

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 to implement and enforce the provisions of R.S. 22:250.2.E.(2)(b) and (c), and 22:250.4.F, and 22:250.11.E, and 22:250.15.A of Part VI-C of Chapter 1 of Title 22 of the Louisiana Revised Statutes of 1950, as amended.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2261 (September 2005).

§11115. Sanctions

A. A health insurance issuer that does not comply with any of the time limits for action or notice set forth in this regulation, or who does not provide all of the information required in this regulation, shall be subject to the sanctions set forth in R.S. 22:1457.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 to implement and enforce the provisions of R.S. 22:250.2.E.(2)(b) and (c), and 22:250.4.F, and 22:250.11.E, and 22:250.15.A of Part VI-C of Chapter 1 of Title 22 of the Louisiana Revised Statutes of 1950, as amended.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2261 (September 2005).

§11117. Severability

A. If any Section or provision of this regulation or the application to any person or circumstance is held invalid, such invalidity or determination shall not affect other Sections or provisions or the application of this regulation to any persons or circumstances that can be given effect without the invalid Section or provision or application, and for these purposes the Sections and provisions of this regulation and the application to any persons or circumstances are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 to implement and enforce the provisions of R.S. 22:250.2.E.(2)(b) and (c), and 22:250.4.F, and 22:250.11.E, and 22:250.15.A of Part VI-C of Chapter 1 of Title 22 of the Louisiana Revised Statutes of 1950, as amended.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2262 (September 2005).

§11119. Effective Date

A. This regulation shall be effective upon final publication in the *Louisiana Register*.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 to implement and enforce the provisions of R.S. 22:250.2.E.(2)(b) and (c), and 22:250.4.F, and 22:250.11.E, and 22:250.15.A of Part VI-C of Chapter 1 of Title 22 of the Louisiana Revised Statutes of 1950, as amended.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2262 (September 2005).

Chapter 113. Regulation 88— Standardization of Health Benefits and Compliance Requirements for LaChoice

§11301. Purpose

A. The purpose of this regulation is:

1. to implement the statutory requirements in establishing pilot health insurance programs to increase access to affordable health insurance for small employers and for individuals pursuant to R.S. 22:244 et seq., of the Louisiana Revised Statutes of 1950; and

2. to carry out the intent of the Legislature and assure full compliance with the applicable statutory provisions by establishing procedures for the standardization of health benefits and compliance requirements. This program and the applicable statutory authority relating thereto shall be referred to hereinafter as "LaChoice."

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2948 (November 2005).

§11303. Applicability and Scope

A. Except as otherwise specifically provided, the requirements of this regulation shall apply to health insurance issuers that choose to offer health insurance under the provisions of LaChoice as required pursuant to R.S. 22:244 et seq., of the Louisiana Revised Statutes of 1950.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2948 (November 2005).

§11305. Eligibility, Benefits and Underwriting Criteria

A. In order to participate in LaChoice, employers must not have provided group health insurance coverage to their employees for at least six months from the date the last policy of insurance was terminated or nonrenewed.

B. The commissioner of insurance shall have the authority via regulation to alter the above time period in accordance with R.S. 22:246(1).

C. In order to participate in LaChoice, a health insurance issuer shall be required to file all proposed health insurance policy forms with the Department of Insurance for review and approval. Such policies shall be in compliance with Regulation 78. A statement of compliance is not required.

D. Policies issued pursuant to the provisions of LaChoice shall be exempted from all state benefit mandates, including but not limited to those mandates contained in R.S. 22:213.2.A, R.S.22:215.1.B, R.S.22:215.8, R.S. 22:215.10, R.S. 22:215.11.A, R.S. 22:215.11.B, R.S. 22:215.14, R.S. 22:215.15, R.S. 22:215.16, R.S. 22:215.20, R.S. 22:215.21, R.S. 22:215.22, R.S. 22:215.24, R.S. 22:228.7, R.S. 22:230.4, R.S. 22:669, R.S. 22:2004.1 and R.S. 22:2004.2.

E. All such health insurance coverage shall meet the requirements of Part VI-C of Title 22 except as specifically enumerated by statute or regulation. Any waiting period imposed shall be in compliance with Part VI-C of Title 22.

F. Policies issued pursuant to the provisions of LaChoice shall be exempted from R.S. 22:250.4(F)(1), (2) and (3), and R.S. 22:250.15(A)(2), (3), (4) and (5) unless dependent coverage is offered pursuant to LaChoice policies. If dependent coverage is offered, the provisions of R.S. 22:250.4(F)(1), (2) and (3), and R.S. 22:250.15(A)(2), (3), (4) and (5) shall apply to LaChoice policies.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2948 (November 2005).

§11307. Participation Requirement

A. The health insurance issuer shall provide to the Department of Health and Hospitals through electronic means via a current ANSI X12N 834 transaction format pursuant to the HIPAA transactions and code sets requirements, an initial enrollment roster for each employer group listing employees who are to be covered by the health insurance issuer.

B. The initial enrollment roster for each employer group will include all employees who are to be covered by the health insurance issuer regardless of whether or not the employee is eligible for the LaChoice premium subsidy pursuant to §11311.

C. The health insurance issuer shall provide monthly employee update transactions to the Department of Health and Hospitals using the 834 transaction format to indicate changes in insurance coverage for employees eligible for the LaChoice premium subsidy pursuant to §11311. Such changes shall include but not be limited to: changes in coverage, terminations from coverage and changes to employee demographics.

D. If an employee is to be covered in an employer group by the health insurance issuer and the employee was not included in the initial enrollment roster, the health insurance issuer shall include the employee in a monthly employee update transaction regardless of whether or not the employee is eligible for the LaChoice premium subsidy pursuant to §11311.

E. The health insurance issuer shall provide a monthly report to the Department of Insurance indicating the count of all insured or members covered under LaChoice for each employer group. Such list shall include the following categories:

1. a list of current employers enrolled in the program;
2. the number of insured or members who are receiving the subsidy pursuant to §11311;
3. the number of insured or members who are not receiving the subsidy pursuant to §11311.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2948 (November 2005).

§11309. Underwriting Criteria for Health Insurance Issuer

A. Underwriting criteria shall comply with the provisions in Title 22 and shall be subject to actuarial review and approval by the Department of Insurance, pursuant to R.S. 22:246(6).

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

§11311. Criteria for Public Subsidy

A. To be eligible for the LaChoice premium subsidy, an employee of a qualified employer that opts to provide LaChoice must make application and have household income levels at or below 200 percent of the federal poverty level as established by the Department of Health and Hospitals Medicaid Health Insurance Flexibility and Accountability (HIFA) Demonstration Project. Eligibility for the subsidy shall be determined by the Medicaid agency. Implementation of this provision shall be contingent upon the approval of the HIFA demonstration project by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

§11313. Enforcement Provisions

A. The commissioner of insurance shall have the authority to disapprove a policy submitted pursuant to LaChoice in accordance with R.S. 22:621 that fails to comply with the provisions of any statute or regulation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

§11315. Financial Statement Requirements

A. The following requirement is applicable only to health insurance issuers that offer LaChoice policies. Such health insurance issuers shall be required to report LaChoice business in a supplemental worksheet to the annual statement in a format to be provided by the Louisiana Department of Insurance.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

§11317. Discontinuation of Product Type

A. When a health insurer issuer decides to discontinue offering policies pursuant to the LaChoice program, R.S. 22:250.7(C)(1)(a),(b),(c) and (d) shall be applicable in the discontinuation of such product.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

§11319. Severability

A. If any Section or provision of this regulation or the application to any person or circumstance is held invalid, such invalidity or determination shall not affect other Sections or provisions or the application of this regulation to any persons or circumstances that can be given effect without the invalid Section or provision or application, and for these purposes the Sections and provisions of this regulation and the application to any persons or circumstance are severable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:245(C)(3) to implement and enforce the following provisions: R.S. 22:244, 22:245, and 22:246, Part VI-B. of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 31:2949 (November 2005).

Chapter 115. Regulation 90—Payment of Pharmacy and Pharmacist Claims

§11501. Purpose

A. The purpose of Regulation 90 is to implement R.S. 22:250.51-62 relative to the making of the prompt and correct payment for prescription drugs, other products and supplies, and pharmacist services covered under insurance or other contracts that provide for pharmacy benefits. It is the intent of the legislature that payments for covered prescription drugs, other products and supplies, and pharmacist services provided by pharmacists and pharmacies

are paid timely. It is also the intent of the legislature that the provisions of this Part shall be interpreted to achieve these ends. Additionally, these statutory provisions establish the intent of the legislature to assure that pharmacists and pharmacies who submit claims for covered prescription drugs, other products and supplies, and pharmacist services are paid timely and payments are based on calculations that reflect nationally recognized pricing references such as average wholesale price and maximum allowable cost.

B. To carry out the intent of the legislature and assure full compliance with the applicable statutory provisions, this regulation sets forth the standards for payment of claims for prescription drugs, pharmaceutical products and pharmacist services on behalf of health insurance issuers including, health maintenance organizations, to pharmacies and pharmacists and supersedes current regulations on uniform claim forms.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:250.61.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 33:1662 (August 2007).

§11503. Scope and Applicability

A. Except as otherwise specifically provided, the requirements of Regulation 90 apply to all health insurance issuers including health maintenance organizations that offer coverage in their insurance contracts for pharmacy services in accordance with the statutory requirements of Part VI-F of Chapter One of Title 22 of the Louisiana Revised Statutes of 1950, R.S. 22:250.51 et seq. Additionally, Regulation 90 applies to all contracts between a pharmacist and/or, pharmacy and/or a health insurance issuer, its agent, or any other party responsible for reimbursement for prescription drugs, other products and supplies, and pharmacist services. Any and all contracts entered into after July 1, 2005 shall be required to be in compliance with R.S. 22:250.51 et seq. Additionally, Regulation 90 shall apply to all contracts in existence prior to July 1, 2005. Regulation 90 shall include but not be limited to those contracts that contain any automatic renewal provisions, renewal provisions that renew if not otherwise notified by a party, any provision that allows a party the opportunity to opt out of the contract, evergreen contracts, or rollover contracts and therefore these contracts shall be required to come into compliance. Regulation 90 shall apply to all contracts as enumerated above as of the first renewal date, first opt out date, first rollover date or first annual anniversary on or after July 1, 2005.

B. Notwithstanding any provision to the contrary in any contract, evergreen contract, rollover contract or any agreement or contract that contains any automatic renewal provision, renewal provision that renews if not otherwise notified by a party or any provision that allows a party the opportunity to opt out of the contract, any and all contracts shall comply with Regulation 90 as of January 1, 2008.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:3 and 22:250.61.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Office of the Commissioner, LR 33:1663 (August 2007).