

2015 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 113

BY REPRESENTATIVE HARRISON

A CONCURRENT RESOLUTION

To urge and request the Office of Group Benefits to study the cost for each member school board to terminate its participation in the programs offered through the Office of Group Benefits and to submit a written report of findings to the House Committee on Appropriations and the Senate Committee on Finance not later than sixty days prior to the beginning of the 2016 Regular Session of the Legislature of Louisiana.

WHEREAS, R.S. 42:801 et seq. provides for group insurance for certain government employees through programs administered by the Office of Group Benefits; and

WHEREAS, R.S. 42:811 authorizes groups participating in a program offered through the office to terminate its participation under certain circumstances; and

WHEREAS, prior to withdrawing from a program offered by the office, the group terminating its participation in the program is required to pay an actuarially determined pro rata share of any accrued liabilities of the program; and

WHEREAS, the group withdrawing is assessed for its estimated pro rata share of incurred but not reported (IBNR) claims liability for the run out of incurred claims and any group-specific known accounts payable; and

WHEREAS, the pro rata share is determined by prorating the current IBNR by the total plan membership to develop a per-member IBNR factor and applying the per-member IBNR factor to the membership count of the group terminating its participation from the program; and

WHEREAS, for local school boards located in smaller parishes, the cost of termination based on current assessments may be cost-prohibitive, leaving the local school boards with no option but to remain in the program.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Office of Group Benefits to study the cost for each member school board to terminate its participation in the programs offered through the Office of Group Benefits.

BE IT FURTHER RESOLVED that the Office of Group Benefits shall submit a written report of its findings to the House Committee on Appropriations and the Senate Committee on Finance not later than sixty days prior to the beginning of the 2016 Regular Session of the Legislature of Louisiana.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to the chief executive officer of the Office of Group Benefits and the commissioner of administration.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE