

House Committee on Insurance

Minutes of Meeting
2024 Regular Session
May 21, 2024

I. CALL TO ORDER

Representative Michael "Gabe" Firment, chairman of the House Committee on Insurance, called the meeting to order at 9:17 a.m. in Room 3, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Michael "Gabe" Firment, chairman
Representative Lawrence A. "Larry" Bagley
Representative Dennis Bamburg, Jr.
Representative Jacob Braud
Representative Aimee Adatto Freeman
Representative Jack "Jay" William Gallé, Jr.
Representative Brian Leonard Glorioso
Representative Kyle M. Green, Jr.
Representative Troy Jude Hebert
Representative Chance Keith Henry
Representative John R. Illg, Jr.
Representative Michael T. Johnson
Representative Edmond Jordan
Representative Mandie Landry
Representative Shaun Raphael Mena
Representative Tammy T. Phelps
Representative Roger William Wilder, III
Representative Matthew Willard

MEMBERS ABSENT:

Representative Chad Brown, vice chairman

STAFF MEMBERS PRESENT:

Rashida Keith, attorney
Alicia Powell, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms
Burnell Thompson, sergeant at arms

III. DISCUSSION OF LEGISLATION**Senate Bill No. 281 by Senator Edmonds**

Senator Edmonds presented Senate Bill No. 281, which provides for pharmacy record audits.

Frank Opelka, Louisiana Department of Insurance (LDI), 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 281.

Representative Firment offered amendments to:

- (1) Restore present law provisions (R.S. 22:1856.1(B)(2)(b) and (G)) relative to audits, claim reviews, and quality assurance reviews;
- (2) Require entities to conform investigations to rules adopted by the commissioner of insurance;
- (3) Require the commissioner to promulgate rules that set forth standards governing the performance of pharmacy record audits, claim and quality assurance reviews, and fraud or willful misrepresentation audits; and
- (4) Make technical changes.

Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 13 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Representative Illg offered a motion to report Senate Bill No. 281 with amendments. Without objection, Senate Bill No. 281 was reported with amendments by a vote of 14 yeas and 0 nays. Representatives Firment, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 11 in support. Witness cards are included in the committee records.

Senate Bill No. 113 by Senator Talbot

Senator Talbot presented Senate Bill No. 113, which provides the Louisiana Insurance Guaranty Association and the Louisiana Citizens Property Insurance Cooperation exceptions from liability for certain property insurance claims.

Representative Firmont offered amendments to make technical changes. Representative Firmont offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 16 yeas and 0 nays. Representatives Firmont, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Adam Patrick, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 113.

Representative Jordan offered amendments to:

- (1) Provide that the La. Citizens Property Insurance Corp. (Citizens) is not precluded from payment of legal interest due from breach or reasonable attorney fees and costs;
- (2) Reduce the excess rate assessed by Citizens from 10% to 5% for all parishes in the state until Dec. 31, 2027, and eliminate the excess rate assessment for certain parishes until Dec. 31, 2027;
- (3) Require the Dept. of Insurance to annually report certain percentages of residential insurance business to the House and Senate Committees on Insurance beginning Feb. 1, 2025;
- (4) Provide legislative declarations and intent; and
- (5) Make present and proposed law (R.S. 22:2303(D)(1) and (6)) effective on Jan. 1, 2025.

Representative Jordan offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 15 yeas and 0 nays. Representatives Firmont, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Tom Clark, Breazeale, Sachse and Wilson, 301 Main St., Ste. 2300, Baton Rouge, LA 70801, spoke for information only on Senate Bill No. 113.

Representative Glorioso offered amendments originating in committee. Representative Glorioso offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Wilder, and Willard voted yea.

Representative Firment offered a motion to report Senate Bill No. 113 with amendments. Without objection, Senate Bill No. 113 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Freeman, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Wilder, and Willard voted yea.

Witness cards submitted by individuals who did not speak are as follows: 5 in support. Witness cards are included in the committee records.

The committee stood at ease at 10:05 a.m. The committee reconvened at 10:06 a.m.

Senate Bill No. 484 by Senator Duplessis

This is a continuation of the discussion on Senate Bill No. 484 from May 15, 2024. Please check for the prior action to complete the record of discussion and motions on Senate Bill No. 484.

Senator Duplessis presented Senate Bill No. 484, which provides for changes to the Louisiana Fortify Homes Program.

Representative Firment offered an amendment to modify language to authorize LDI to conduct an actuarial study on its own accord when the legislature does not appropriate sufficient funds. Representative Firment offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 13 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Galle, Glorioso, Hebert, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Adam Patrick, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 484.

Representative Bagley offered a motion to report Senate Bill No. 484 with amendments. Without objection, Senate Bill No. 484 was reported with amendments by a vote of 15 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

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

Senate Bill No. 499 by Senator Reese

On behalf of Senator Reese, Adam Patrick, LDI, 1702 N. Third St., Baton Rouge, LA 70802, presented Senate Bill No. 499, which provides for uninsured and underinsured motorist insurance.

Representative Firment offered amendments to make technical changes. Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mandie Landry, and Wilder voted yea.

Representative Firment offered amendments to:

- (1) Remove and modify language regarding the exception for commercial automobile insurance policies; and
- (2) Clarify intent of the rebuttable presumption regarding circumstances when the uninsured motorist form is signed but not properly completed.

Representative Firment offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Hebert, Illg, Mike Johnson, Mandie Landry, Mena, Phelps, Wilder, and Willard voted yea.

Renee Amar, Louisiana Motor Transport Association, 325 Florida St., Baton Rouge, LA 70801, spoke in support of Senate Bill No. 499.

Representative Illg offered a motion to report Senate Bill No. 499 with amendments. Without objection, Senate Bill No. 499 was reported with amendments by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Hebert, Illg, Mike Johnson, Jordan, Mena, Phelps, Wilder, and Willard voted yea.

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

The committee stood at ease at 10:25 a.m. The committee reconvened at 10:32 a.m.

Senate Bill No. 444 by Senator Jackson-Andrews

Senator Jackson-Andrews presented Senate Bill No. 444, which provides relative to pharmaceutical reimbursements.

Dana Antoon, Kentwood Family Pharmacy, 706 Avenue G, Kentwood, LA 70444, spoke in support of Senate Bill No. 444.

Minh Nguyen, Willow Bark Pharmacy, 2138 Bayou Blue Rd., Houma, LA 70364, spoke in support of Senate Bill No. 444.

Diane G. Milano, Chateau Drugs, 3544 W. Esplanade Ave., Metairie, LA 70002, spoke in support of Senate Bill No. 444.

Butch Ray, Ray's Pharmacy, 527 Hooper Rd., Pineville, LA 71360, spoke in support of Senate Bill No. 444.

Representative Illg in the chair.

Chairman Firment in the chair.

Randal Johnson, Louisiana Independent Pharmacies Association, 543 Spanish Town Rd., Baton Rouge, LA 70802, spoke in support of Senate Bill No. 444 and provided handouts, Exhibits A and B, which are included in the committee records.

Frank Opelka, LDI, 1702 N. Third St., Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 444.

Heath Williams, Office of Group Benefits, 1201 N. Third St., Ste. G-159, Baton Rouge, LA 70802, spoke for information only on Senate Bill No. 444.

Josh Sonnier, Ironworkers Local 623, 6153 Airline Hwy., Baton Rouge, LA 70805, spoke in opposition to Senate Bill No. 444.

Jeff Drozda, Louisiana Association of Health Plans, 450 Laurel St., Baton Rouge, LA 70801, spoke in opposition to Senate Bill No. 444.

Representative Jordan offered an amendment originating in committee. Representative Jordan offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Hebert, Henry, Illg, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Representative Bagley offered a motion to report Senate Bill No. 444 with amendments. Without objection, Senate Bill No. 444 was reported with amendments by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Illg, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

Witness cards submitted by individuals who did not speak are as follows: 11 in support and 12 in opposition. Witness cards are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

Representative Mandie Landry offered a motion to adjourn. Without objection, the motion passed by a vote of 14 yeas and 0 nays. Representatives Firment, Bagley, Bamburg, Braud, Galle, Glorioso, Green, Hebert, Illg, Jordan, Mandie Landry, Mena, Phelps, and Wilder voted yea.

The meeting was adjourned at 12:45 p.m.

Respectfully submitted,

Chairman Michael "Gabe" Firment
House Committee on Insurance

Date adopted: September 6, 2024