

**[La. Rev. Stat. Ann. § 22:1000.]**

§ 22:1000. Group, family group, blanket, and association health and accident insurance: Health and Accident Insurance; Standards and Contract Requirements in General

A. Any insurer authorized to write health and accident insurance in this state shall have the power to issue policies described in this Section, provided that no policy issued pursuant to this Section shall conflict with other provisions of this Title or with federal law including but not limited to relevant provisions of law governing major medical health and accident policies.

(1) Group health and accident insurance is any policy of health and accident insurance, or similar coverage issued by a health maintenance organization, covering more than one person, except family group, and blanket policies hereinafter specifically provided for, which shall conform to the following requirements:

(a)(i) The policy shall be issued to an employer or association, or trustees of a fund established by an employer, association or a trust for multiple associations who shall be deemed the policyholder, covering one or more employees of such employer or one or more members or employees of members of such association or multiple associations, for the benefit of persons other than the employer, the association or the multiple associations, as well as their officers or trustees, upon some plan which will preclude individual selection.

(ii) The premium may be paid by the employer, association or multiple associations, by the employees, members or employees of members, or by the two parties jointly. An insurer may but shall not be required to establish a percentage of eligible employees who are required to enroll and participate in a group health and accident policy if the entire premium is not paid by the employer, association or multiple associations.

(iii) If the policy is issued to any employer, any class or classes of employees eligible for coverage must be determined by conditions pertaining to their employment or age.

(iv) No such policy issued under individual certificates and considered as individual insurance coverage for purposes of this Subpart and R.S. 22:984, 1061 through 1079, and 2247 may be issued to an association or trust for multiple associations unless such association or each participating association in the multiple associations, having had an active existence for at least five years, has a constitution and bylaws and has been organized and is maintained in good faith for purposes other than those of obtaining insurance, does not condition membership in the association or multiple associations on any health status-related factor relating to an individual, including an employee of an employer or a dependent of an employee, and does not make health insurance coverage offered through the association or multiple associations available other than in connection with a member of the association or multiple associations. No such policy, issued and considered as group health insurance, as defined under R.S. 22:1061(2)(c), may be issued to an association, trust for an association, or multiple associations unless it or each participating association has been actively in existence for at least five years, has been formed and maintained in good faith for purposes other than obtaining insurance, does not condition membership in the association or multiple associations on any health status-

related factor relating to an individual, including an employee of an employer or a dependent of an employee, and does not make health insurance coverage offered through the association or multiple associations available other than in connection with a member of the association. Such individual or group policy may be issued to a trust established by an association or associations to allow multiple associations to participate.

(v) The insurer shall issue to the employer, association, or the multiple associations for delivery to each employee or member insured under such group policy, an individual certificate containing a statement as to the insurance protection to which he is entitled and to whom payable.

(vi)(aa) The policy may be issued to an employer, association, a trust for multiple associations, or to the trustees of a fund established by two or more employers in the same industry or by one or more labor unions, by one or more employers, and one or more labor unions or by an association, or multiple associations, or to a multiple employer trust or multiple association trust established by an insurer on behalf of participating employers or participating associations, in the multiple associations, provided all participating employers and employees or members, or employees of members of one of the multiple participating associations have the same statutory protections that would apply if such policy was purchased by the employer, association, or multiple associations directly from the insurer, which trustees shall be deemed the policyholder, to insure with or without any eligible family members including spouse, children until the age of twenty-six, and grandchildren who are in the legal custody of and residing with the grandparent until the age of twenty-six pursuant to R.S. 22:1003 and 1003.1, employees of the employers, members of the association or employees of members of a multiple association, or of the unions for the benefit of persons other than the employers or the unions.

(bb) Notwithstanding any other provision of law to the contrary, coverage of dependent children or grandchildren for excepted benefits and for benefits of short-term, limited duration insurance as defined pursuant to 45 CFR 144.103 shall be controlled by this Subitem with regard to requirements for age. For excepted benefits, as defined in R.S. 22:1061(3)(b) and (c) and for benefits of short-term, limited duration insurance as defined pursuant to 45 CFR 144.103, the following requirements for coverage of dependent children or grandchildren shall apply:

(I) To an unmarried dependent child or grandchild but who is not a full-time student until the age of twenty-one. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(II) To an unmarried dependent child or grandchild who is enrolled as a full-time student until the age of twenty-four. This enrollment may be at an accredited college or university or at a vocational, technical, vocational-technical, or trade school or institute. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(III) To an unmarried dependent child or grandchild who is a full-time student and who develops a mental or nervous condition, problem, or disorder which renders the child or grandchild, in the opinion of a qualified psychiatrist, subject to a second opinion if deemed necessary by the health insurance issuer or health maintenance organization, unable to attend school as a full-time student and from holding self-sustaining employment, until the age of twenty-four. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(IV) To an unmarried dependent child or grandchild who is incapable of self-sustaining employment by reason of intellectual or physical disability, who became incapable prior to attainment of the age of twenty-one, there may be continuous coverage for excepted benefits regardless of age. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(b) The benefits payable under any policy or contract of group health and accident insurance shall be payable to the employee, members or employees of members of multiple associations or to some beneficiary or beneficiaries designated by him, other than the employer or association or multiple associations, but if there is no designated beneficiary as to all or any part of the insurance at the death of the employee, member or employee of members, then the amount of insurance payable for which there is no designated beneficiary shall be payable to the estate of the employee, member or employee of members, except that the insurer may in such case, at its option, pay such insurance to any one or more of the following surviving relatives of the employee, member or employee of members: wife, husband, mother, father, child, or children, brothers or sisters; and except that payment of benefits for expenses incurred on account of hospitalization or medical or surgical aid, may be made by the insurer to the hospital or other person or persons furnishing such aid. Payment so made shall discharge the insurer's obligations with respect to the amount of insurance so paid.

(c) Except as may otherwise be provided in the policy or contract of group health and accident insurance or by R.S. 22:1012, the policyholder and the insurer may agree to modify, amend, or cancel the group policy, and such agreement shall be binding upon the employee, member, or employee of members insured under the group policy, provided that the modification, amendment, or cancellation shall be without prejudice to any claim for benefits accrued, or for expenses incurred for services rendered, prior to such modification, amendment, or cancellation. Benefits and expenses incurred shall be as defined and limited by the terms of the policy; however, upon cancellation by the insurer, the insurer shall only be liable for any claim for benefits accrued, or for expenses incurred for services rendered, subsequent to the cancellation date if the subsequent claim is for an illness or condition which was the basis of any claim prior to cancellation and for which the insurer had notice. Any cancellation pursuant to this Paragraph shall also comply with the provisions of R.S. 22:887(F).

(d) Except as may otherwise be provided in the policy or contract of group health and accident insurance, the insurer shall not be liable for benefits accrued, or for expenses incurred for services rendered, subsequent to the termination date where the policy of insurance terminates for failure of the group policyholder to pay premiums or where the employee's, member's, or member's employee's coverage terminated for failure of the employee, member, or employee of members to maintain eligibility as provided in the policy or contract of group health and accident insurance.

(2)(a) Family group health and accident insurance or similar coverage issued by a health maintenance organization is an individual policy covering any one person, with or without any eligible members, including spouse and children until the age of twenty-six, and grandchildren until the age of twenty-six who are in the legal custody of and residing with the grandparent pursuant to R.S. 22:1003 and 1003.1, except that the policy may provide for continuing coverage for any child or grandchild in the legal custody of and residing with the grandparent who is incapable of self-sustaining employment by reason of intellectual or physical disability, who became so incapable prior to attainment of age twenty-six, and any other person dependent upon the

policyholder, written under a master policy issued to the head of such family. The policy shall contain a provision that the policy, and the application of the head of the family if attached to the policy, shall constitute the entire contract between the parties.

(b) Notwithstanding any other provision of law to the contrary, coverage of dependent children or grandchildren for excepted benefits and for benefits of short-term, limited duration insurance as defined pursuant to 45 CFR 144.103 shall be controlled by this Subparagraph with regard to requirements for age. For excepted benefits, as defined in R.S. 22:1061(3)(b) and (c) and for benefits of short-term, limited duration insurance as defined pursuant to 45 CFR 144.103, the following requirements for coverage of dependent children or grandchildren shall apply:

(i) To an unmarried dependent child or grandchild who is not a full-time student until the age of twenty-one. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(ii) To an unmarried dependent child or grandchild who is enrolled as a full-time student until the age of twenty-four. This enrollment may be at an accredited college or university or at a vocational, technical, vocational-technical, or trade school or institute. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(iii) To an unmarried dependent child or grandchild who is a full-time student and who develops a mental or nervous condition, problem, or disorder which renders the child or grandchild, in the opinion of a qualified psychiatrist, subject to a second opinion if deemed necessary by the health insurance issuer or health maintenance organization, unable to attend school as a full-time student and from holding self-sustaining employment, until the age of twenty-four. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(iv) To an unmarried dependent child or grandchild who is incapable of self-sustaining employment by reason of intellectual or physical disability, who became so incapable prior to attainment of the age of twenty-one, there may be continuous coverage for excepted benefits regardless of age. A dependent grandchild shall be in the legal custody of and residing with the grandparent.

(3) Blanket health and accident insurance is any policy covering special groups of persons as enumerated in any of the following:

(a) Under a policy or contract issued to any common carrier or to any operator, owner, or lessee of a means of transportation that operates as a common carrier, which shall be deemed the policyholder, covering a group defined as all persons who may become passengers on such common carrier or means of transportation.

(b) Under a policy issued to an employer, who shall be deemed the policyholder, covering any group of employees, dependents, or guests defined by reference to hazards incident to activities or operations of the policyholder.

(c) Under a policy issued to a college, school, or other institution of learning, a school district or districts or school jurisdictional unit, or to the head, principal, or governing board thereof, who or which shall be deemed the policyholder, covering students, teachers, employees, or volunteers.

(d) Under a policy issued in the name of any volunteer or governmental fire department, first aid, civil defense, or other such volunteer group, which shall be deemed the policyholder, covering any group of members, participants, or volunteers incident to any activities or operations sponsored or supervised by such department or group.

(e) Under a policy or contract issued to a creditor who shall be deemed the policyholder to insure debtors of the creditor.

(f) Under a policy or contract issued to a sports team, camp, or sponsor thereof, which shall be deemed the policyholder, covering members, campers, employees, officials, supervisors, or volunteers.

(g) Under a policy or contract issued to a religious, charitable, recreational, educational, or civic organization or branch thereof, which shall be deemed the policyholder, covering any group of members, participants, or volunteers defined by reference to specified hazards incident to any activities or operations sponsored or supervised by or on the premises of such policyholder.

(h) Under a policy or contract issued to a newspaper or other publisher, which shall be deemed the policyholder, covering its carriers.

(i) Under a policy or contract issued to a restaurant, hotel, motel, resort, innkeeper, or other group with a high degree of potential customer liability, which shall be deemed the policyholder, covering patrons, guests, or volunteers.

(j) Under a policy or contract issued to a health maintenance organization, a health care provider, or other arranger of health services, which shall be deemed the policyholder, covering subscribers, patients, donors, and surrogates, provided that the coverage is not made a condition of receiving care or that major medical health and accident coverage may not be provided to subscribers or other enrollees pursuant to this Section.

(k) Under a policy or contract issued to a bank or other financial association or institution, vendor, or to a parent holding company or to the trustee, trustees, or agent designated by one or more banks or other financial associations or institutions or vendors under which account holders, credit card holders, debtors, guarantors, or purchasers are insured.

(l) Under a policy or contract issued to an incorporated or unincorporated association of persons having a common interest or calling, formed for purposes other than obtaining insurance, which association shall be deemed the policyholder, covering members or participants of such association.

(m) Under a policy or contract issued to a travel agency or other organization that provides travel related services, which organization shall be deemed the policyholder, to cover all persons for which travel related services are provided.

(n) Under a policy issued to any other risk or class of risks that, in the discretion of the commissioner of insurance, may be subject to the issuance of a blanket health and accident policy. The discretion of the commissioner may be exercised on an individual risk basis or class of risks, or both.

(o) Under a policy or contract issued to the Louisiana Department of Health, which shall be deemed the policyholder, covering a group defined as all persons who are eligible for medical assistance pursuant to a coverage program implemented pursuant to approval of the secretary of the United States Department of Health and Human Services using authority granted under Section 1115 of the Social Security Act.

(4) An individual application shall not be required from a person covered under such a blanket policy. The insurer shall furnish to the policyholder for delivery to the insured a certificate of insurance that shall disclose the benefits, limitations, exclusions, and reductions contained in the policy and the provisions relating to notice of claim, proof of loss, time of payment of claim, and any other relevant information, including the name and address of the insurer. All benefits under any such blanket policy shall be payable to the person insured, or to his designated beneficiary or beneficiaries, if the policy permits the designation of named beneficiaries, or to his estate, except that if the person insured is a minor such benefits may be made payable to his parent, guardian, or other person actually supporting him.

B.(1) The term "employees" as used in this Section shall be deemed to include, for the purposes of insurance under this Section, as employees of a single employer, the officers, managers, and employees of the employer and of subsidiary or affiliated corporations of a corporation employer, and the individual proprietors, partners, and employees of individuals and firms of which the business is controlled by the insured employer through stock ownership, contract or otherwise. The term "employer" as used herein may be deemed to include any governmental corporation, unit, agency or department thereof, or the proper officers, as such, of any unincorporated governmental organization.

(2) As used in this Section, "participating association" shall mean an association that has, by virtue of an affirmative vote, consensus, or similar decision in accordance with the association's bylaws or conventions, acted overtly through its staff or elected leaders, acting within the scope of their authority, to enter into an agreement with one or more other associations to be a partner in a multiple association trust on terms mutually agreeable to all associations participating in the multiple association trust.

C. Insurers issuing policies under this Section shall be subject to all the other applicable provisions of this Subpart and R.S. 22:984, 1061 through 1079, and 2247. In addition, policies issued under this Section shall also contain a provision that to the group or class thereof originally insured shall be added:

(1) All new persons becoming eligible for and applying for insurance in such group or class, including new members of a family group; and

(2) Any persons required to be provided coverage under federal law who apply for insurance in such group or class.

D. Any policy issued under this Section may provide for the readjustment of the rate of premium based on the experience at the end of the first year or of any subsequent year of insurance, and such readjustment may be made retroactive only for such policy year. Any refund under any plan for readjustment of the rate of premium based on the experience under group policies issued, and any dividend paid under such policies may be issued to reduce the employer's share of the cost of the coverage, except that if the aggregate refunds or dividends under such group policy and any other group policy or contract issued to the policyholder exceed the aggregate contributions of the employer toward the cost of the coverages, such excess shall be applied by the policyholder for the sole benefit of insured employees.

E. Any group, family group, blanket, or association health and accident insurer, including a group health plan as defined by Section 607(1) of the Employee Retirement Income Security Act of 1974, self-insurance plan, health maintenance organization, nonprofit hospital or medical service organization, or the Office of Group Benefits, shall be prohibited from any consideration of the availability or eligibility for medical assistance in this or any other state, as mandated under federal law, as a requirement of eligibility for coverage or payment under its policy, plan, certificate, or agreement for its policyholders, enrollees, members, certificate holders, or their dependents.