, House Bill No. 436 was reported with amendments by a vote of 11 yeas and 0 nays. Representatives Talbot, Thibaut, Abraham, Anders, Chad Brown, Davis, Glover, Hollis, Huval, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support, 11 in opposition, and 1 for information only. Witness cards are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 1:44 p.m.

Respectfully submitted,

Chairman Kirk Talbot
House Committee on Insurance

Date adopted: