



LOUISIANA DEPARTMENT OF INSURANCE  
TIMOTHY J. TEMPLE  
COMMISSIONER

**DIRECTIVE 223**

**TO: ALL HEALTH INSURANCE INSURERS INCLUDING HEALTH MAINTENANCE ORGANIZATIONS**

**FROM: TIMOTHY J. TEMPLE, COMMISSIONER OF INSURANCE**

**RE: NETWORK ADEQUACY ACT AND PROMPT PAYMENTS**

**DATE: APRIL 2, 2024**

The Louisiana Department of Insurance (LDI) hereby issues Directive 223 to advise all health insurance insurers including health maintenance organizations (insurers) regarding compliance with the Network Adequacy Act, specifically [La. R.S. 22: 1019.1](#) et. seq., and the prompt payment statutes at [La. R.S. 22:1821](#) et. seq., [1831](#) et. seq. and [1851](#) et. seq. during periods of administrative system outages.

It has come to LDI's attention that certain vendors contracted with some insurers for pre-utilization review and claims processing and payment have experienced operational difficulty due to cybersecurity breaches, which may be disrupting the delivery of or payment for health care services. Pursuant to [La. R.S. 22: 1019.2](#), insurers shall maintain a network that is sufficient in numbers and types of healthcare providers to ensure that all healthcare services to covered persons will be accessible without unreasonable delay. In order to meet this requirement, it is critical that services be free from administrative burdens rendering care functionally unavailable for the covered population or threatening provider availability in future years. To the extent an insurer's selected vendor cannot provide services for a period of time, the insurer should either provide alternative processing options that are no more burdensome than those in place through the vendor or alter or waive those requirements until the vendor can restore operations. Insurers may implement reasonable post-service or post-processing reviews, subject to relevant statutory and contractual provisions, to accommodate these altered processes.

In evaluating compliance with the Network Adequacy Act and prompt payment statutes, LDI will consider, among others, the following actions to mitigate disruption:

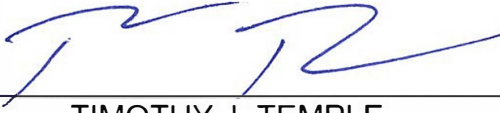
- Extension of timely filing requirements for initial and corrected claims by at least as many business days as the period of disruption;
- Waiver of pre-utilization review requirements and suspension of post-service denials or recouplements while the availability of utilization review services is disrupted;
- Offer of advanced payments of a magnitude reasonably calculated to offset expected untimely claims payments during the period of disruption without conditioning such payments on waiver of future legal claims;

- Waiver of denial of claims and recoupment of payments for administrative errors or insufficiencies related to the disruption of a health care provider's access to the electronic systems of an insurer or its vendor;
- Waiver of timeliness challenges to internal and external appeals falling outside of the statutory deadline by at least as many business days as the period of disruption; and
- Making reasonable efforts to provide access to alternative administrative processes to offset the disruption.

If there are any questions or concerns regarding Directive 223, please contact the Deputy Commissioner for the Office of Health and Annuity at (225) 342-1355 or electronically at [public@ldi.la.gov](mailto:public@ldi.la.gov).

Please be governed accordingly.

Baton Rouge, Louisiana, this 2<sup>nd</sup> day of April 2024.



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TIMOTHY J. TEMPLE  
COMMISSIONER OF INSURANCE