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January 15, 2018

Senator Jay Hottinger (R) - District 31
Senator Matt Huffman (R) - District 12
Senate Building
1 Capitol Square, 1st Floor
Columbus, Ohio 43215

Re: Written Testimony in Support of Senate Bill 227

Dear Senator Hottinger and Senator Huffman;

In 2012 Louisiana Senator Robert Adley, Representative Mike Huvall and I introduced and passed Louisiana Act #217 – House Bill 989. A copy is enclosed for your convenience. Many health insurance agents, employers, and participants came to testify on behalf of the bill. We passed this bill for simple reasons.

1. The current group insurance structure required employers and participants to fill out separate health questionnaires for all insurance companies to get quotes. This is a paperwork nightmare for employers, employees and insurance companies. If the employer is provided the claims experience from the incumbent insurance company all the paperwork is eliminated. The submitted report is sufficient for any underwriter to create quotes. This gives employers and employees a fair spreadsheet of competitive quotes. Competition always lowers cost.
2. Louisiana Act 217 is written for group insurance for two (2) employers and higher. All employers need to know what their “Premium versus Claims” are, without it they are budgeting in the dark.
3. All underwriters want to know “monthly total claims paid” along with the diagnosis and dollars paid on large claims. Louisiana Act 217 allows for this information. This detail is de-identified but nevertheless critical and required of any quoting underwriter.



Since the passage of this bill, rates have stabilized in Louisiana (even in light of the ACA), employers are empowered with risk and fiscal financial information and participants are getting the consumer enlightenment and protection they deserve. For your information, I am enclosing a sample of the BCBSLA reporting that Louisiana Act 217 generated. Of course, UHC, Aetna, Cigna, Humana and etc. have their own versions. As you can see it is simple but very meaningful to any employer, participant or health insurance underwriter. Even though they resisted, I think even the insurance companies will agree that Act 217 has been very good for everyone. Insurance companies now have a lot less paper to process. This saves lots of overhead.

I welcome you to call Senator Robert Adley if you wish to. His cell phone number is 318-393-4343. I am, of course, available should the need arise.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary".

Mary N. Smith
President

Attachments

cc: Senator Robert Adley
Senator Michael Huvall

ACT No. 217

Regular Session, 2012

HOUSE BILL NO. 989

BY REPRESENTATIVES HUVAL, PIERRE, REYNOLDS, RITCHIE, TALBOT, AND THIBAUT

1 AN ACT

2 To enact R.S. 22:978(E) and (F), relative to group, family group, blanket, and association
3 health and accident insurance and health maintenance organizations; to provide with
4 respect to notice required for certain premium increase, cancellation, or nonrenewal;
5 to provide for the release of claims data; to provide with respect to civil immunity
6 and certifications; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 22:978(E) and (F) are hereby enacted to read as follows:

9 §978. Group, family group, blanket, and association health and accident insurance;
10 notice required for certain premium increase, cancellation, or nonrenewal

11 * * *

12 E.(1) Not less than ninety days prior to the renewal of a policy, every health
13 and accident insurance issuer, including a health maintenance organization, shall,
14 upon request, release to each group policyholder or agent of a policyholder claims
15 data and shall provide this data within no more than fourteen business days of receipt
16 of the request, which shall include the following items:

17 (a) The net claims paid by month during the policy period.

18 (b) The monthly enrollment by employee only, employee and spouse, and
19 employee and family during the policy period.

20 (c) The amount of any claims reserve established by the insurance provider
21 against future claims under the policy.

22 (d) Claims over ten thousand dollars including claim identifier, the date of
23 occurrence, the amount of claims paid and those unpaid or outstanding, and claimant
24 health condition or diagnosis.

1 (e) A complete listing of all potential catastrophic diagnoses and prognoses
2 involving persons covered under the policy provisions.

3 (2) A health and accident insurer that discloses data or information in
4 compliance with the provisions of this Section may condition any such disclosure
5 upon the execution of an agreement for immunity from civil liability.

6 (3) A health and accident insurer that provides data or information in
7 compliance with the provisions of this Section shall be immune from civil liability
8 for any acts or omissions of any person's subsequent use of such data or information.

9 (4) The provisions of this Subsection shall not be construed to authorize the
10 disclosure of the identity of a particular employee covered under the group policy,
11 nor the disclosure of any individual employee's particular health insurance claim,
12 condition, diagnosis, or prognosis, which would violate federal or state law.

13 (5) For purposes of this Subsection, "claim identifier" shall be defined as
14 data that reflects a number designation including but not limited to an alphabetic or
15 alphanumeric designation which shall not be a name identifier of an employee,
16 employee's spouse, or employee's dependent.

17 (6) The provisions of this Subsection shall not apply to limited benefit
18 insurance, as defined by R.S. 22:47(2)(c).

19 (7) A plan sponsor is entitled to receive protected health information under
20 this Section only after an appropriately authorized representative of the plan sponsor
21 makes to the health and accident insurer a certification substantially similar to the
22 following certification:

23 'I hereby certify and have demonstrated that the plan
24 documents comply with the requirements of 45 C.F.R.
25 Section 164.504(f)(2) and that the plan sponsor will safeguard
26 and limit the use and disclosure of protected health
27 information that the plan sponsor may receive from the group
28 health plan to perform the plan administration functions.'

29 (8) A plan sponsor that does not provide the certification required in
30 Paragraph (7) of this Subsection is not entitled to receive the protected health

1 information described in Subparagraphs (1)(d) and (e) of this Subsection, but is
2 entitled to receive a report of claim information that includes the other information
3 required by this Subsection.

4 F. For purposes of this Section, the term "health and accident insurer" or
5 "health and accident insurance issuer" shall include a health maintenance
6 organization, the term "policy" shall include a subscriber agreement, and the term
7 "policyholder" shall include an enrollee or subscriber of a health maintenance
8 organization.

9 Section 2. This Act shall become effective on January 1, 2013.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

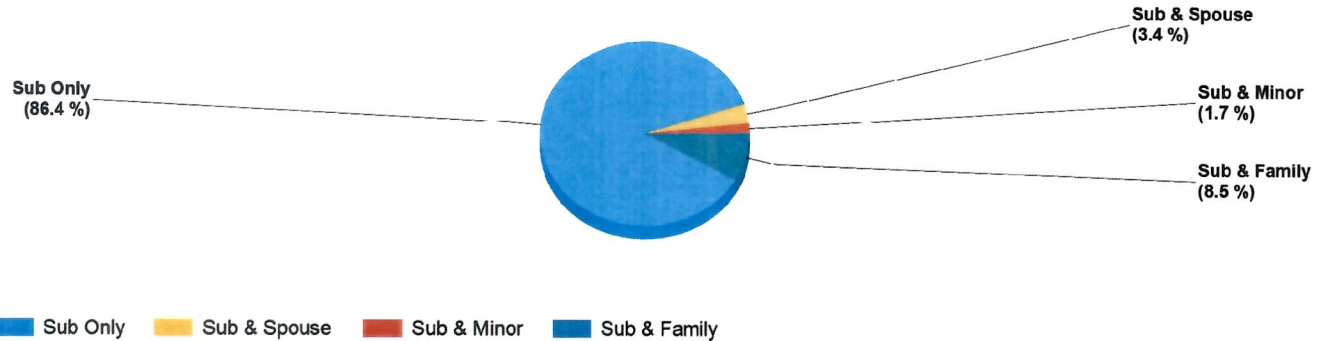
APPROVED: _____



Paid Claims and Monthly Enrollment Statistics

BCBS Group Number - Group Name
For Month Ending: December 2017

Contracts by Class



Month	Enrollment by Class				Enrollment		Premium	Claims
	Sub Only	Sub & Spouse	Sub & Minor	Sub & Family	Total Contracts	Total Members	Total Premium	Total Claims
Mar 2016	45	3	2	6	56	80	\$37,912	\$3,492
Apr 2016	46	3	2	6	57	81	\$38,440	\$13,274
May 2016	45	3	3	5	56	78	\$37,384	\$19,754
Jun 2016	46	3	3	4	56	76	\$36,407	\$6,850
Jul 2016	42	3	3	4	52	72	\$34,295	\$4,331
Aug 2016	38	2	3	4	47	66	\$31,127	\$18,395
Sep 2016	39	2	4	3	48	66	\$31,127	\$8,702
Oct 2016	40	2	4	3	49	68	\$31,655	\$19,350
Nov 2016	40	2	4	3	49	68	\$31,655	\$18,805
Dec 2016	41	2	4	3	50	69	\$32,183	\$33,014
Jan 2017	44	2	2	3	51	66	\$31,813	\$99,727
Feb 2017	45	2	2	3	52	67	\$32,341	\$11,103
Mar 2017	45	2	2	3	52	67	\$32,988	\$11,790
Apr 2017	46	2	2	3	53	68	\$33,527	\$16,853
May 2017	47	2	2	3	54	69	\$34,065	\$14,518
Jun 2017	50	2	2	4	58	75	\$37,216	\$18,545
Jul 2017	47	3	2	4	56	74	\$36,677	\$13,328
Aug 2017	49	3	1	5	58	77	\$38,293	\$13,298
Sep 2017	50	3	1	5	59	78	\$38,832	\$14,533
Oct 2017	51	3	1	5	60	79	\$39,370	\$29,189
Nov 2017	52	2	1	5	60	78	\$38,832	\$21,190
Dec 2017	51	2	1	5	59	77	\$38,293	\$25,749
Average	45	2	2	4	54	73		
Total	999	53	51	89	1,192	1,599	\$774,431	\$435,789

Disclaimer: No specific claim reserve is established for a particular group

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Louisiana



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Large Claimant Report - Claims in Excess of \$10,000

BCBS - Group Number - Group Name

Paid From: Mar 2015 Thru: Dec 2017

Contract	Status	Relation	Claim ID	Date of Occurance	Paid Amount	ICD	Description of claim diagnosis	Claim Status
1	Lapsed	Subscriber	54900	11/17/2016	\$69,882.93	T814XXA	Infection following a procedure, initial encounter	Paid Claim
2	Lapsed	Minor	71400	11/30/2016	\$11,989.99	J210	Acute bronchiolitis due to respiratory syncytial virus	Paid Claim

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