

2008 Regular Session

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Louisiana Department of Insurance

Issues Related to Session

- New Crop of Legislators
- New Committee Chairmen
- New Ethics Laws
- New Governor

Department of Insurance Package

- Started with 34 Bills
- Several were initiatives of NAIC
- Recodification Bills
- 25 of the 34 Bills Passed
- None of our legislation was vetoed!

Recodification Bills

- Four bills were introduced to address the recodification.
- The reorganized table of contents will take effect on 1-1-09.
- There will now be 16 chapters in Title 22.
- Organized in a more logical fashion for all users of the insurance code.
- Phase Two will be addressed in subsequent sessions.

Property and Casualty

- Act 125 and Act 194 corrected typos in current law.
- Act 818 and Act 883 require the filing of PRV and VMB policies with DOI.
- Act 402 prohibits insurers from including fines and penalties in rate filings.
- Act 854 implements zone deductibles.

Auto Insurance

- Act 921 increases the minimum limits for compulsory motor vehicle liability insurance to 15-30-25 on January, 2010.
- Act 851 requires insurance companies to issue proof of coverage that accurately reflects the insured's effective dates of coverage and the actual dates for which a premium has been received.
- Act 132 provides discounts on automobile insurance for vehicles with Global Positioning Systems (GPS).

Other Bills of Interest

- Act 665 bans the use of a wireless device to write, send or read a text-based communication.
- Act 667 bans the use of a cell phone within one year of being issued an operator's license regardless of age.
- Act 300 increases the fines and penalties for violation related to child restraint systems, including the suspension of licenses.

Other Bills of Interest

- Act 666 prohibits any person 17 yrs old or younger from operating a motor vehicle while using a wireless telecommunications device.
- Act 355 bans school bus drivers from using a cell phone while driving.

Citizens Corporation

- Act 211 gives Citizens authority to collect ratemaking information.
- Act 347 exempts St. Mary Parish from the 10% surcharge until 2010.
- Act 388 requires applicants for coverage to have been denied by at least one company.
- Act 434 requires that Citizens give a preference to Louisiana companies for adjusting and underwriting services.

Incentive Program

- Act 390 authorizes a third round for the Insure Louisiana Incentive Program and further clarified the requirements of the program.

Fraud Legislation

- Act 15 creates a crime regarding fraudulent proof of insurance cards.
- Act 292 creates the crime of home improvement fraud.
- Act 628 creates the crime of forged insurance documents.

LIGA

- Extended the coverage through LIGA from \$150,000 to \$300,000 to protect consumers in the event of an insolvency.

Health Mandates

- Act 349 requires coverage of prosthetic devices and prosthetic services - \$50,000 per limb per year.
- Act 648 requires coverage of the diagnosis and treatment of autism - benefits can not exceed \$36,000 per year and \$144,000 over a lifetime. Employers with fewer than 50 employees are exempt.

Health Legislation

- Act 199 reorganized the language in the existing statute regarding COBRA.
- Act 442 provides for the regulation of medical discount plans.
- Act 443 allows for experimental determinations to access the MNRO appeal process.

DOI Legislation

- Act 404 – eligibility for a group policy.
- Act 403 – allows the formation of domestic captive insurers.
- Act 11 – notification of foreign and alien officers.
- Act 369 – Interstate Insurance Product Regulation Compact.
- Act 504 – Statutory Deposit Requirements.
- Act 143 – written Cat Plans for TPA's, MGA's and HMO's.