SLS 10RS-525

## **ORIGINAL**

Regular Session, 2010

SENATE BILL NO. 117

BY SENATOR LONG

HEALTH/ACC INSURANCE. Require medical necessity review organizations to notify the commissioner of insurance upon changes in fact or circumstance affecting its qualification for a license. (8/15/10)

1	AN ACT
2	To enact R.S. 22:1123(E), relative to medical necessity review organizations; to provide for
3	required notifications to the commissioner of insurance upon changes in fact or
4	circumstance; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 22:1123(E) is hereby enacted to read as follows:
7	§1123. Authorization or licensure as an MNRO
8	* * *
9	E. An entity licensed as a MNRO shall notify the commissioner of any
10	material change in fact or circumstance affecting its qualification for a license
11	in this state within sixty days of the effective date of the change. The notice shall
12	include any documentation as the commissioner may require. Changes in fact
13	or circumstances shall include the following items:
14	(1) Changes in control as defined in R.S. 22:692(3).
15	(2) Amendments to the articles of incorporation.
16	(3) Changes in officers and directors.
17	(4) Merger or consolidation of the MNRO with any other person or

Page 1 of 2 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	<u>entity.</u>			
2	(5) Use of a trade	<u>e name</u>	<u>in this</u>	<u>state.</u>
3		*	*	*

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cheryl Horne.

## DIGEST

Proposed law requires an entity licensed as a Medical Necessity Review Organization ("MNRO") to notify the commissioner of any material change in fact or circumstance affecting its qualification for a license in this state within 60 days of the effective date of the change.

Proposed law defines changes in fact or circumstances to include:

- (1)Changes in control or possession of the power to direct or cause the direction of the management and policies by a person.
- Amendments to the articles of incorporation. (2)
- Changes in officers and directors. (3)
- Merger or consolidation of the MNRO with any other person or entity. (4)
- (5) Use of a trade name in the state.

Effective August 15, 2010.

(Adds R.S. 22:1123(E))