

House Committee on Insurance

Minutes of Meeting
2021 Regular Session
May 12, 2021

I. CALL TO ORDER

Representative Chad Brown, chairman of the House Committee on Insurance, called the meeting to order at 9:39 a.m. in Room 2, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Chad Brown, chairman
Representative Mary DuBuisson
Representative Kathy Edmonston
Representative Michael "Gabe" Firment
Representative Lawrence "Larry" Frieman
Representative Cedric B. Glover
Representative Paul Hollis
Representative Mike Huval
Representative John R. Illg, Jr.
Representative Edmond Jordan, vice chairman
Representative Sherman Q. Mack
Representative Danny McCormick
Representative Matthew Willard

MEMBERS ABSENT:

Representative Kyle M. Green, Jr.

STAFF MEMBERS PRESENT:

Rashida Keith, attorney
Adam Patrick, attorney
Alicia Powell, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Sharon Bourque, sergeant at arms

Danny Lemings, sergeant at arms

III. DISCUSSION OF LEGISLATION

House Bill No. 594 by Representative Dustin Miller

Representative Dustin Miller presented House Bill No. 594, which provides relative to reimbursement rates for certain ventilation treatments.

David Chandler, American Association for Homecare, 1200 Camellia Blvd., Lafayette, LA 70508, (337) 989-0071, spoke in support of House Bill No. 594.

Representative Brown offered amendments to:

- (1) Add non-invasive ventilators for required reimbursement;
- (2) Provide that reimbursement to cover the actual cost of a non-invasive ventilator may be based on the reasonable and customary allowable amount for a standard ventilator. Provide that if the actual cost of a non-invasive ventilator has been paid, such reimbursement for the ventilator may be terminated; and
- (3) Require reasonable reimbursement for medically necessary servicing of non-invasive ventilators and ventilation treatments provided by a respiratory therapist.

Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firmont, Frieman, Huval, Illg, McCormick, and Willard voted yea.

David Lavergne, Blue Cross and Blue Shield of Louisiana (BCBS-LA), 5525 Reitz Ave., Baton Rouge, LA 70809, (225) 298-1532, spoke in opposition to House Bill No. 594.

Dr. Emily Vincent, BCBS-LA, 5525 Reitz Ave., Baton Rouge, LA 70809, (225) 456-6290, spoke in opposition to House Bill No. 594.

Representative Huval offered a motion to report House Bill No. 594 with amendments. Without objection, House Bill No. 594 was reported with amendments by a vote of 10 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firmont, Glover, Hollis, Huval, Illg, McCormick, and Willard voted yea.

Witness card submitted by individuals who did not speak are as follows: 3 in support and 2 in opposition.

Senate Bill No. 181 by Senator Boudreaux

Senator Boudreaux presented Senate Bill No. 181, which provides relative to health insurance coverage modifications and unfair or deceptive practices.

Representative Brown offered amendments to make changes to provide for an enrollee's physician to request an exception from the issuer's modification of drug coverage for purposes of continuity of care of the patient. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, and Illg voted yea.

Jeff Drozda, Louisiana Association of Health Plans, 450 Laurel St., Ste. 1850, Baton Rouge, LA 70801, (225) 378-3206, spoke in support of Senate Bill No. 181.

Representative Brown offered a motion to report Senate Bill No. 181 with amendments. Without objection, Senate Bill No. 181 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Illg, and McCormick voted yea.

Witness cards submitted by individuals who did not speak are as follows: 7 in support.

Senate Bill No. 29 by Senator Abraham

Senator Abraham presented Senate Bill No. 29, which authorizes the commissioner of insurance to take certain actions relative to insurance during a declared emergency.

Representative Brown offered amendments to make technical changes. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Illg, and McCormick voted yea.

Representative Brown offered amendments to provide that proposed law shall not be construed to grant the commissioner authority to issue emergency rules or regulations not otherwise authorized therein. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Mack, McCormick, and Willard voted yea.

Jim Donelon, Louisiana Department of Insurance (LDI), 1702 N. Third St., Baton Rouge, LA 70802, (225) 342-7275, provided a handout, Exhibit A, which is included in the committee records.

Representative Hollis offered a motion to report Senate Bill No. 29 with amendments. Without objection, Senate Bill No. 29 was reported with amendments by a vote of 9 yeas and 0 nays.

Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Mack, McCormick, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 2 in support, 1 in opposition, and 1 for information only.

Senate Bill No. 70 by Senator Abraham

Senator Abraham presented Senate Bill No. 70, which provides relative to named storm deductibles for commercial properties.

Representative Brown offered amendments to make technical changes. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Mack, McCormick, and Willard voted yea.

Representative Brown offered amendments to:

- (1) Change the definition of "separate deductible" to a deductible that applies to direct physical loss or damage resulting from a specified weather event;
- (2) Specify that there must be direct physical loss or damage resulting from a named storm or hurricane for a separate deductible to apply in place of any other deductible;
- (3) Specify that an insured must suffer direct physical loss or damage resulting from more than one named storm or hurricane during a calendar year for a deductible to apply to any succeeding named storm or hurricane loss; and
- (4) Provide for situations in which an insured pays a named storm or hurricane deductible for a covered loss and changes insurance companies or renews a policy that includes a different deductible amount.

Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Mack, McCormick, and Willard voted yea.

Kevin Cunningham, American Property Casualty Insurance Association, 543 Spanish Town Rd., Baton Rouge, LA 70802, (225) 381-0166, spoke for information only on Senate Bill No. 70.

Representative Hollis offered a motion to report Senate Bill No. 70 with amendments. Without objection, Senate Bill No. 70 was reported with amendments by a vote of 10 yeas and 0 nays.

Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Mack, McCormick, and Willard voted yea.

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

Senate Bill No. 65 by Senator Fesi

On behalf of Senator Fesi, Senator Abraham presented Senate Bill No. 65, which provides relative to dental referral plans.

Representative Mack offered a motion to report Senate Bill No. 65 favorably. Without objection, Senate Bill No. 65 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Hollis, Huval, Mack, McCormick, and Willard voted yea.

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

Senate Bill No. 179 by Senator Connick

Senator Connick presented Senate Bill No. 179, which provides for automobile insurance coverage for transportation network drivers.

Tom Travis, LDI, 1702 N. Third St., Baton Rouge, LA 70802, (225) 342-2136, spoke for information only on Senate Bill No. 179.

Representative Brown offered a motion to voluntarily defer action on Senate Bill No. 179. Without objection, action on Senate Bill No. 179 was voluntarily deferred by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Huval, Jordan, Mack, and McCormick voted yea.

Witness cards submitted by individuals who did not speak are as follows: 3 in opposition.

Further action was taken by the committee on Senate Bill No. 179 on May 26, 2021. Please check for the subsequent action to complete the record of discussion and motions on Senate Bill No. 179.

Senate Bill No. 131 by Senator Robert Mills

Senator Robert Mills presented Senate Bill No. 131, which prohibits insurance companies from including defense costs within the limits of liability except under certain circumstances.

Warren Byrd, LDI, 1702 N. Third St., Baton Rouge, LA 70802, (225) 342-5203, spoke for information only on Senate Bill No. 131.

Representative Brown offered amendments to make technical changes and specify that the notice requirement applies to any insurance policy or contract that requires a waiver as provided in proposed law. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Glover, Illg, Jordan, Mack, and McCormick voted yea.

Representative Mack offered a motion to report Senate Bill No. 131 with amendments. Without objection, Senate Bill No. 131 was reported with amendments by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Glover, Illg, Jordan, Mack, and McCormick voted yea.

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

Senate Bill No. 41 by Senator Bernard

On behalf of Senator Bernard, Barry Ward, LDI, 1702 N. Third St., Baton Rouge, LA 70802, (225) 219-5941, presented Senate Bill No. 41, which provides with respect to the repeal of insurance company deposit requirements.

Representative Brown offered amendments to make technical changes. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firmont, Glover, Illg, Jordan, Mack, and McCormick voted yea.

Representative Jordan offered a motion to report Senate Bill No. 41 with amendments. Without objection, Senate Bill No. 41 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firmont, Glover, Illg, Jordan, Mack, and McCormick voted yea.

Senate Bill No. 42 by Senator Bernard

On behalf of Senator Bernard, Warren Byrd, LDI, 1702 N. Third St., Baton Rouge, LA 70802, (225) 342-5203, presented Senate Bill No. 42, which requires notices of reinstatement of a casualty policy to go to all relevant parties.

Representative Jordan offered amendments to specify that the reinstatement notice in proposed law must be issued to persons who have an interest in the loss and received notice of cancellation from the insurer. Representative Jordan offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firmont, Glover, Illg, Jordan, and Mack voted yea.

Representative Jordan offered a motion to report Senate Bill No. 42 with amendments. Without objection, Senate Bill No. 42 was reported with amendments by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Illg, Jordan, and Mack voted yea.

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

Senate Bill No. 73 by Senator Milligan

Senator Milligan presented Senate Bill No. 73, which provides relative to investment of domestic insurers.

Stewart Guerin, LDI, 1702 N. Third St., Baton Rouge, LA 70802, (225) 219-3929, spoke for information only on Senate Bill No. 73.

Representative Brown offered amendments to make technical changes. Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Illg, Mack, McCormick, and Willard voted yea.

Representative Brown offered amendments to:

- (1) Change the deadline for which an investment held as an admitted asset by an insurer may qualify as an admitted asset under proposed law to August 1, 2021;
- (2) Change the deadline for execution of specific transactions to be constituted as an investment practice under proposed law to January 1, 2022;
- (3) Change the commission deadline for cash calls that insurers may invest in to January 1, 2022;
- (4) Change the deadline to January 1, 2022, for completion of and undertaking of specific projects of a partnership, in which an insurer was a general partner, that the insurer may invest in; and
- (5) Change the deadline to January 1, 2022, for an insurer to have been a general partner of a partnership and that partnership to have owned a property for which the insurer may make capital improvement in as an investment.

Representative Brown offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 9 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Glover, Illg, Mack, McCormick, and Willard voted yea.

Representative Firment 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 Brown, DuBuisson, Edmonston, Firment, Glover, Illg, Mack, McCormick, and Willard voted yea.

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

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Mack offered a motion to adjourn. Without objection, the motion passed by a vote of 8 yeas and 0 nays. Representatives Brown, DuBuisson, Edmonston, Firment, Illg, Mack, McCormick, and Willard voted yea.

The meeting was adjourned at 11:29 a.m.

Respectfully submitted,

Chairman Chad Brown
House Committee on Insurance

Date adopted: