

2017 Regular Session

HOUSE BILL NO. 428

BY REPRESENTATIVE PUGH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/HEALTH: Provides for unfair trade practices by insurers and pharmacy benefit managers

1 AN ACT

2 To enact R.S. 22:1964(29), relative to unfair trade practices by insurers and pharmacy
3 benefit managers; to define certain contractual provisions as an unfair trade practice;
4 to provide taking adverse action for certain statements and activities is an unfair
5 trade practice; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:1964(29) is hereby enacted to read as follows:

8 §1964. Methods, acts, and practices which are defined as unfair or deceptive

9 The following are declared to be unfair methods of competition and unfair
10 or deceptive acts or practices in the business of insurance:

11 * * *

12 (29) Taking adverse action against a healthcare provider by an insurer or
13 pharmacy benefit manager for the following actions by the healthcare provider:

14 (a) Discussing any healthcare issue or healthcare cost issue with a patient or
15 the public.

16 (b) Disclosing a practice by the insurer or pharmacy benefit manager that is
17 in violation of state law.

18 (c) Providing information to or testifying before any public body conducting
19 an investigation, hearing, or inquiry into any violation of law.

- 1 (d) Objecting or refusing to participate in a practice that is in violation of law
- 2 or causes the provider financial loss.
- 3 (e) Participating in the political process.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 428 Original

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Abstract: Classifies as an unfair trade practice taking adverse actions against a healthcare provider for certain activities by the provider.

Present law classifies certain practices of insurers or producers as unfair trade practices and authorizes the commissioner of insurance to investigate these practices and take certain actions when a he determines a violation has occurred.

Proposed law classifies as an unfair trade practice the taking of adverse action against a healthcare provider by an insurer or pharmacy benefit manager for the following:

- (1) Discussing any healthcare or healthcare cost issue with a patient or the public.
- (2) Disclosing a practice by the insurer or pharmacy benefit manager that is in violation of state law.
- (3) Providing information to or testifying before any public body conducting an investigation, hearing, or inquiry into any violation of law.
- (4) Objecting to or refusing to participate in a practice that is a violation of law or causes the provider financial loss.
- (5) Participating in the political process.

(Adds R.S. 22:1964(29))