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The original instrument was prepared by Cheryl Horne. The following digest, which does not constitute a part of the legislative instrument, was prepared by Laura Gail Sullivan.

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SB 171 Engrossed

DIGEST  
2015 Regular Session

Morrish

Present law defines a self-insurance plan as any contract, plan, trust, arrangement, or other agreement which is established or maintained to offer or provide health care services, indemnification, or payment for health care services, or health and accident benefits to employees of two or more employers, but which is not fully insured. Provides that these contracts, plans, trusts, arrangements, or agreements shall be deemed "fully insured" only if the services, indemnification, payment, or benefits are guaranteed under a contract or policy of health insurance issued by an insurer authorized to transact business in this state.

Proposed law provides for an association-sponsored self-insured trust, under which any ten or more La. employers who are not public entities, each of which has a specified level of financial health, operating in the same trade or professional association may agree to pool any liabilities for employee health care benefits by establishing a trust through an association, as that term is defined in proposed law. The entity created by this agreement is referred to as an "arrangement".

Provides that an arrangement shall not be an insurer, shall not be deemed to be insurance, and shall not be subject to the La. Insurance Code. Further provides that the member employers of an arrangement are also not insurers or subject to the La. Insurance Code. Provides for additional terms, conditions, and requirements that must be met by the arrangement for proposed law to apply.

Effective August 1, 2015.

(Amends R.S. 22:453(B) and (C), 458, and 459(A); adds R.S. 22:452(4) and (5), 454(C), and 458.1)

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Provides for an association-sponsored self-insured trust, allowing groups of certain La. employers to pool liabilities for employee health care benefits by establishing a trust through an association.