

Regular Session, 2012

SENATE BILL NO. 643

BY SENATOR CORTEZ

GROUP INSURANCE. Changes definitions relating to portability, availability, and renewability of health insurance. (8/1/12)

1 AN ACT

2 To amend and reenact R.S. 22:1061(5)(e)(ii) and (iii), relative to portability, availability, and
3 renewability of health insurance coverage; to provide for definitions of large and
4 small employers for purposes of such coverage; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:1061(5)(e)(ii) and (iii) are hereby amended and reenacted to read
7 as follows:

8 §1061. Definitions

9 * * *

10 (5)(e)(i)

11 * * *

12 (ii) "Large employer" means, in connection with a group health plan with
13 respect to a calendar year and a plan year, an employer who employed an average of
14 at least ~~fifty-one~~ **one hundred one** employees on business days during the preceding
15 calendar year and who employs at least two employees on the first day of the plan
16 year.

17 (iii) "Small employer" means, in connection with a group health plan with

1 respect to a calendar year and a plan year, an employer who employed an average of
 2 at least one but not more than ~~forty~~ **one hundred** employees on business days during
 3 the preceding calendar year and who employs at least one employee on the first day
 4 of the plan year.

5 Section 2. The provisions of this Act shall expire and be void after a final, non
 6 appealable judgment by the United States Supreme Court that includes the merits of the
 7 provisions of Section 2794 of the Public Health Service Act and that rejects the validity of
 8 such provisions, together with any and all federal regulations promulgated in accordance
 9 therewith by any federal agency. The provisions of this Act shall become null and void
 10 immediately upon congressional repeal of Section 2794 of the Public Health Service Act.

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

DIGEST

Cortez (SB 643)

Present law provides that the requirements of present law relative to group health plans apply to large employers who employed an average of at least 51 employees during the preceding calendar year. Further provides that present law requirements apply to small employers who employed between one and 50 employees during the preceding calendar year.

Proposed law amends the definitions of small employer and large employer. Defines "small employer" as an employer who employed an average of not more than 100 employees in the preceding calendar year. Defines "large employer" as an employer who employed an average of at least 101 employees in the preceding calendar year.

Proposed law provides that proposed law shall expire and be void after a final, non appealable judgment by the United States Supreme Court that includes the merits of the provisions of Section 2794 of the Public Health Service Act and that rejects the validity of such provisions, together with any and all federal regulations promulgated in accordance therewith by any federal agency. Further provides that proposed law shall become null and void immediately upon congressional repeal of Section 2794 of the Public Health Service Act.

Effective August 1, 2012.

(Amends R.S. 22:1061(5)(e)(ii) and (iii))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Provides that proposed law shall expire and be void after a final, non appealable judgment by the U.S. Supreme Court that includes the merits of Section 2794 of the Public Health Service Act or immediately upon congressional repeal of Section 2794 of the Public Health Service Act.