SLS 24RS-177 **ENGROSSED**

2024 Regular Session

SENATE BILL NO. 58

BY SENATOR TALBOT

INSURANCE POLICIES. Provides for patient's right to prompt coverage. (gov sig)

AN ACT

To amend and reenact R.S. 22:1060.14 and to enact R.S. 22:1060.12(7) and 1060.17, relative to health insurance; to provide a definition for consensus statements; to prohibit a health coverage plan from denying a prior authorization or payment of claims for cancer under certain circumstances; to provide enforcement procedures; to provide for technical changes; to provide for applicability; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:1060.14 is hereby amended and reenacted and R.S. 22:1060.12(7) and 1060.17 are hereby enacted to read as follows:

§1060.12. Definitions

As used in this Subpart, the following definitions apply unless the context indicates otherwise:

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**(7) "Consensus statements" means statements developed by an independent, multidisciplinary panel of experts utilizing a transparent methodology and reporting structure and with a conflict-of-interest policy that**

**are published in impactful scientific journals. The statements are aimed at specific, and often times rare, clinical circumstances and based on the best available evidence for the purpose of optimizing the outcomes of clinical care.**

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§1060.14. Requirement to cover services consistent with nationally recognized clinical practice guidelines **or consensus statements**

A. No health coverage plan that is renewed, delivered, or issued for delivery in this state that provides coverage for cancer in accordance with the Louisiana Insurance Code shall deny a request for prior authorization or the payment of a claim for any procedure, pharmaceutical, or diagnostic test typically covered under the plan to be provided or performed for the diagnosis and treatment of cancer if the procedure, pharmaceutical, or diagnostic test is recommended by nationally recognized clinical practice guidelines **or consensus statements** for use in the diagnosis or treatment for the insured's particular type of cancer and clinical state.

B. The provisions of this Section shall not prohibit a health insurance issuer from requiring utilization review to assess the effectiveness of the procedure, pharmaceutical, or test for the insured's condition, but if the procedure, pharmaceutical, or test is what is recommended by nationally recognized clinical practice guidelines **or consensus statements** for use in the diagnosis or treatment for the insured's particular type of cancer and clinical state, then any associated prior authorization shall be approved within the time limit specified in R.S. 22:1060.13.

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**§1060.17. Enforcement provisions**

**A. Whenever the commissioner has reason to believe that any health insurance issuer is not in compliance with any of the provisions of this Subpart, he shall notify the health insurance issuer. The commissioner may, in addition to the penalties in Subsection C of this Section, issue and cause to be served upon the health insurance issuer an order requiring the health insurance issuer to cease and desist from any violation.**

**B. Any health insurance issuer who violates a cease and desist order issued by the commissioner pursuant to this Subpart while the order is in effect shall be subject to one or more of the following at the commissioner's discretion:**

**(1) A monetary penalty of not more than twenty-five thousand dollars for each act or violation and every day the health insurance issuer is not in compliance with the cease and desist order, not to exceed an aggregate of two hundred fifty thousand dollars for any six-month period.**

**(2) Suspension or revocation of the health insurance issuer's certificate of authority to operate in this state.**

**(3) Injunctive relief from the district court of the district in which the violation may have occurred or in the Nineteenth Judicial District Court.**

**C. As a penalty for violating this Subpart, the commissioner may refuse to renew, or may suspend or revoke the certificate of authority of any health insurance issuer. In lieu of suspension or revocation of a certificate of authority, the commissioner may levy a monetary penalty of not more than one thousand dollars for each act or violation, not to exceed an aggregate of two hundred fifty thousand dollars.**

**D. An aggrieved party affected by the commissioner's decision, act, or order may demand a hearing in accordance with Chapter 12 of this Title, R.S. 22:2191 et seq., except as otherwise provided by this Subpart. If a health insurance issuer has demanded a timely hearing, the penalty, fine, or order by the commissioner shall not be imposed until the time as the division of administrative law makes a finding that the penalty, fine, or order is warranted in a hearing held in the manner provided in Chapter 12 of this Title.**

Section 2. The provisions of this Act apply to any new policy, contract, program, or health coverage plan issued on and after January 1, 2025.

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Beth O'Quin.

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DIGEST

SB 58 Engrossed 2024 Regular Session Talbot

Present law defines "health coverage plan", "health insurance issuer", "nationally recognized clinical practice guidelines", "positron emission tomography", "prior authorization", and "utilization review".

Proposed law retains present law but adds a definition for "consensus statements" to mean statements developed by an independent, multidisciplinary panel of experts that utilize a transparent methodology and reporting structure and provides for a conflict-of-interest policy that are published in impactful scientific journals. Proposed law provides these statements are aimed at specific clinical circumstances and based on the best available evidence for the purpose of optimizing the outcomes of clinical care.

Present law prohibits a health coverage plan from denying a prior authorization or payment of claims for any procedure, pharmaceutical, or diagnostic test to be provided or performed for the diagnosis and treatment of cancer, if the procedure, pharmaceutical, or test is recommended by nationally recognized clinical practice guidelines for use in the diagnosis or treatment of the insured's specific type of cancer and clinical state.

Proposed law retains present law but prohibits a health coverage plan from denying a prior authorization or payment of claims for any procedure, pharmaceutical, or diagnostic test to be provided or performed for the diagnosis and treatment of cancer, if the procedure, pharmaceutical, or test is recommended by nationally recognized consensus statements for use in the diagnosis or treatment of the insured's specific type of cancer and clinical state.

Proposed law provides that the commissioner of insurance (commissioner) may issue penalties or cease and desist orders if he determines that any health insurance issuer is not in compliance with proposed law.

Proposed law provides monetary penalties for violations of cease and desist orders.

Proposed law authorizes the commissioner to revoke, suspend, or nonrenew a certificate of authority of any health insurance issuer for noncompliance. Proposed law permits any aggrieved health insurance issuer the opportunity to seek judicial review of certain decisions by the commissioner.

Proposed law applies to any new policy, contract, program, or health coverage plan issued on or after Jan. 1, 2025.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 22:1060.14; adds R.S. 22:1060.12(7) and 1060.17)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. Makes technical changes.

2. Changes the consensus statement definition.

3. Removes positron emission tomography from proposed law.

4. Changes the applicability date to January 1, 2025.