



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON  
COMMISSIONER

**ADVISORY LETTER 2016-01  
REVISED AND REISSUED**

**TO: ALL HEALTH INSURANCE ISSUERS, HEALTH MAINTENANCE ORGANIZATIONS, THIRD PARTY ADMINISTRATORS, GROUP SELF INSURERS AND ANY OTHER AFFECTED PERSONS**

**FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE**

**RE: APPLICABILITY OF THE PROVIDER FEE AUTHORIZED IN LA. R.S. 46:2625 TO MEDICARE ADVANTAGE PLANS IN RELATION TO DIRECTIVE 208**


**DATE: March 5, 2018**

It has been brought to my attention that language contained in Advisory Letter 2016-01, issued on July 1, 2016, has created confusion in the marketplace as it relates to provider fees authorized under La. R.S. 46:2625 and the Louisiana Department of Insurance's (LDI) ability to enforce La. R.S. 22:1860.1 as it pertains to the reimbursement of such provider fees. In an effort to alleviate or eliminate this confusion, Advisory Letter 2016-01 is hereby revised and reissued.

Advisory Letter 2016-01 was issued to notify industry that, due to federal preemption under 42 U.S.C.A. §1395w-26(b)(3) [codified at 42 C.F.R. 422.402], the LDI's authority over Medicare Advantage (MA) Plans is limited to licensing and plan solvency. The LDI maintains its position that Congress restricted its ability to regulate MA plans outside of these specific areas and that it is preempted from taking action under La. R.S. 22:1860.1 by federal law governing MA plans.

Effective immediately, all health insurance issuers, health maintenance organizations, third party administrators, group self-insurers, and any other affected persons are ordered and directed to comply with all applicable state and federal laws pertaining to the provider fee authorized by La. R.S. 46:2625.

Baton Rouge, Louisiana, this 5<sup>TH</sup> day of March, 2018.

  
JAMES J. DONELON  
COMMISSIONER OF INSURANCE