

## **House Committee on Insurance**

Minutes of Meeting  
2019 Regular Session  
May 7, 2019

### **I. CALL TO ORDER**

Representative Alan Seabaugh, vice chairman of the House Committee on Insurance, called the meeting to order at 9:38 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

### **II. ROLL CALL**

#### **MEMBERS PRESENT:**

Representative Alan Seabaugh, vice chairman  
Representative Mark Abraham  
Representative John F. "Andy" Anders  
Representative Chad Brown  
Representative Paula P. Davis  
Representative Mary DuBuisson  
Representative Cedric B. Glover  
Representative Paul Hollis  
Representative Mike Huval  
Representative Michael T. Johnson  
Representative Edmond Jordan  
Representative Vincent J. Pierre

#### **MEMBERS ABSENT:**

Representative Kirk Talbot, chairman  
Representative Robby Carter

#### **STAFF MEMBERS PRESENT:**

Charlotte Cravins, attorney  
Brandi Cannon, attorney  
Christie L. Russell, secretary

#### **ADDITIONAL ATTENDEES PRESENT:**

Jarrell Murtis, sergeant at arms  
Molly Alimia, clerk

### III. DISCUSSION OF LEGISLATION

#### **Senate Bill No. 212 by Senator Appel**

Representative Seabaugh offered a motion to voluntarily defer action on Senate Bill No. 212. Without objection, action on Senate Bill No. 212 was voluntarily deferred by a vote of 9 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, DuBuisson, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

#### **Senate Bill No. 73 by Senator Long**

Senator Long presented Senate Bill No. 73, which provides for a dental service care provider choosing the method by which such provider shall be reimbursed by an insurer.

Ward Blackwell, Louisiana Dental Association, 7883 Office Park Blvd., Baton Rouge, LA 70817, (225) 926-1986, spoke in support of Senate Bill No. 73.

Representative Seabaugh offered amendments to Senate Bill No. 73 which made technical changes. Representative Seabaugh offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, DuBuisson, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Representative Huval offered a motion to report Senate Bill No. 73 with amendments. Without objection, Senate Bill No. 73 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, DuBuisson, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 4 in support. Witness cards are included in the committee records.

#### **Senate Bill No. 103 by Senator Gary Smith**

Senator Gary Smith presented Senate Bill No. 103, which provides relative to the unauthorized practice of public adjusting and fraudulent insurance acts by public adjusters.

Matthew Stewart, Department of Insurance, 1702 N. 3<sup>rd</sup> Street, Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 103.

Representative Seabaugh offered a motion to report Senate Bill No. 103 favorably. Without objection, Senate Bill No. 103 was reported favorably by a vote of 10 yeas and 0 nays.

Representatives Seabaugh, Abraham, Chad Brown, Davis, DuBuisson, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

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

### **Senate Bill No. 108 by Senator Gary Smith**

Senator Gary Smith presented Senate Bill No. 108, which provides relative to criminal bail bonds.

Representative Katrina Jackson spoke in support of Senate Bill No. 108.

Senator Troy Carter spoke in support of Senate Bill No. 108.

Representative Seabaugh offered amendments to Senate Bill No. 108 which: 1) Removed all provisions of the bill relative to R.S. 22:1443 and replaced it with R.S. 22:822, along with the removal of all references to Orleans Parish, and; 2) Make technical changes. Representative Seabaugh offered a motion to adopt the proposed amendments, to which Representative Davis objected. The secretary called the roll, and the motion failed to pass by a vote of 3 yeas and 8 nays. Representatives Seabaugh, Hollis, and Huval voted yea. Representatives Abraham, Chad Brown, Davis, DuBuisson, Glover, Mike Johnson, Jordan, and Pierre voted nay.

Representative Chad Brown offered a motion to report Senate Bill No. 108 favorably. Without objection, Senate Bill No. 108 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, DuBuisson, Glover, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 55 in support, 14 in opposition and 1 for information only. Witness cards are included in the committee records.

### **House Bill No. 352 by Representative DuBuisson**

Representative DuBuisson presented House Bill No. 352, which authorizes health insurance issuers to establish healthcare costs and quality programs.

Dr. Charles Herring, 10636 Timberlake Drive, Baton Rouge, LA 70810, (225) 769-5560, spoke for information only on House Bill No. 352.

Representative DuBuisson offered amendments to House Bill No. 352 which: 1) Make technical changes; 2) Limit the provisions of law over which proposed law would automatically prevail in the event of a conflict; 3) Change the authorization for partnerships with professional organizations to partnerships with bona fide associations; 4) Delete proposed law relative to group purchasers and

preferred provider organizations; 5) Require written notice to the Dept. of Insurance of a program established pursuant to proposed law; and 6) Require participation by an insured to be voluntary and prohibit the participation from negatively impacting the coverage rights of the insured. Representative DuBuisson offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, DuBuisson, Glover, Hollis, Huval, Mike Johnson, and Jordan voted yea.

Representative DuBuisson offered a motion to report House Bill No. 352 with amendments. Without objection, House Bill No. 352 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, DuBuisson, Glover, Hollis, Huval, Mike Johnson, and Jordan voted yea.

Witness cards submitted by individuals who did not speak are as follows: 7 in support and 1 in opposition. Witness cards are included in the committee records.

#### **Senate Bill No. 64 by Senator John Smith**

Senator John Smith presented Senate Bill No. 64, which authorizes group health insurance providers to consent on behalf of their employees for use of electronic documents.

David Lavergne, Blue Cross/Blue Shield, 5525 Reitz, Baton Rouge, LA 70809, (225) 298-1532, spoke in support of Senate Bill No. 64.

Representative Seabaugh offered amendments to Senate Bill No. 64 which make technical changes. Representative Seabaugh offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, Glover, Hollis, Huval, Mike Johnson, and Jordan voted yea.

Representative Pierre offered a motion to report Senate Bill No. 64 with amendments. Without objection, Senate Bill No. 64 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, Glover, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 8 in support. Witness cards are included in the committee records.

#### **Senate Bill No. 87 by Senator John Smith**

Senator John Smith presented Senate Bill No. 87, which requires a nonresident producer to surrender the Louisiana nonresident license when the resident license on which it is based terminates.

Barry Ward, Department of Insurance, 1702 N. 3<sup>rd</sup> Street, Baton Rouge, LA 70802, (225) 252-0124, spoke for information only on Senate Bill No. 87.

Representative Seabaugh offered a motion to report Senate Bill No. 87 favorably. Without objection, Senate Bill No. 87 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Seabaugh, Abraham, Chad Brown, Davis, Glover, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

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

### **House Bill No. 432 by Representative Jordan**

***Further action was taken by the committee on House Bill No. 432 at a later point in the meeting. Please check for the subsequent action to complete the report of discussion and motions on House Bill No. 432.***

Representative Jordan presented House Bill No. 432, which provides for the regulation of pharmacy services administrative organizations.

Robert Reiger, Adams and Reese, 450 Laurel Street, Suite 1900, Baton Rouge, LA 70801, (225) 336-5200, spoke in support of House Bill No. 432.

Randal Johnson, Louisiana Independent Pharmacies, 542 Spanish Town Road, Baton Rouge, LA 70802, (225) 334-9166, spoke in opposition to House Bill No. 432.

Randal Girouard, Rayne Pharmacy, 713 Curtis Drive, Rayne, LA, (337) 334-5105, spoke in opposition to House Bill No. 432.

Diane Milano, Chateau Drugs, 3544 W. Esplanade Avenue, Metairie, LA 70002, (225) 889-2300 spoke in opposition to House Bill No. 432.

Representative Seabaugh offered amendments to House Bill No. 432, which: 1) Make technical changes; 2) Add a definition for "department"; 3) Expand the applicability of proposed law to any pharmacy services administrative organization doing business with any pharmacy operating within the state; 4) Increase the minimum number of certain enumerated services that must be provided for a person to be deemed a pharmacy services administrative; 5) Delete the limitation that "third-party payer" shall not include a self-funded ERISA plan; and 6) Deletes the requirement that certain contracts between a pharmacy benefit manager and a pharmacy services administrative organization contain specific language authorizing the pharmacy benefit manager to obtain information in connection with the audit of a pharmacy. Representative Seabaugh offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and

0 yeas. Representatives Seabaugh, Abraham, Chad Brown, Davis, Glover, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Representative Jordan offered a motion to report House Bill No. 432 with amendments, to which Representative Huval objected. The secretary called the roll, and the motion failed to pass by a vote of 4 yeas and 7 nays. Representatives Abraham, DuBuisson, Jordan, and Pierre voted yea. Representatives Seabaugh, Anders, Chad Brown, Davis, Hollis, Huval, and Mike Johnson voted nay.

Witness cards submitted by individuals who did not speak are as follows: 14 in support and 16 in opposition. Witness cards are included in the committee records.

### **House Bill No. 311 by Representative Norton**

Representative Norton presented House Bill No. 311, which creates the Louisiana Motor Vehicle Insurance Cost Reduction and Fairness Act.

Representative Robert Johnson spoke in support of House Bill No. 311.

Kevin Cunningham, APCIA, 543 Spanish Town Road, Baton Rouge, LA 70802, (225) 381-0166, spoke in opposition to House Bill No. 311.

Representative Seabaugh offered a motion to voluntarily defer action on House Bill No. 311. Without objection, action on House Bill No. 311 was voluntarily deferred by a vote of 10 yeas and 0 nays. Representatives Seabaugh, Chad Brown, Davis, DuBuisson, Glover, Hollis, Huval, Mike Johnson, Jordan, and Pierre voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support and 8 in opposition. Witness cards are included in the committee records.

### **House Bill No. 432 by Representative Jordan**

*This is a continuation of the discussion on House Bill No. 432 from earlier in the meeting. Please check for the prior action to complete the record of discussion and motions on House Bill No. 432.*

Representative Chad Brown offered a motion to reconsider House Bill No. 432, which provides for the regulation of pharmacy services administrative organizations, to which there was an objection by Representative Huval. The secretary called the roll and House Bill No. 432 was reconsidered by a vote of 7 yeas and 2 nays. Representatives Chad Brown, Davis, DuBuisson, Glover, Mike Johnson, Jordan, and Pierre voted yea. Representatives Seabaugh and Huval voted nay.

Representative Jordan offered a motion to voluntarily defer action on House Bill No. 432. Without

objection, action on House Bill No. 432 was voluntarily deferred by a vote of 9 yeas and 0 nays. Representatives Seabaugh, Chad Brown, Davis, DuBuisson, Glover, Huval, Mike Johnson, Jordan, and Pierre voted yea.

#### **IV. OTHER BUSINESS**

There was no other business

#### **V. ANNOUNCEMENTS**

There were no announcements.

#### **VI. ADJOURNMENT**

The meeting was adjourned at 1:27 p.m.

Respectfully submitted,

Chairman Kirk Talbot  
House Committee on Insurance

Date adopted: