

2019-2020 Annual Report



LOUISIANA DEPARTMENT OF INSURANCE

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LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

March 17, 2021

Honorable Members of the Louisiana Legislature:

I respectfully submit the Louisiana Department of Insurance (LDI) Annual Report for your review. I am pleased to have the opportunity to share with the Legislature and the public a description of the operations performed by the LDI and the quantification of our performance during the 2019-2020 fiscal year as required by statute.

The LDI works diligently to balance the needs of insurance consumers with the insurance industry's need to operate a competitive business. We work to protect policyholders by making certain that insurers comply with all state laws and regulations while we strive to build a competitive marketplace in accordance with our mission to make insurance more affordable and available.

In keeping with our mandate, the LDI issued a slate of emergency rules in March as a result of the COVID-19 pandemic to keep health coverage in place for Louisiana consumers, provide for telehealth visits and ensure safe access to prescription drugs, among other protections during the COVID crisis.

Hurricanes Laura, Delta and Zeta struck our state after the period covered by this report. But even in the face of the record 2020 hurricane season, Louisiana's homeowners market remains stable and competitive. Our efforts to improve competition have brought 32 new homeowners insurance providers to Louisiana since 2006, and that robust marketplace has kept homeowners insurance rates in line with the cost of inflation. Homeowners insurance rates increased by 2% in 2020, up from 1.6% in 2019 and 0.7% in 2018. Meanwhile, Louisiana Citizens Property Insurance Corporation (Citizens), the state's insurer of last resort, continues to shrink through market forces so that Citizens has reduced its overall policy count by eighty percent (80%) from an all-time high of 174,000 policies in 2008 to 35,000 policies in 2020. Although I do expect the property insurance market to tighten, I do not expect to see the dramatic reshuffling that we saw after hurricanes Katrina and Rita because our overall market is much healthier than it was in 2005.

Private passenger automobile rates were also heading in the right direction during the fiscal year. In 2019, private passenger auto rates decreased by -1.4%, the first decrease in 14 years. That trend accelerated in 2020, when rates declined by -4% as major auto insurers offered customers discounts on their car insurance bills because people drove fewer miles during the pandemic.

While our staff has worked to protect the interests of consumers in the challenging areas of health insurance, long-term care, workers' compensation, and many others -- they have found time to support our community by pledging \$12,842 in the 2020 State Combined Charitable Campaign. Thank you for your interest in and support of the LDI's regulatory responsibilities and be assured that I look forward to working with you to continue to strengthen Louisiana's insurance market for the benefit of our state's citizens and businesses.

Very Truly Yours,



James J. Donelon
Commissioner of Insurance



2019 – 2020

Annual Report of the Commissioner of Insurance State of Louisiana

Data compiled from Department of Insurance records and annual statements of insurers transacting business in the state of Louisiana.

**FISCAL YEAR BEGINNING JULY 1, 2019
ENDING JUNE 30, 2020**

James J. Donelon
Commissioner of Insurance

www.lidi.la.gov
1-800-259-5300

**This report is available on the
Louisiana Department of Insurance website,
www.lidi.la.gov/annualreports**



Mission Statement

The mission of the Department of Insurance is to enforce the insurance laws and regulations of the state impartially, honestly and expeditiously. To this end, the highest ethical, professional and work quality standards will be exercised in all formal and informal relationships with individuals, agencies and companies affected by the policies and actions of the Department. It is the Department's commitment to be the best insurance regulatory agency in the United States.

**AGENCY ORGANIZATION CHART
AS OF THE 2019 - 2020 FISCAL YEAR**

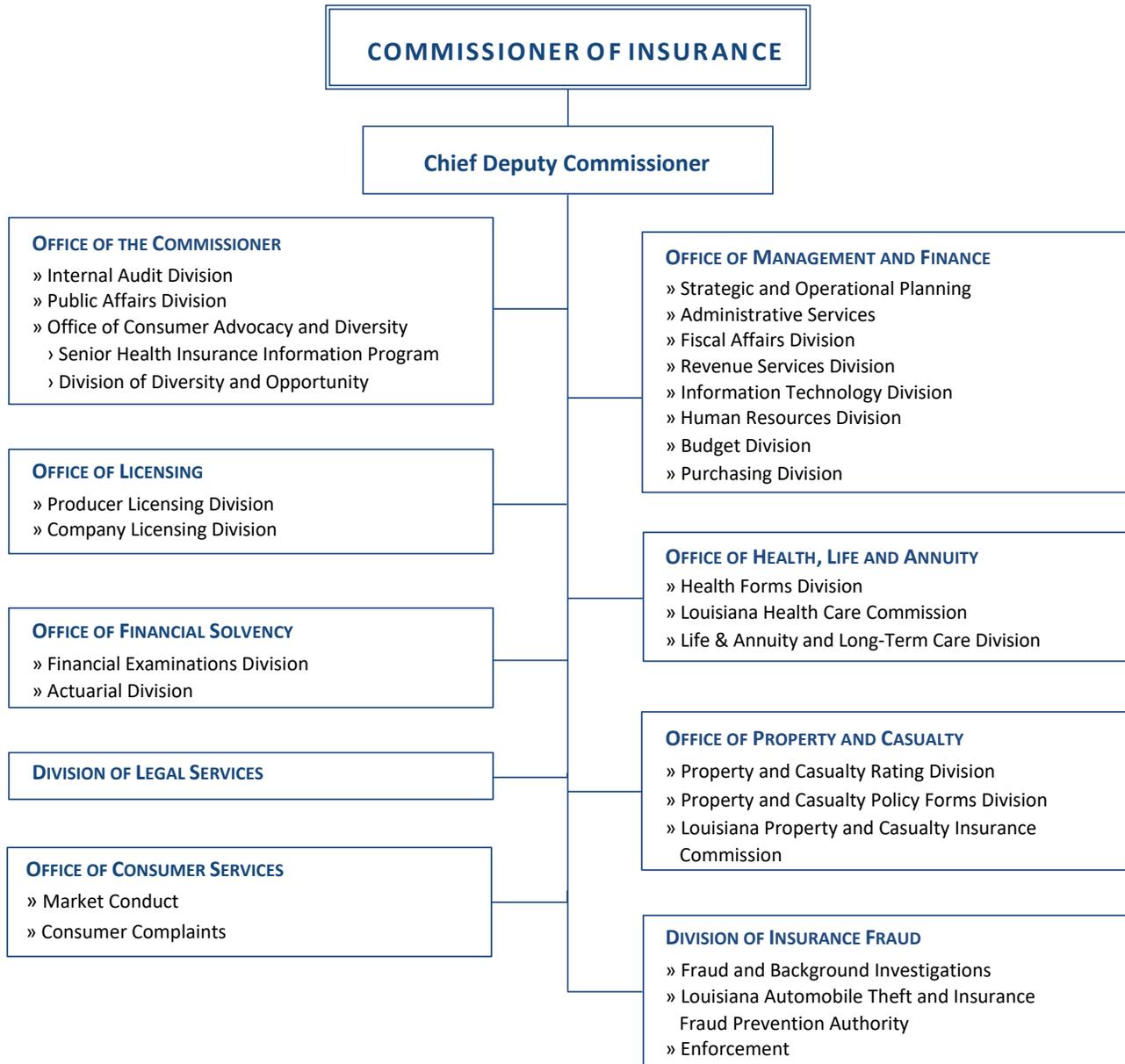


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Executive Summary

EXECUTIVE SUMMARY

The Louisiana Department of Insurance (LDI) continues to work towards its fundamental responsibilities as state regulators: making sure insurers are solvent and financially able to deliver on their contractual responsibilities, and safeguarding that insurers abide by the law and treat policyholders fairly. By verifying that Louisiana's insurers are financially sound, agents are knowledgeable, and all regulated entities are responsive to their policyholders, the LDI performs an essential role in residents' lives and the state's economy.

In spring 2020, LDI stepped up to protect policyholders and fulfill its mandate to the public in the face of the coronavirus pandemic. The LDI issued a slate of emergency rules in March to keep health coverage in place for Louisiana consumers, provide for telehealth visits and ensure safe access to prescription drugs, while monitoring the pandemic's effects on health, business and auto insurance.

Also in the first half of 2020, institutions around the country grappled with questions of diversity, opportunity and fair treatment, including those in the insurance industry. While those conversations are also taking place at the Louisiana Department of Insurance, LDI is proud to note that it has a long-standing commitment to diversity and inclusion through the work of its educational arm, the Office of Consumer Advocacy and Diversity. The high-profile work of this group in teaching Louisianians about insurance, highlighting career paths for high-school and college students from demographic groups not historically well-represented in the insurance industry, and creating programs to help prepare them to be leaders of the insurance industry are documented in the first chapter of this report.

During the 2019-2020 fiscal year, the LDI operated on a budget of \$32.8 million, including \$717,000 in federal funds.

The act of licensing of insurers and producers assures stakeholders that insurance industry practitioners are knowledgeable, capable, financially responsible, and in compliance with applicable laws. Electronic processing continues to improve the LDI's efficiency at discharging its regulatory duties. Regulation of the solvency and market conduct of insurers remains a paramount responsibility of the LDI, which evaluates insurers through in-house analysis and field examinations.

The LDI promulgates administrative provisions through its Division of Legal Services, including regulations, directives, advisory letters and bulletins, which are described in this report and are available in full on the LDI's website. The Annual Litigation Report required by La. R.S. 36:8.1 is included in the Division of Legal Services chapter of this report.

The Division of Insurance Fraud works to prevent fraud by performing background checks of licensees and investigating allegations of fraud against regulated entities. The public can access regulatory actions taken by the department through their online services section of our website.

The LDI serves the public and the insurance industry by responding to phone calls, public records requests and other requests through the mail and web-based systems. The LDI places a premium on public outreach, and engages with citizens through the Office of Consumer Advocacy, the Senior Health Insurance Information Program, and the Louisiana Automobile Theft and Insurance Fraud Prevention Authority.

This annual report includes historical comparisons in most tables, including three-year histories in the activities tables. It also includes links to the LDI website which provides frequently accessed information to the public and to regulated entities. This document and prior annual reports will remain accessible on the Department's website at www.ldi.la.gov/annualreports.



Office of the Commissioner

OFFICE OF THE COMMISSIONER

The Louisiana Department of Insurance was reaccredited by the National Association of Insurance Commissioners in 2019.

INTERNAL AUDIT DIVISION

The purpose of the Internal Audit Division is to provide an independent, objective assurance and consulting activity designed to add value and improve the operations of the department. Internal Audit assists management in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the efficiency and effectiveness of risk management, control and governance processes.

The Internal Audit Division's mission is to provide the commissioner and chief deputy commissioner an independent appraisal of the adequacy and effectiveness of the LDI's system of internal administrative and accounting controls, and the quality of performance when compared with established standards.

To accomplish its purpose and mission, the division examines and evaluates the reliability and integrity of financial and operating information; the means used to identify, measure, classify, and report information; the processes established to ensure compliance with policies, laws, and regulations; the means of safeguarding assets and verifying their existence; the economy and the efficiency with which resources are employed; the extent to which the operations and programs of the department are consistent with its objectives and goals; the extent to which departmental ethics and values are promoted within the organization; and the potential for fraud and the management of fraud risk.

Follow-up audits are also included in the assurance services the division provides to the LDI to ensure that corrective action has been implemented to resolve findings and weaknesses identified in previous internal and external audits and to assist the department in eliminating repeat findings.

In addition to assurance services, the division provides consulting services to assist management in meeting its objectives. These services include, but are not limited to, facilitation, process, design, training and advisory services.

For the fiscal year ending June 30, 2020, Internal Audit conducted three internal audits, two follow-up audits and two consulting service engagements. The division made over 30 recommendations that have been implemented or are currently being implemented that provide a significant value to the department by improving internal controls, as well as improving the efficiency and effectiveness of its operations.

To provide these value-added services and remain current on professional standards and industry trends, the Internal Audit Division maintains professionally certified staff with sufficient knowledge, skills and experience who actively participate in professional organizations and attend conferences and seminars to further their continuing professional education.

PUBLIC AFFAIRS DIVISION

The Department of Insurance Public Affairs Division reports to the commissioner. The division's primary function is to communicate timely, accurate and relevant information to consumers, industry and the media. Public Affairs fulfills this mandate by disseminating news releases, handouts, newsletters, columns, social media and public service announcements.

The Public Affairs Division creates and manages public awareness projects, including campaigns to inform the public about LDI's services, encourage preparedness for storm season, urge consumers to shop for better insurance rates, create a home inventory, raise awareness of Medicare services available to seniors through the Senior Health Insurance Information Program, and prevent insurance fraud and vehicle theft. This division creates and maintains content on the LDI website, manages the public email system, prepares public presentations, coordinates public information requests, and arranges media interviews and speaking engagements for the commissioner.

This division produces and maintains consumer guides, which include information on purchasing homeowners, renters, health, automobile and life insurance. These guides also explain how to prepare for disasters, identify insurance fraud and become a licensed agent or adjuster in Louisiana.

During the 2019-2020 fiscal year, Public Affairs supported the LDI Conference 2020 through event branding, promotion, production of event materials, photography and staffing. The division also supported the Senior Health Insurance Information Program (SHIIP) in its initiative to educate beneficiaries on Medicare fraud, and the Louisiana Automobile Theft and Insurance Fraud Prevention Authority (LATIFPA) in its role to educate the public on auto theft and burglary, through radio and TV public awareness campaigns. The division also paid special attention to disseminating information related to the insurance aspects of the coronavirus pandemic.

The division also held a social media workshop, "Agent/Smart: Demystifying Digital," as part of an initiative to engage and network with insurance agents through social media. The workshop featured a noted national speaker with sessions on building an effective social media plan and how to effectively utilize the information and materials found on LDI social media platforms.

OFFICE OF CONSUMER ADVOCACY AND DIVERSITY

The Office of Consumer Advocacy and Diversity represents LDI’s vision of a local insurance industry that protects all consumers and reflects the diversity of the state.

The office combines several functions rooted in state and federal law. The Office of Consumer Advocacy was created by Act 222 of the 2007 Regular Session of the Louisiana Legislature to assist consumers with insurance inquiries and to enforce the Policyholder Bill of Rights (La. R.S. 22:41). In Fiscal Year 2015-2016, it became the Office of Consumer Advocacy and Diversity when the Division of Diversity and Opportunity was added during a reorganization of the LDI. The Division of Diversity and Opportunity works to diversify the ranks of the local insurance industry by highlighting new career paths. Office of Consumer Advocacy and Diversity also targets the special needs of older Louisianians through the federally sponsored Senior Health Insurance Information Program.

From its inception, the Office of Consumer Advocacy and Diversity has worked closely with other LDI divisions to answer consumers’ questions, disseminate information to the public, and report violations of rules, regulations and laws. It has become LDI’s teaching arm through its broad consumer education, outreach and promotion of insurance career opportunities for all Louisianians.

The Office of Consumer Advocacy and Diversity focuses on responding to consumer inquiries, performing quality management audits, and maintaining its role in community outreach. This office also remains available to assist the various divisions within the LDI and will perform a secondary review of a complaint file upon request.

Table 1 summarizes the inquiries and file audits handled by the Office of Consumer Advocacy and Diversity. Table 2 summarizes the outreach activities of the Office of Consumer Advocacy and Diversity.

TABLE 1 **AUDITS BY COVERAGE TYPE**

<i>Category</i>	<i>Audits</i>	<i>Inquiries</i>	<i>Percent</i>
Property and Casualty	181	0	52.40%
Health	94	0	30.38%
Life, Annuity and Long-Term Care	41	0	17.22%
TOTALS	316	0	100.0%

OUTREACH ACTIVITIES

The Office of Consumer Advocacy and Diversity staff participated in numerous speaking engagements throughout the state to educate consumers about insurance. This office’s staff served as guest speakers for professional and civic organizations, senior centers, legislative forums and town hall meetings. At these meetings, Office of Consumer Advocacy and Diversity staff spoke on timely topics chosen by the host organization, provided informational brochures, and held question and answer sessions. The office’s staff explained the functions of the LDI, discussed the many divisions within the LDI and told consumers about programs available to assist them. While educating consumers, the office’s staff emphasized the need for policyholders to read and understand what is covered by their policies, to contact their insurance agent with questions, and to be aware of the rights afforded to them through the Policyholder Bill of Rights.

ACTIVITIES OF THE OFFICE OF CONSUMER ADVOCACY AND DIVERSITY **TABLE 2**
THREE-YEAR HISTORY

	<i>Fiscal Year</i> 2019-2020	<i>Fiscal Year</i> 2018-2019	<i>Fiscal Year</i> 2017-2018
Speaking Engagements	37	27	60
Informational Packets Distributed	12,845	14,282	12,060

SENIOR HEALTH INSURANCE INFORMATION PROGRAM

The Senior Health Insurance Information Program resides in the Office of Consumer Advocacy and Diversity. Its purpose is to broaden the educational services available to senior citizens, Medicare beneficiaries, people eligible for Medicare and their families by providing information, counseling and assistance on Medicare as well as other health insurance. The Senior Health Insurance Information Program’s activities were entirely funded by federal grants.

The Senior Health Insurance Information Program staff communicates objective health information to seniors by conducting in-person and telephone counseling sessions, speaking at community events, participating in media activities, and developing and distributing educational materials. In addition, the program recruits and trains counselors statewide on Medicare, Medicaid, Medicare supplement insurance, long-term care insurance, Medicare Advantage and Medicare prescription drug plans. Staff counselors are supported by regional Medicare trained counselors from sponsoring organizations, or partners, throughout the state.

The Senior Health Insurance Information Program serves as the vital link between beneficiaries, other state and federal entities, and local and professional organizations. Such entities include the Social Security Administration, Federally Qualified Health Centers, the Governor’s Office of Elderly Affairs, Medicaid, eQHealth AdviseWell, congressional and state legislative offices, parish and local councils as well as area agencies on aging, social service agencies, hospital senior programs, local support groups and churches.

**TABLE 3 ASSISTANCE PROVIDED TO SENIOR CITIZENS BY THE SENIOR HEALTH INSURANCE INFORMATION PROGRAM AND COUNSELORS*
 THREE-YEAR HISTORY**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Number of Hours Logged by Counselors	19,706	23,053	27,353
Number of Seniors Receiving Services (provided via telephone, email, postal mail and face-to-face contact)	78,958	81,024	73,838
Number of Senior Health Group Presentations Provided (health fairs, senior fairs and enrollment events)	490	548	470
Number of Individuals in Attendance at Presentations	43,432	44,749	36,777
Number of Senior Health Counselor Training Sessions Conducted	10	12	8
Number of Persons Provided Enrollment Assistance	5,078	**	6,302

* This summary includes reports from Senior Health Insurance Information Program partners received subsequent to the Louisiana Performance Accountability System (LaPAS) submission in September.

** Unable to report data due to implementation of new data collection system.

DIVISION OF DIVERSITY AND OPPORTUNITY

La. R.S. 22:31(5) Report by the Division of Diversity & Opportunity

To submit an annual report by April first of each year to the House and Senate insurance committees relative to educational and informational services made available to minorities, the number and types of inquiries, and all available relevant information from applicants and producers.

Legislative Background

In 1984, the governor signed Act 850 into law creating the Division of Minority Affairs, which is now known as the Division of Diversity and Opportunity. This Act provides the regulatory umbrella to assure “equal opportunity in insurance” for the citizens of Louisiana.

During the 2019 Regular Session, the Louisiana Legislature enacted Act 434, which abolished several boards including the Advisory Committee on Equal Opportunity. Effective June 30, 2019, Division of Diversity and Opportunity staff took on the functions of the advisory committee, which is to review complaints of discrimination and make recommendations to the commissioner.

Purpose

The purpose of the Division of Diversity & Opportunity is to assist individuals and small, minority and disadvantaged insurance agencies and agents by providing educational and informational services that foster a greater understanding of the career and business opportunities available in the insurance industry. These efforts promote a greater awareness of the skills and training necessary to prepare for opportunities in employment, appointment with insurance agencies, and contracting for services with insurance providers. To accomplish this purpose, the Division of Diversity & Opportunity:

- Surveys insurance companies biannually to obtain statistical information on the number of minorities employed in industry-related career positions in order to develop programs that assist minorities and the disadvantaged in finding opportunities in the insurance industry.
- Offers training programs for individuals as well as small, minority and disadvantaged agencies and producers.
- Helps small, minority and disadvantaged agencies to win contracts with insurers by coaching them on the qualifications and requirements to obtain those contracts.
- Provides insurance information services to groups of minority and disadvantaged consumers, churches and small businesses.
- Recruits minority agents, underwriters and insurance industry employees through the LDI website.
- Develops working relationships with university personnel to promote academic studies in insurance.
- Administers a Careers in Insurance Program for high schools and colleges using the InVest Program sponsored by the Independent Insurance Agents and Brokers of America (IIABA).

Highlights

- The Division of Diversity & Opportunity responded to 55 inquiries, two of which were requests for assistance with obtaining standard contracts with standard insurers.
- The Division of Diversity & Opportunity worked with the Eighth Episcopal District of African Methodist Episcopal Church (which consists of approximately 115 churches in Louisiana and their congregations) to distribute information created by the Division of Diversity & Opportunity and to assist them in obtaining proper insurance coverage for the church and for the underinsured and uninsured congregations.
- Insurance companies, agencies and other entities have agreed to post vacancies to the LDI's Division of Diversity & Opportunity's website at www.lidi.la.gov/job-opportunities.
- The Division of Diversity & Opportunity participated in 31 workshops and seminars throughout Louisiana. These seminars and workshops provided students and consumers with information on educational and employment opportunities within the insurance industry.
- Consumer guides were distributed at a variety of events including legislative town hall meetings, community events and church conferences. The division also participated in business workshops and seminars with presentations titled *Managing Risks for Your Business* and *Managing Risk for Your Place of Worship*
- The Division of Diversity & Opportunity has developed a comprehensive Careers in Insurance Program utilizing the InVest Program materials developed by IIABA. The Careers in Insurance Program creates awareness of opportunities in the insurance industry through education, outreach programs, internships, job shadowing and assistance in preparing for those opportunities.
- The Division of Diversity & Opportunity established the InVest Program at 10 high schools in Louisiana. Programs are at Zachary High School in Zachary; Broadmoor High School, Woodlawn High School, Belaire High School, Scotlandville Magnet High School and McKinley High School in Baton Rouge; St. Augustine High School in New Orleans; Jeanerette High School in Jeanerette, Hanson Memorial High School in Franklin and River Oaks High School in Monroe.
- The Division of Diversity & Opportunity also established collegiate InVest Programs at three Louisiana universities: Southern University in Baton Rouge, the University of Louisiana at Monroe and the University of Louisiana at Lafayette.
- The Louisiana Municipal Association Black Caucus, the Police Jury Association of Louisiana Black Caucus and the Louisiana Legislative Black Caucus worked with the division to develop awareness about opportunities in the insurance industry.
- The Division of Diversity & Opportunity continued to work with a minority cluster group to provide technical assistance in obtaining contracts with insurance companies and to compete for local, state and federal insurance contracts.
- The Division of Diversity & Opportunity will continue to work with faculty and staff at the University of Louisiana Lafayette, University of Louisiana Monroe, and the Southern University System to promote their insurance programs.

OFFICE OF THE COMMISSIONER
OFFICE OF CONSUMER ADVOCACY AND DIVERSITY

- The Division of Diversity & Opportunity worked closely with the national and local chapters of the National African American Insurance Association to develop opportunities for minorities in insurance and to increase minority participation in Louisiana.

ACTIVITIES OF THE DIVISION OF DIVERSITY & OPPORTUNITY TABLE 4
THREE-YEAR HISTORY

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Agents/Agencies Assisted	25	32	25
Consumer/Producer Complaints/General Information Cases Handled	55	70	35
Complaints Referred to Consumer Services	4	2	0
Training/Seminars Conducted	31	40	23
Training/Seminar Attendees	933	939	932
Business Plan Assistance	2	1	1
Company Positions Posted	2	7	2
Industry Jobs Obtained from Postings	0	0	0
Agents Assisted with Obtaining Contracts	2	0	2
Students Who Completed Invest Program	337	224	337

Helpful Links

Sign up for updates from the LDI, www.ldi.la.gov/subscriptions/email-notification-request.

The interactive Homeowner and Auto Insurance Rate Comparison Guide, <https://www.ldi.la.gov/online-services/shop-your-rates>, allows consumers to view sample rates for different areas of the state.

LDI videos on YouTube, www.youtube.com/user/LAInsuranceDept, allow viewers to watch informational videos on insurance topics.

The Consumer Advocacy and Medicare Update monthly newsletter, www.ldi.la.gov/consumers/resources-publications/consumer-advocacy/newsletters, spotlights issues of interest to consumers.

A listing of upcoming LDI meetings, including Office of Consumer Advocacy and Diversity and Senior Health Insurance Information Program presentations across the state of Louisiana can be found at www.ldi.la.gov/events. This page also contains a link to regulatory public hearings.

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Office of Management and Finance

OFFICE OF MANAGEMENT AND FINANCE

The Office of Management and Finance has eight divisions that oversee the day-to-day operations of the department:

- Strategic and Operational Planning
- Administrative Services
- Fiscal Affairs Division
- Revenue Services Division
- Budget Division
- Purchasing Division
- Information Technology Division
- Human Resources Division

STRATEGIC AND OPERATIONAL PLANNING

Strategic and Operational Plans were legislatively mandated in 1997. Each year, this division drafts the LDI Operational Plan; evaluates the strategic plan for progress toward accomplishment of goals and objectives; collects, analyzes and reports quarterly performance results for the department's program activities; collects information for legislative fiscal notes; and writes economic and family impact statements for all LDI rules promulgated. During the 2020 Regular Legislative Session, the division provided information to the Legislative Fiscal Office for its development of 20 fiscal notes. In Fiscal Year 2019-2020, the department tracked and reported on 33 key (quarterly) performance indicators, 12 supporting (semi-annual) performance indicators, and provided general performance data in 97 reportable areas. To view the department's performance information, in addition to the activity information contained in this annual report, visit <https://www.doa.la.gov/Pages/opb/lapas/login.aspx#View>.

ADMINISTRATIVE SERVICES

The Administrative Services Division was formed in 1997 to improve the provision of necessary support services to employees of the LDI. All services are performed or provided in accordance with state laws, rules, regulations and department procedures and policies. Following is a summary of the sections assigned to this division and a brief description of each.

MAIL ROOM

Handles all mail and messenger services, manages maintenance of the department's automobiles, and oversees document storage and shredding.

OFFICE OF MANAGEMENT AND FINANCE

ADMINISTRATIVE SERVICES

BUILDING SERVICES

Coordinates routine maintenance and repair of the Poydras Building, home of the LDI, with an employee of State Buildings and Grounds. Items requiring special skills or outside vendors are coordinated with State Buildings and Grounds personnel or outside vendors.

TELECOMMUNICATION SERVICES

Manages and processes all telephone operations in conjunction with the Information Technology Division and associated contractors.

PROPERTY CONTROL AND PHYSICAL INVENTORY

Manages the records of items purchased by the department and tagging of items as required by law, and prepares and submits monthly reports of acquisitions and items sent to surplus. An annual physical inventory certification report is completed in June and submitted to the Louisiana Property Assistance Agency.

VEHICLE SERVICES

Coordinates the use and maintenance of the department's fleet automobiles.

FILE ROOM

Processes requests for copies of public information; gives consumers the ratings, financial status, addresses, telephone numbers and agent for service on insurance companies; receives and enters information from insurers' quarterly and annual statements; files all correspondence or information that pertains to insurance companies licensed to do business in Louisiana; processes requests for certified copies; and prepares invoices for all copy requests.

FISCAL AFFAIRS DIVISION

The Fiscal Affairs Division manages and protects the Department of Insurance’s real and monetary assets and is responsible for travel, accounts payable and accounts receivable.

FISCAL

The Fiscal section deposits revenue to the State Treasury, handles accounts payable and receivable, and handles travel.

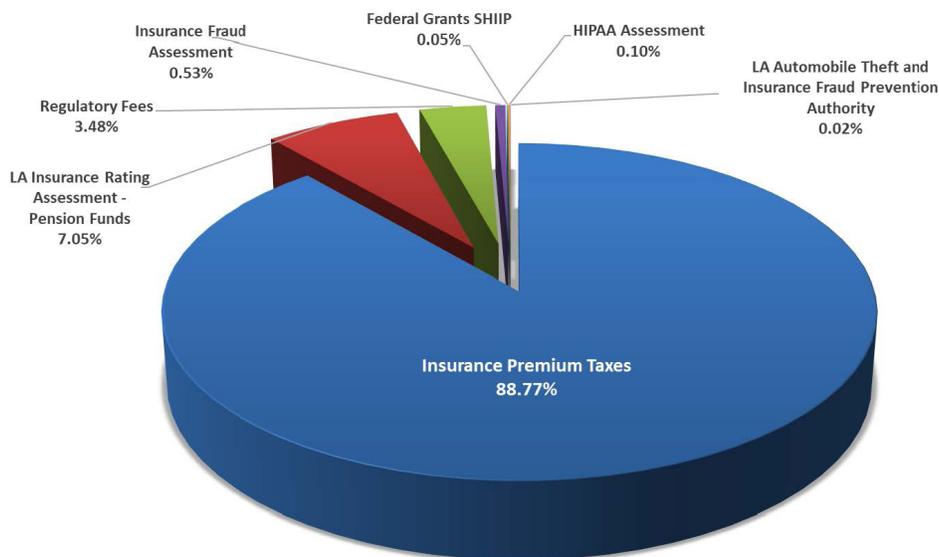
TOTAL DEPARTMENT FUND SOURCES

Revenue at the LDI totaled \$1.07 billion in Fiscal Year 2019-2020. Insurance Premium Tax represents the largest portion of LDI receipts at 88.8%, or \$953.8 million. In the most recent fiscal year, LDI also collected \$75.7 million in pension fund assessments, and \$37.4 million in regulatory fees and the Louisiana Insurance Rating Assessment. LDI also collected \$5.7 million in the Insurance Fraud Assessment, which excludes \$187,000 that was transferred to the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Fund.

It is worth noting that some 96.3% of the money collected by LDI - insurance premium taxes, pension fund assessments, much of the Insurance Fraud Assessment (excluding the LDI portion of \$654,159) and income not available categories - are not used to finance the department’s operations. This \$1.034 billion is transferred to support other aspects of state government.

Only 3.7% of the revenue collected by the LDI, or \$40 million, financed the operations of the insurance department. Receipts from regulatory fees, the Louisiana Insurance Rating Assessment, the Health Insurance Portability and Accountability Act Assessment (HIPAA), federal grants for the Senior Health Insurance Information Program, the \$654,159 LDI portion of the Insurance Fraud Assessment and funds from the Louisiana Automobile Theft and Insurance Fraud Prevention Authority covered the costs of the work of the Louisiana Department of Insurance.

CHART 1 TOTAL DEPARTMENT FUND SOURCES



TOTAL DEPARTMENT FUND SOURCES **TABLE 5**
TWO-YEAR HISTORY

	<i>Fiscal Year 2019-2020</i>		<i>Fiscal Year 2018-2019</i>	
Insurance Premium Taxes	88.77%	\$953,772,736.25	88.91%	\$914,774,551.40
Louisiana Insurance Rating Assessment - Pension Funds	7.05%	75,723,247.58	6.99%	71,971,710.57
Louisiana Insurance Rating Assessment - Department of Insurance	0%	0	.796%	8,189,884.34
Regulatory Fees and Licenses	3.48%	37,440,042.86	2.62%	27,021,697.55
Insurance Fraud Assessment	0.53%	5,656,461.07	.496%	5,099,666.72
Federal Grants	0.05%	539,308.00	.06%	622,222.00
Health Information Portability and Accountability Act Assessment (HIPAA)	0.10%	1,126,188.83	.092%	951,003.40
Income Not Available*	0%	38,355.71	.003%	30,334.24
Louisiana Automobile Theft and Insurance Fraud Prevention Authority	0.02%	190,650.00	.019%	194,353.00
TOTALS	100.0%	\$1,074,486,990.30	99.986%	\$1,028,855,423.22

*Income Not Available consists of collections by the department which cannot be expended. These state general fund collections include the sale of surplus property, prior year accounts receivable collections, etc.

TOTAL DEPARTMENT COLLECTION OF FUNDS

The LDI acts as a collection agent for a variety of state programs and entities. The majority of funds collected by the department were deposited to the state Department of Treasury for use as general funds. Other funds were distributed to dedicated programs.

The LDI collected \$1.074 billion in Fiscal Year 2019-2020.

Of this money, \$953.8 million was classified as state general funds, including \$495.9 million in premium taxes, and \$457.9 million in funds dedicated to the Medicaid-Healthy Louisiana Program.

The remaining \$120.9 million collected by LDI was to dedicated programs including various law enforcement and firefighter retirement programs, which received \$73.1 million, and the Municipal Fire and Police Civil Service, which received \$2.6 million.

The collection of regulatory fees and Louisiana Insurance Rating Assessment, federal grant and statutory dedicated funds totaled almost \$40 million. This money is used by the Louisiana Department of Insurance as its operating source.

Proceeds from the Insurance Fraud Assessment are divided among the Department of Public Safety (75%), the Department of Justice (15%) and the Department of Insurance (10%). Prior to making the allocations specified, the commissioner of insurance is authorized to withhold the sum of \$30,000 to defray the cost of collecting the assessment and withhold \$187,000 to fund the Louisiana Automobile Theft and Insurance Fraud Prevention Authority, in accordance with La. R.S. 40:1428(A)(4)(a).

OFFICE OF MANAGEMENT AND FINANCE
FISCAL AFFAIRS DIVISION

CHART 2 TOTAL DEPARTMENT COLLECTION OF FUNDS

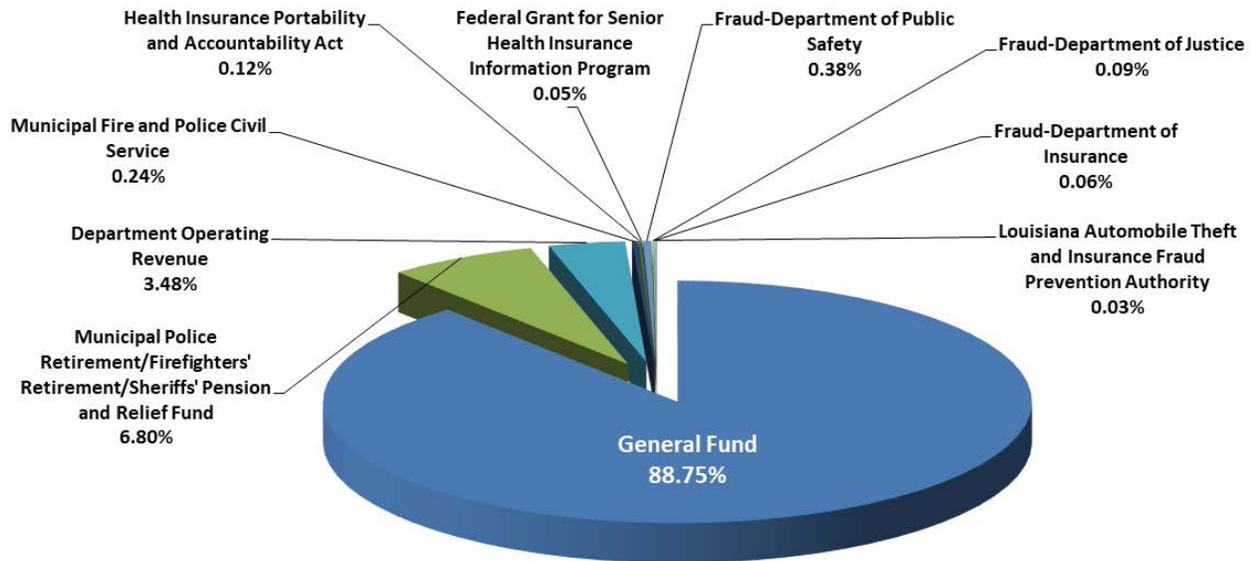


TABLE 6 TOTAL DEPARTMENT COLLECTION OF FUNDS TWO-YEAR HISTORY

	Fiscal Year 2019-2020		Fiscal Year 2018-2019	
General Fund	88.75%	\$953,811,091.96	88.89%	\$914,804,885.64
Municipal Police Retirement/Firefighters' Retirement/Sheriffs' Pension and Relief Fund	6.80%	73,112,101.18	6.75%	69,489,927.32
Department Operating Revenue	3.48%	37,440,042.86	3.42%	35,211,581.89
Municipal Fire and Police Civil Service	0.24%	2,611,146.40	.24%	2,481,783.25
Health Insurance Portability and Accountability Act	0.12%	1,275,791.78	.10%	1,108,393.60
Federal Grant for the Senior Health Insurance Information Program	0.05%	539,308.00	.06%	622,222.00
Fraud Assessment: Department of Public Safety	0.38%	4,049,591.22	.37%	3,858,371.82
Fraud Assessment: Department of Justice	0.09%	952,710.50	.06%	662,822.18
Fraud Assessment: Department of Insurance	0.06%	654,173.25	.06%	626,834.90
Louisiana Automobile Theft and Insurance Fraud Prevention Authority	0.03%	271,637.95	.02%	279,137.68
TOTALS*	100.0%	\$1,074,717,595.10	99.99%	\$1,029,145,960.28

*Total includes \$230,604.80 of carry forward funds from Fiscal Year 2018-2019. (This figure is composed of \$13.90 of Fraud - Carry Forward funds, \$80,987.95 of Louisiana Automobile Theft and Insurance Fraud Prevention Authority - Carry Forward funds and \$149,602.95 of Health Information Portability and Accountability Act funds.)

STATEMENT OF REVENUES AND EXPENDITURES TABLE 7

<i>Revenues</i>	
Insurance Premium Taxes	\$953,772,736.25
Louisiana Insurance Rating Assessment - Pension Fund	75,723,247.58
Regulatory Fees	37,440,042.86
Insurance Fraud Assessment	5,656,461.07
Fraud - Carry Forward from Fiscal Year 2018-2019	13.90
Health Insurance Portability and Accountability Act Assessment	1,126,188.83
Health Insurance Portability and Accountability Act - Carry Forward from Fiscal Year 2018-2019	149,602.95
Louisiana Automobile Theft and Insurance Fraud Prevention Authority	190,650.00
Louisiana Automobile Theft and Insurance Fraud Prevention Authority - Carry Forward from Fiscal Year 2018-2019	80,987.95
Federal Grant - Senior Health Insurance Information Program	539,308.00
Income Not Available	38,355.71
Total Revenues	\$1,074,717,595.10
<i>Expenditures</i>	
Personal Services	\$23,008,629.43
Travel	125,504.40
Operating Services	2,306,135.60
Supplies	105,024.67
Professional Services	2,509,373.22
Other Charges	77,564.00
Capital Outlay	614,419.80
Interagency Transfers	1,514,805.46
Total Expenditures	\$30,261,456.58
<i>Transfer Out</i>	
General Fund:	
Premium Taxes	\$495,887,551.07
Income Not Available	38,355.71
Medicaid-Healthy Louisiana Program ¹	457,885,185.18
Reversion to General Fund	9,441,046.33
Municipal Police Retirement/Firefighters' Retirement/Sheriffs' Pension and Relief Fund	73,112,101.18
Municipal Fire and Police Civil Service	2,611,146.40
Insurance Fraud Assessment:	
Department of Public Safety	4,049,591.22
Department of Justice	952,710.50
Total Transfer Out	\$1,043,977,687.59
<i>Funds Carried Forward Into Fiscal Year 2020-2021</i>	
Insurance Fraud Assessment	\$5.25
Health Insurance Portability and Accountability Act	209,371.73
Louisiana Automobile Theft and Insurance Fraud Prevention Authority	194,073.95
Total Funds Carried Forward	\$403,450.93

¹Funds are paid quarterly to the Louisiana Department of Insurance as part of the companies' premium taxes. The funds are then audited for accuracy and transferred directly to the Louisiana Department of Health via the State.

REVENUE SERVICES DIVISION

The Revenue Services Division is responsible for the enforcement of all tax-related statutes of Title 22, the Louisiana Insurance Code, and creating receipts and images of all revenues received by the LDI through fees, fines, premium taxes, penalties and assessments. A major function of this division is the collection and classification of taxes and penalties from licensed insurance companies and surplus lines producers. In addition, this division is responsible for the collection and classification of annual fees for admitted and approved unauthorized insurers.

For the calendar year ending December 31, 2019, this division collected \$812.6 million in taxes from licensed insurers and \$82.9 million in taxes from surplus lines producers.

For a detailed schedule of fees and amounts collected, see Appendix H on page 121.

This division is also responsible for compiling, sorting and distributing premium data to parishes and municipalities for tax reconciliation purposes.

The Revenue Services Division is responsible for the allocation of all revenue with the exception of producer licensing and for classifying all statutory deposits, receipts and fines. The division also invoices, collects and classifies the annual Louisiana Insurance Rating Assessment, Insurance Fraud Assessment and Health Insurance Portability and Accountability Act Assessment.

All revenue is received in accordance with state laws and regulations in conjunction with department policies and procedures. It is the responsibility of this division to process and collect all revenue timely, process any associated documentation, and audit all forms related to assessments for accuracy and invoice notification.

The Louisiana Legislature, insurance companies, brokers, producers, and the Office of Property and Casualty use the data collected and reports prepared by this division. Data collected by the Revenue Services Division form the basis for assessments made by the commissioner of insurance.

Each year, this division collects the Louisiana Insurance Rating and Insurance Fraud Assessments. The Louisiana Insurance Rating Assessment is based on the premium written by each admitted property and casualty company. Only premiums for rate regulated lines of business are included in this assessment. The Insurance Fraud Assessment is based on premium written by each admitted property and casualty company and 50 percent of premium written by each accident and health company to pay the cost of investigation, enforcement and prosecution of insurance fraud and anti-fraud education in this state.

The Louisiana Insurance Rating Assessment in 2019 was 0.00725% of 2018 premiums. As such, the Louisiana Insurance Rating Assessment was \$75.5 million based on \$10.4 billion in premiums, with no credits allowed to domestic or foreign insurers.

The Insurance Fraud Assessment in 2019 was 0.000375% of 2018 premiums. As such, the Insurance Fraud Assessment was \$6.6 million based on \$10.8 billion in property and casualty premiums and \$6.8 billion in accident and health premiums.

HISTORICAL DATA

The following schedules aggregate three years of historical data on a calendar-year basis.

REVENUE SERVICES
THREE-YEAR HISTORY BY CATEGORY BY CALENDAR YEAR **TABLE 8**

<i>Life, Accident and Health Companies (Including HDMI)</i>			
<i>Year</i>	<i>Gross Premiums</i>	<i>Gross Tax¹</i>	<i>Net Tax²</i>
2019	\$6,436,679,363	\$144,874,640	\$99,790,992
2018	6,363,224,715	143,222,830	97,122,418
2017	6,398,513,767	144,015,560	99,053,747
<i>Fire and Casualty Companies</i>			
2019	11,675,591,831	347,640,335	258,592,914
2018	11,347,536,053	337,712,825	252,527,533
2017	10,682,455,362	319,155,750	245,276,652
<i>Health Maintenance Organizations (Includes Healthy La)</i>			
2019	9,647,213,374	530,596,736	450,629,160
2018	9,277,479,696	510,261,383	424,398,067
2017	8,574,877,631	471,618,270	386,826,815
<i>Title Companies</i>			
2019	165,389,706	4,965,770	3,571,374
2018	155,895,346	4,680,170	3,261,264
2017	159,835,408	4,798,670	3,437,984
<i>Surplus Lines Producers</i>			
2019	1,709,004,530	82,886,696	82,886,696
2018	1,512,994,465	73,374,910	73,374,910
2017	1,414,667,334	68,578,317	68,578,317
TOTALS			
2019	29,633,878,803	1,110,964,177	895,471,135
2018	28,657,130,276	1,069,252,119	880,684,192
2017	27,230,349,502	1,008,166,567	803,173,216

¹Gross Tax is before statutorily authorized credits.

²Net Tax is after credits and represents actual collections.

BUDGET DIVISION

The Budget Division is responsible for managing the department's appropriation by compiling the necessary information for budget development, budget projections and monitoring budget changes through expenditures, revenue collections, the passage of new legislation and mid-year budget adjustments.

LDI's budget for the 2019-2020 fiscal year was \$32.8 million, including \$717,000 in federal funds. This budget was an increase of 2.99% from the previous year because of continuation level adjustments associated with salaries and related benefits.

During the year, the LDI spent \$30.2 million. Its biggest expenditure was staff, at \$23 million, followed by professional services, at \$2.5 million, and operating services, at \$2.3 million. LDI had \$2.6 million left over as unexpended budget authority, of which \$2.2 million in cash reverted to the State General Fund. The remaining \$330,000 of unexpended budget authority is associated with statutory dedicated funds and is not carried forward into Fiscal Year 2020-2021, as any unused cash remains in the statutory dedicated funds as fund balances.

PURCHASING DIVISION

SUPPLIES AND MAINTENANCE

The Purchasing Division maintains office supply inventory and distributes supplies; procures and receives stock and special supplies, equipment, furniture and printing services by using LaGov, the La Carte Card, or by obtaining bids according to state law and purchasing rules and regulations; maintains portable devices for department personnel; maintains toner for all departmental printers; maintains IT's hardware and software maintenance; and processes all Requests for Proposals (RFPs) for services needed by the department.

PROFESSIONAL SERVICES CONTRACTS

The Purchasing Division also reviews and verifies all professional and consulting services contracts to assure they are processed in accordance with agency policies and procedures and within the laws, rules and regulations of the state.

INFORMATION TECHNOLOGY DIVISION

The Information Technology Division provides mission critical and non-mission critical levels of support to all offices in the Department of Insurance. Mission critical support involves application system development/maintenance, network access/addressing/security, data storage/security, and coordination with the department's business continuity plan and disaster recovery of computer resources.

Other critical support involves computer and peripheral resource allocation/deployment/maintenance, remote access services, operating system updates, and software deployment and upgrades.

The Information Technology Division achieves effectiveness by matching its objectives with the overall goals and objectives of the department. This division continually works with senior management and users to upgrade electronic information processing within the LDI and to improve technology-based functions for consumers and industry.

The major project undertaking in Fiscal Year 2019-2020 was the rewrite of the LDI Intranet Portal. The maintenance costs of the legacy intranet portal's legacy components were growing and the portal lacked modern, industry best-security practices. This project also included adding a true content management system for human resource documents, policies and procedures. This project also included a redesign of the current employee portal's user interface.

Other projects realized during the fiscal year were:

- **National Insurance Producer Registry (NIPR) Web Services Conversion** - The Information Technology Division worked in tandem with the LDI Licensing Division and the National Association of Insurance Commissioners (NAIC) to convert the legacy data transfer processes used by the LDI and NAIC to web services, which are more robust. Data transfers are crucial in keeping the LDI systems in sync with the NAIC systems, which house key regulatory insurance information from all states and U.S. territories.
- **Archive Document Optical Character Recognition (OCR) and Search Functionality Project** - The Information Technology Division performed (OCR) on the LDI's archived documents, currently over two million documents of varying length, and updated the LDI's primary information system, the Regulatory Management System (RMS), to allow searching with any combination of words or phrases contained within the document archive.

The Information Technology Division completed 5,872 service requests from users during Fiscal Year 2019-2020. These service requests range from minor problems with personal computers to new required functionality for a department-developed application system.

HUMAN RESOURCES DIVISION

The Human Resources Division is responsible for all personnel-related matters including:

- Operations/Benefits
- Staffing/Compensation
- Employee Relations
- Affirmative Action
- Continuity of Operations

In addition, the Human Resources Division is responsible for ensuring compliance with Civil Service Rules and Regulations as well as related state and federal laws such as the Fair Labor Standards Act, Family Medical Leave Act and Americans with Disabilities Act.

As of June 30, 2020 the LDI had 226 total employees. Of this total, there were 195 classified employees, 26 unclassified employees and five students. In Fiscal Year 2019-2020, 134 personnel actions were processed to include new hires, separations, promotions, reallocations, etc.

HELPFUL LINKS

Requests for Proposals, <http://ldi.la.gov/consumers/resources-publications/request-for-proposal>. Current Requests for Proposals can be accessed from the LDI home page under the Consumers tab.

Strategic Plan 2020-2025, <https://ldi.la.gov/docs/default-source/documents/legaldocs/strategic-plan-2020-2025.pdf>. The LDI updates its five-year strategic plan every three years.



Office of Licensing

OFFICE OF LICENSING

Producer Licensing Division

The Producer Licensing Division licenses all insurance producers, managing general agents, surplus lines brokers, professional employer organizations, motor vehicle rental companies, consultants, claims adjusters and public adjusters as Title 22, the Louisiana Insurance Code, mandates. This division issues initial and renewal licenses.

Activities of the Producer Licensing staff include:

- Examining applications to determine that applicants meet all requirements for being trustworthy and competent to serve the public. Recommendations to disapprove applications are based on such factors as criminal history, lawsuits and disciplinary actions in Louisiana or other states.
- Distributing forms, giving instructions and providing guidance to applicants.
- Overseeing the producer testing program.
- Monitoring all producers who negotiate contracts of insurance to assure proper licensing and appointment by licensed insurers.
- Imposing regulatory actions, including fines, suspensions and revocations against producers and adjusters for violations of the insurance code.
- Evaluating insurer appointment 'for cause' terminations.
- Reviewing examination questions, pre-licensing and continuing education provider applications and course content to assure that licensees are well prepared and knowledgeable about insurance.
- Tracking continuing education credits earned by licensees.
- Responding to inquiries from the public concerning the status of producers, managing general agents, surplus line brokers, professional employer organizations, motor vehicle rental companies, claims adjusters and public adjusters.
- Maintaining producer databases for use by other state insurance departments, courts and law enforcement agencies. The databases are public record.

At the end of Fiscal Year 2019-2020, Louisiana had 186,570 actively licensed producers and 108,409 actively licensed adjusters.

ACTIVITIES OF PRODUCER-LICENSING **TABLE 9**
THREE-YEAR HISTORY

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Resident Life, Health and Accident Licenses Issued	2,354	3,036	3,580
Nonresident Life, Health and Accident Licenses Issued	18,185	16,093	13,202
Resident Property and Casualty Licenses Issued	1,278	1,742	1,614
Nonresident Property and Casualty Licenses Issued	11,468	13,051	11,255
Claims Adjuster Licenses Issued	16,134	18,953	19,293
Public Adjuster Licenses Issued	102	63	56
Company Appointments Processed	736,723	697,467	633,596
Producer License Renewal Applications Processed	60,997	53,982	56,223
Adjuster License Renewal Applications Processed	40,040	33,964	48,590
Number of Insurance Exams Monitored	9,590	10,390	11,025
Continuing Education Course Applications Approved	1,182	1,449	1,532

Since 2003 when Louisiana adopted the National Insurance Producer Registry online licensing process for nonresident producer applications, the vast majority of applicants and licensees are choosing the convenience of electronic processes for applications, renewals and payment of fees.

PERCENTAGE OF PRODUCER AND ADJUSTER APPLICANTS SUBMITTING **TABLE 10**
ELECTRONIC APPLICATIONS

<i>Performance Indicator</i>	<i>Prior Year Actual Fiscal Year 2015-2016</i>	<i>Prior Year Actual Fiscal Year 2016-2017</i>	<i>Prior Year Actual Fiscal Year 2017-2018</i>	<i>Prior Year Actual Fiscal Year 2018-2019</i>	<i>Prior Year Actual Fiscal Year 2019-2020</i>
Percentage of first time applications submitted electronically	99.3%	99.2%	99.4%	99.7%	99.8%
Percentage of renewal applications submitted electronically	98.4%	99.3%	99.4%	99.8%	99.9%

LOUISIANA 101 LIFE INSURANCE EXAM RESULTS REPORT CALENDAR YEAR 2020

LA. R.S. 22:1545(I) REPORT BY THE COMMISSIONER

l. (1) The commissioner of insurance shall prepare, publicly announce, and publish a report that summarizes statistical information relating to life insurance producer examinations administered during the preceding calendar year. Each report shall include the following information for all examinees combined and separately by gender, race or ethnicity, race or ethnicity within gender, education level, and native language:

(a) The total number of examinees.

(b) The percentage and number of examinees who passed the examination.

(c) Standard deviation of scaled scores on the examination.

(2) The commissioner of insurance shall prepare and make available upon request a report of summary statistical information relating to each life insurance test form administered during the preceding calendar year. The report shall show, for each test form, for all examinees combined and separately for African-American examinees, American Indian examinees, Hispanic examinees, white examinees, and other examinees, the correct-answer rate and correlations.

(3) The reports referred to in Paragraphs (1) and (2) of this Subsection shall be published no later than May first of the current year.

PURPOSE

The purpose of this report is to provide statistics on test takers of the 101 Louisiana Life Insurance Exam during the period of January 1, 2019, to December 31, 2019, to meet reporting requirements of the La. R.S. 22:1545.

INFORMATION ABOUT THE DATA USED

Performance data from first-time test takers is generally more stable; therefore, data from repeat test takers is not included in this report. All demographics included in this report are voluntarily self-reported by the test takers. A passing score requires a minimum grade of 70%.

FIRST TIME TAKERS BY GENDER AND FAIL/PASS STATUS **TABLE 11**
CALENDAR YEAR 2020

<i>Gender</i>	<i>Fail</i>	<i>Pass</i>	<i>Total</i>	<i>Percent of Total</i>
Female	351	451	802	61.41%
Percent Female	43.77%	56.23%	100.00%	
Percent Fail or Pass	63.82%	59.66%		
Male	185	288	473	36.22%
Percent Male	39.11%	60.89%	100.00%	
Percent Fail or Pass	33.64%	38.10%		
Chose Not to Respond	14	16	30	2.30%
Percent Chose Not to Respond	46.67%	53.33%	100.00%	
Percent Fail or Pass	2.55%	2.12%		
Left Blank	0	1	1	0.08%
Percent Left Blank	0.00%	100.00%	100.00%	
Percent Fail or Pass	0.00%	0.13%		
Total	550	756	1,306	100.00%
Percent Fail or Pass	42.11%	57.89%	100.00%	
Percent of Total	100.00%	100.00%		

FIRST TIME TAKERS BY ETHNICITY AND FAIL/PASS STATUS **TABLE 12**
CALENDAR YEAR 2020

<i>Ethnicity</i>	<i>Fail</i>	<i>Pass</i>	<i>Total</i>	<i>Percent of Total</i>
Asian American/Pacific Islander	8	15	23	1.76%
Percent Asian Americans/Pacific Islanders	34.78%	65.22%	100.00%	
Percent Fail or Pass	1.45%	1.98%		
Black/African-American	373	388	761	58.27%
Percent Blacks/African-Americans	49.01%	50.99%	100.00%	
Percent Fail or Pass	67.82%	51.32%		
Hispanic/Latin American	22	25	47	3.60%
Percent Hispanics/Latin Americans	46.81%	53.19%	100.00%	
Percent Fail or Pass	4.00%	3.31%		
Native American	3	4	7	0.54%
Percent Native Americans	42.86%	57.14%	100.00%	
Percent Fail or Pass	0.55%	0.53%		
Caucasian/White (non-Hispanic)	120	295	415	31.78%
Percent Caucasians/Whites (non-Hispanic)	28.92%	71.08%	100.00%	
Percent Fail or Pass	21.82%	39.02%		
Chose Not to Respond	24	28	52	3.98%
Percent Chose Not to Respond	46.15%	53.85%	100.00%	
Percent Fail or Pass	4.36%	3.70%		
Left Blank	0	1	1	0.08%
Percent Left Blank	0.0%	100.00%	100.00%	
Percent Fail or Pass	0.0%	0.13%		
Total	550	756	1,306	100.00%
Percent Fail or Pass	42.11%	57.89%	100.00%	
Percent of Total	100.00%	100.00%		

OFFICE OF LICENSING

LOUISIANA 101 LIFE INSURANCE EXAM RESULTS REPORT

**TABLE 13 FIRST TIME TAKERS BY ETHNICITY, GENDER AND FAIL/PASS STATUS
CALENDAR YEAR 2020**

<i>Fail</i>	<i>Gender</i>				
	<i>Ethnicity</i>	<i>Female</i>	<i>Male</i>	<i>Chose Not to Respond</i>	<i>Left Blank</i>
Asian American/Pacific Islander	7	1	0	0	8
Percent Asian Americans/Pacific Islanders Who Failed	87.50%	12.50%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	1.99%	0.54%	0.0%	0.0%	
Black/African-American	267	106	0	0	373
Percent Blacks/African-Americans Who Failed	71.58%	28.42%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	76.07%	57.30%	3.70%	0.0%	
Hispanic/Latin American	11	11	0	0	22
Percent Hispanics/Latin Americans Who Failed	50.0%	50.0%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	3.13%	5.95%	0.0%	0.0%	
Native American	1	2	0	0	3
Percent Native Americans Who Failed	33.33%	66.67%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	0.28%	1.08%	0.0%	0.0%	
Caucasian/White (non-Hispanic)	60	60	0	0	120
Percent Caucasians/Whites (non-Hispanic) Who Failed	50.0%	50.0%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	17.09%	32.43%	3.70%	0.0%	
Chose Not to Respond	5	5	14	0	24
Percent Chose Not to Respond Who Failed	20.83%	20.83%	58.33%	0.0%	100.0%
Percent Gender Group Who Failed	1.42%	2.70%	92.59%	0.0%	
Left Blank	0	0	0	0	0
Percent Left Blank Who Failed	0.0%	0.0%	0.0%	0.0%	100.0%
Percent Gender Group Who Failed	0.0%	0.0%	0.0%	0.0%	
Totals	357	185	14	0	550

<i>Pass</i>	<i>Gender</i>				
	<i>Ethnicity</i>	<i>Female</i>	<i>Male</i>	<i>Chose Not to Respond</i>	<i>Left Blank</i>
Asian American/Pacific Islander	10	5	0	0	15
Percent Asian Americans/Pacific Islanders Who Passed	66.67%	33.33%	0.0%	0.0%	100.0%
Percent Gender Group Who Passed	2.22%	1.74%	0.0%	0.0%	
Black/African-American	276	110	2	0	388
Percent Blacks/African-Americans Who Passed	71.13%	28.35%	0.52%	0.0%	100.0%
Percent Gender Group Who Passed	61.20%	38.19%	12.50%	0.0%	
Hispanic/Latin American	13	12	0	0	25
Percent Hispanics/Latin Americans Who Passed	52.0%	48.0%	0.0%	0.0%	100.0%
Percent Gender Group Who Passed	2.88%	4.17%	0.0%	0.0%	
Native American	2	2	0	0	4
Percent Native Americans Who Passed	50.0%	50.0%	0.0%	0.0%	100.0%
Percent Gender Group Who Passed	0.44%	0.69%	0.0%	0.0%	
Caucasian/White (non-Hispanic)	138	157	0	0	295
Percent Caucasians/Whites (non-Hispanic) Who Passed	46.78%	53.22%	0.0%	0.0%	100.0%
Percent Gender Group Who Passed	30.60%	54.51%	0.0%	0.0%	
Chose Not to Respond	12	2	14	0	28
Percent Chose Not to Respond Who Passed	42.86%	7.14%	50.0%	0.0%	100.0%
Percent Gender Group Who Passed	2.66%	0.69%	87.50%	0.0%	
Left Blank	0	0	0	1	1
Percent Left Blank Who Passed	0.0%	0.0%	0.0%	100.0%	100.0%
Percent Gender Group Who Passed	0.0%	0.0%	0.0%	100.0%	
Totals	451	288	16	1	756

OFFICE OF LICENSING
LOUISIANA 101 LIFE INSURANCE EXAM RESULTS REPORT

FIRST TIME TAKERS BY HIGHEST LEVEL OF EDUCATION AND FAIL/PASS STATUS **TABLE 14**
CALENDAR YEAR 2020

<i>Highest Level of Education</i>	<i>Fail</i>	<i>Pass</i>	<i>Total</i>	<i>Percent of Total</i>
Less Than 12th Grade Percent of this Education Level Percent of Fail or Pass	8 57.14% 1.45%	6 42.86% 0.79%	14 100.00%	1.07%
High School Diploma or Equivalent Percent of this Education Level Percent of Fail or Pass	161 57.30% 29.27%	120 42.70% 15.87%	281 100.00%	21.52%
Some College Percent of this Education Level Percent of Fail or Pass	208 44.83% 37.82%	256 55.17% 0.1833.86%	464 100.00%	35.53%
Two-Year College Degree (Associate Degree) Percent of this Education Level Percent of Fail or Pass	55 41.35% 10.0%	78 58.65% 10.32%	133 100.00%	10.18%
Four-Year College Degree (Bachelor's Degree) Percent of this Education Level Percent of Fail or Pass	70 27.24% 12.73%	187 72.76% 24.74%	257 100.00%	19.68%
Advanced Degree (Master's Degree or Doctorate) Percent of this Education Level Percent of Fail or Pass	32 25.60% 5.82%	93 74.40% 12.31%	125 100.00%	9.57%
Chose Not to Respond Percent Chose Not to Respond Percent of Fail or Pass	16 50.0% 2.91%	16 50.0% 2.12%	32 100.00%	2.46%
Totals	550	756	1,306	100.0%

FIRST TIME TAKERS BY PRIMARY LANGUAGE AND FAIL/PASS STATUS **TABLE 15**
CALENDAR YEAR 2020

<i>Primary Language</i>	<i>Fail</i>	<i>Pass</i>	<i>Total</i>	<i>Percent of Total</i>
English Percent of English Language Percent of Fail or Pass	501 40.90% 91.09%	724 59.10% 95.77%	1,225 100.0%	93.80%
Spanish Percent of Spanish Language Percent of Fail or Pass	15 65.22% 2.73%	8 34.78% 1.06%	23 100.0%	1.76%
Vietnamese Percent of French Language Percent of Fail or Pass	4 66.67% 0.73%	2 33.33% 0.26%	6 100.0%	0.46%
Other Percent of Other Language Percent of Fail or Pass	7 63.64% 1.27%	4 36.36% 0.52%	11 100.0%	0.84%
Chose Not to Respond Percent of Chose Not to Respond Percent of Fail or Pass	23 56.10% 4.18%	18 43.90% 2.38%	41 100.0%	3.14%
Totals	550	756	1,306	100.0%

COMPANY LICENSING DIVISION

The Company Licensing Division issues initial licenses and renewal licenses, and reviews annual reports and annual renewals for accuracy and compliance in accordance with Louisiana statutes.

More specifically, the division authorizes foreign and domestic insurance companies, third party administrators, captive insurers, dental referral plans, discount medical plans, health maintenance organizations, risk purchasing groups, risk retention groups, vehicle mechanical breakdown insurers, viatical settlement brokers, providers and investment agents to do business in Louisiana.

This division also processes applications for eligibility of surplus lines insurers, independent review organizations, utilization review organizations, property residual value insurers, security registrations, certificates of compliance for insurers, letters of good standing, dissolution of domestic insurance companies, domestic and foreign acquisitions, redomestications, withdrawal of insurance companies, exemptions and multiple employment welfare arrangements, recordation of articles of incorporation, accredited reinsurers, foreign and domestic acquisitions, foreign and domestic mergers and change of control.

Activities of the Company Licensing staff include:

- Examining applications for completion and determining that applicants meet all requirements as noted per applicable state statute.
- Providing various application forms and other documents to applicants and providing assistance with completion of documents.
- Monitoring all licensed companies for compliance with state statutes.
- Reviewing and recording regulatory actions against licensed insurers whose license or certificate of authority has been revoked, suspended, fined or subject to other administrative actions.
- Responding to inquiries from the public regarding the status of pending applications or other type filings, state statutes and filing fees.
- Maintaining databases for use by other state insurance departments such as Regulatory Information Retrieval System of the National Association of Insurance Commissioners.
- Maintaining the LDI database for changes in companies' addresses, phone numbers, officers, directors, agents for service of process and various company contacts.
- Reviewing third party administrator, viatical investment agent or broker applications and providing annual reports and renewal reports for risk purchasing groups.
- Distributing lawsuits to the proper agent for service of process.
- Issuing fines and other regulatory actions to entities that are not in compliance with state statutes.
- Reviewing and updating the LDI database with regulatory actions.
- Responding to questions from the public.

OFFICE OF LICENSING
COMPANY LICENSING DIVISION

REGULATORY ACTIVITIES OF COMPANY LICENSING TABLE 16

<i>Applications</i>	<i>Number Received</i>	<i>Number Approved</i>	<i>Number Disapproved</i>	<i>Number Withdrawn</i>	<i>Number Pending</i>
Domestic Entities					
Captives	0	0	0	0	0
Certificates of Authority (Initial)	2	2	0	0	0
Dissolutions	2	1	0	0	1
Acquisitions/Mergers	9	4	0	2	3
Form A Exemption Requests	19	16	0	0	3
Regulation 66 Requests*	165	117	4	4	40
Letters of No Objection to Expansion	3	3	0	0	0
Health Maintenance Organization Service Area Expansions	2	2	0	0	0
Mutual Holding Company Conversions	0	0	0	0	0
Article Amendments	10	10	0	0	0
Health Maintenance Organizations	0	0	0	0	0
Redomesticate from Louisiana	0	0	0	0	0
Subtotal	212	155	4	6	47
Foreign Entities					
Certificates of Authority (Initial)	27	15	2	2	8
Surplus Lines Approvals (Initial)	4	3	1	0	0
Accredited Reinsurers	0	0	0	0	0
Mergers	4	4	0	0	0
Withdrawals	21	19	0	1	1
Acquisitions	36	34	0	0	2
Subtotal	92	75	3	3	11
Domestic, Foreign and Alien Entities					
Third Party Administrator Exceptions	0	0	0	0	0
Third Party Administrator Applications	33	14	2	5	12
Risk Purchasing Groups	23	17	0	0	6
Risk Retention Groups	7	7	0	0	0
Medical Discounts Plans	14	10	1	0	3
Dental Referral Plans	1	1	0	0	0
Viatical Settlement Brokers	0	0	0	0	0
Viatical Settlement Providers	2	1	0	1	0
Security Registrations	1	1	0	0	0
Security Exemptions	0	0	0	0	0
Utilization Review Organizations Applications	14	4	2	3	5
Independent Review Organizations Applications	2	1	0	1	0
Specialty Insurers - Vehicle Mechanical Breakdown Insurers	0	0	0	0	0
Amendments of Certificate of Authority/Article Amendments	64	52	0	1	11
Adding Lines to Certificate of Authority	28	23	1	1	3
Certificates of Compliance	50	42	1	4	3
Multiple Employer Welfare Arrangement	0	0	0	0	0
Viatical Investment Agents	1	0	0	1	0
Subtotal	240	173	7	17	43
TOTALS	544	403	14	26	101

*Regulation 66 is no longer processed separately when a company applies for a Domestic Certificate of Authority.

OFFICE OF LICENSING
COMPANY LICENSING DIVISION

**TABLE 17 ENTITIES LICENSED OR REGISTERED AT FISCAL YEAR-END
THREE-YEAR HISTORY**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Risk Bearing			
Domestic			
Domestic Insurers	88	90	92
Domestic Health Maintenance Organizations	14	13	11
Captives	2	2	2
Total Domestics	104	105	105
Non-Domiciliary			
Foreign/Alien Insurers Admitted	1,341	1,335	1,323
Surplus Lines (estimated)	198	194	194
Total Non-Domiciliaries	1,539	1,529	1,517
Other			
Risk Retention Groups	95	78	87
Vehicle Mechanical Breakdowns	15	26	65
Accredited Reinsurers	14	13	13
Property Residual Values	2	2	2
Multiple Employer Welfare Arrangements	2	2	2
Total Other	128	121	169
TOTAL RISK BEARING	1,771	1,755	1,791
Non-Risk Bearing			
Third Party Administrators	398	345	372
Risk Purchasing Groups	238	211	238
Utilization Review Organizations	86	75	75
Discount Medical Plans	31	30	28
Viatical Settlement Providers	15	11	14
Independent Review Organizations	16	13	14
Home Service Contract Providers	0	0	0
Viatical Settlement Brokers	5	5	5
Security Registrations	1	1	1
Dental Referral Plans	3	3	3
Viatical Investment Agents	0	0	0
Medical Necessity Review Organizations	0	0	0
TOTAL NON-RISK BEARING	793	694	750
TOTALS	2,564	2,449	2,541

HELPFUL LINKS

Document Search, <https://www.lidi.la.gov/onlineservices/documentsearch/>. Retrieval system for specific forms and documents relevant to regulated entities, including advisory letters, bulletins and directives.

Product Filing Requirements, <http://ia.lidi.state.la.us/productmatrix/>. Includes a fee calculator, FAQs and additional help.

Agent and Adjuster Search, <https://www.lidi.la.gov/onlineservices/ProducerAdjusterSearch/>.

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Office of Health, Life and Annuity

OFFICE OF HEALTH, LIFE & ANNUITY

The Office of Health, Life and Annuity consolidates the regulation of state and federal requirements applicable to commercial and government-operated health benefit plans. This office provides protection to Louisiana consumers, oversees statutory and regulatory compliance of health benefit plans and recommends public policy changes to improve market competitiveness and consumers' access to health insurance.

PREMIUM RATE REVIEW DIVISION

The Premium Rate Review Division began the review of certain health insurance rates in the small group and individual markets on Jan. 1, 2014. This division performs a detailed analysis and review of these rate filings. While the LDI does not have approval authority over health insurance rates, the department does have statutory authority to:

- Review rates for compliance with both federal and state law, and disapprove rate filings that are not in compliance with state or federal law.
- Review proposed rate increases to determine whether the increase is reasonable and actuarially justified.
- Post on the department website any proposed rate increase which meets or exceeds a 10% increase and allow the public to submit comments.
- Post on the department website the final determination for the rate increases which meet or exceed a 10% increase and undertake any other actions necessary pursuant to Section 2794 of the Public Health Service Act.

Table 18 includes rates that are subject to review, rates found reasonable or unreasonable, as well as rate filings that were withdrawn.

TABLE 18 **ACTIVITIES OF THE PREMIUM RATE REVIEW DIVISION**

Rate Filings Received	47
Reasonable Findings	44
Unreasonable Findings	0
Filings Withdrawn	0

HEALTH FORMS DIVISION

All health product forms, including both major medical and supplemental, limited or excepted benefit products, are reviewed by personnel in the Health Forms Division. Personnel in the Health Forms Division also conduct reviews of organizations responsible for internal claims, appeals and external reviews.

The Health Forms Division regulates Health Insurance Portability and Accountability Act (HIPAA) forms and market compliance issues for major medical and health maintenance organization health plans, and Medicare supplement and limited benefit products.

The Health Forms Division performs detailed analysis and review of the policy forms and advertising of regulated entities. The forms and advertising review process emphasizes:

- Compliance with all applicable state and federal laws, rules and regulations.
- Avoidance of any inconsistent, ambiguous or misleading language, text or format.
- Assurance that exceptions and conditions affecting the risks are clearly stated and reasonable.
- Assurance of consumer protection to the extent authorized by law.

Additionally, the division examines health insurance issuer plans for replacing a particular health insurance product or discontinuing business altogether in the individual, small or large employer group market. It also reviews Medicare supplement health insurance issuers' advertising, rates and marketing plans.

This division implements its statutory authority by:

- Approving, disapproving and/or withdrawing prior approval of health benefit plan filings.
- Negotiating corrective action to assure that consumers negatively affected by outdated and improper policy forms are made whole.
- Pursuing administrative sanctions where necessary to protect the public.
- Providing information and technical assistance to health insurance issuers, health maintenance organizations and plan administrators, and improving procedures and requirements in order to expedite the filing, review and approval processes.

The forms approval process is aided by the Product Filing Matrix which houses over 300 specifically defined health insurance product codes linked to hundreds of legal requirements for policy form, rate, advertising content, marketing and administration. This matrix is available to all health insurance issuers in a manner that filters the legal requirements applicable to each product filing. Based on the requirements of the Affordable Care Act (ACA), product codes have been added to the Product Filing Matrix for non-grandfathered products. Thus, there are separate product codes for grandfathered product filings and non-grandfathered product filings to distinguish the differing rules and regulations applicable to both.

The counts reported in Table 19 represent the number of forms included in health insurance filings that are received and processed. Each regulated entity's forms are counted separately. After the LDI receives health insurance filings, forms may be reclassified such that multiple forms initially counted separately are combined into a single form. The most common reasons for reclassification are the erroneous classification of multiple parts of a single form as separate forms and the filing of supporting documents as forms. As an example, an initial filing of five forms at the time of receipt may be reclassified as, and processed as, two forms. Consequently, the numbers reported for forms received and forms processed in Table 19 may not reconcile. The same circumstances may also impact forms that are reported as pending.

OFFICE OF HEALTH, LIFE & ANNUITY
HEALTH FORMS DIVISION

TABLE 19 ACTIVITIES OF THE HEALTH FORMS DIVISION
THREE-YEAR HISTORY

	<i>Fiscal Year</i> 2019-2020	<i>Fiscal Year</i> 2018-2019	<i>Fiscal Year</i> 2017-2018
Policy Forms, Advertisements and Rates Received			
Forms Received	3,326	3,403	5,391
Advertisements Received	787	800	934
Rate Forms Received	1,265	1,121	1,228
TOTALS	5,378	5,324	7,553
Policy Forms, Advertisements and Rates Processed			
Approved	4,729	4,896	5,802
Accepted/Filed	127	147	151
Acknowledged/Informational	58	47	81
Disapproved	433	79	1,289
Withdrawn by Company	267	277	193
TOTAL PROCESSED	5,614	5,446	7,516
Policy Forms, Advertisements and Rates Pending			
All Health Policy Forms, Advertisements and Rate Filings Pending at End of Fiscal Year	694	537	855

HEALTH FORM FILINGS RECEIVED BY COVERAGE TYPE **TABLE 20**
THREE-YEAR HISTORY

Total Number of Forms, Medicare Supplement Insurance Advertisements and/or Rates

	<i>Fiscal Year</i> 2019-2020	<i>Fiscal Year</i> 2018-2019	<i>Fiscal Year</i> 2017-2018
Comprehensive Coverage Types			
Major Medical	494	542	545
Health Maintenance Organization	629	541	665
Limited Benefit Coverage Types			
Short-Term Limited Duration	125	134	22
Medicare Supplement/Select	1,625	1,560	1,716
Disability	243	345	477
Dental	555	502	451
Hospital Indemnity	329	215	365
Accident Only	244	312	758
Cancer/Dread Disease	45	137	142
Miscellaneous	605	631	2,098
Accidental Death/Dismemberment	80	65	76
Critical Illness	192	245	158
Vision	212	95	80
TOTALS	5,378	5,324	7,553

This division implements its statutory authority over form discontinuations or any discontinuation of coverage by:

- Reviewing proposed notices of nonrenewal/discontinuation and the products to be nonrenewed/ discontinued to assure that proper notice is provided to the appropriate parties in accordance with the requirements of law, or the terms and provisions of existing contracts, whichever is more favorable to the policyholders.
- Monitoring all health insurance issuers exiting a market or markets in order to prohibit re-entry for a period of five years from the date the last coverage is nonrenewed. This excludes short-term limited duration and supplemental/limited benefit plan carriers, which are not subject to the statute (La. R.S. 22:1068(C)(2)).

The Office of Health, Life and Annuity also has the authority to conduct retrospective reviews of previously approved filings to determine compliance with applicable law and take regulatory action where indicated.

The forms division's functions related to determining compliance of major medical and health maintenance organization coverage with federal and state health laws and reforms are funded by an assessment on health insurance premiums, pursuant to La. R.S. 22:1071(D)(2)(b). Only the portion of health insurance business subject to Health Insurance Portability and Accountability Act regulation is assessable.

Health insurance premiums paid during the 2019 Calendar Year which were subject to assessment totaled \$3,839,819,781. These premiums were assessed at .00029%. A total of \$1,113,539 was collected from 25 health insurance issuers.

In addition to its detailed analyses and review of the policy forms and advertising of regulated entities, the Health Forms Division oversees the review and approval process for the licensure of independent review organizations and utilization review organizations. While the Licensing Division issues independent review organization and utilization review organization licenses, the Office of Health, Life and Annuity plays a pivotal role in the review of applications by examining the affairs of the independent review organizations and utilization review organizations.

TABLE 21 **INDEPENDENT REVIEW ORGANIZATIONS AND UTILIZATION REVIEW ORGANIZATIONS**

Independent Review Organization Applications Received	3
Independent Review Organization Applications Processed	3
Independent Review Organization Applications Pending Final Action	0
Utilization Review Organization Applications Received	19
Utilization Review Organization Applications Processed	15
Utilization Review Organization Applications Pending Final Action	4

HEALTH MAINTENANCE ORGANIZATION REPORT

LA. R.S. 22:268 REPORT BY THE COMMISSIONER

The secretary and the commissioner each shall report annually to the governor on the activities of his office with respect to health maintenance organizations and shall make such suggestions for change or improvement as may be in the best interest of the state and the industry.

The policy forms of all major medical insurance issuers, including those of health maintenance organizations, are subject to the forms approval process of the LDI. Health maintenance organization filings represented about 56% of all comprehensive coverage forms and about 0.12% of all filings reviewed by the Office of Health, Life and Annuity (see Table 20 on page 41).

All health insurance issuers, including health maintenance organizations, are subject to the provisions of the federal Affordable Care Act of 2010.

For additional information on premiums and losses for health maintenance organizations in Louisiana, see Appendix E.

LOUISIANA HEALTH CARE COMMISSION

LEGISLATIVE BACKGROUND

The Louisiana Health Care Commission was created by law in 1992. It is a 47-member advisory board that undertakes comprehensive review of complex health care issues facing Louisiana. In 1999, the commission was transferred to the Department of Insurance. Statutory authority and membership of the commission are contained in La. R.S. 22:2161. Since its inception, the commission's membership has changed from its original makeup through Acts of the Legislature in 1995, 1997, 1999, 2004, 2012 and 2014.

PURPOSE

Through a broad perspective, the commission studies the issues affecting the availability, affordability and delivery of quality health care in Louisiana. The commission is also tasked with examining national health care reform initiatives.

The commission conducted public meetings to receive information and testimony from regional and national experts on health care issues. The commissioner of insurance submitted an annual report to the Legislature on the studies, actions and recommendations of the commission.

MEMBERSHIP

The Louisiana Health Care Commission is composed of health care experts and other interested parties, including health care insurers and providers, community leaders and representatives of various consumer interests. Membership also includes representatives from the governing boards of Louisiana's colleges and universities, the House and Senate Committees on Insurance and at-large appointments designated by the commissioner of insurance.

MEETINGS

September 6, 2019

The assistant commissioner of the Office of Health Life & Annuity at the Louisiana Department of Insurance gave an update on the division's regulatory activities.

Next, the LHCC Chairperson introduced Ronnell Nolan, representing, HAFA, who gave an update on federal legislation related to health insurance:

- S. 1895: Lower Health Care Costs Act, sponsored by Senator Lamar Alexander (R-TN); Prognosis of bill passage: 88%
- H.R. 3630: No Surprises Act, sponsored by Rep. Frank Pallone (D-NJ6); Prognosis of bill passage: 4%
- S. 1531: Stopping the Outrageous Practice of Surprise Medical Bills Act of 2019; sponsored by Senator Bill Cassidy (R-LA); Prognosis of bill passage: 3%
- H.R. 987: Strengthening Health Care and Lowering Prescription Drug Costs Act, sponsored by Rep. Lisa Blunt Rochester (D-DE0); prognosis of bill passage: 32%

OFFICE OF HEALTH INSURANCE
LOUISIANA HEALTH CARE COMMISSION

- H.Res. 271: Condemning the Trump Administration’s Legal Campaign to Take Away Americans’ Health Care; sponsored by Rep. Colin Allred (D-TX32); Status: Agreed to Simple Resolution
- S.Res. 134: A resolution expressing the sense of the Senate that the Department of Justice should reverse its position in Texas v. United States, No. 4:18-cv-00167-O; sponsored by Sen. Jeanne Shaheen (D-NH)
- S.Res. 94: A resolution expressing the sense of the Senate that the Department of Justice should protect individuals with pre-existing medical conditions by defending the Patient Protection and Affordable Care Act; sponsored by Sen. Mazie Hirono (D-HI)
- H.R. 1884: Protecting Pre-Existing Conditions and Making Health Care More Affordable Care Act of 2019; sponsored by Rep. Frank Pallone (D-NJ6); Prognosis of bill passage: 3%
- H.R. 1354: Territories Health Equity Act of 2019; sponsored by Rep. Stacey Plaskett (D-VI0); prognosis of bill passage: 3%
- H.R. 2292: ACA Outreach Act; sponsored by Rep. Maxine Waters (D-CA43); prognosis of bill passage: 3%
- S. 1773: Territories Health Equity Act of 2019; sponsored by Senator Bernie Sanders (I-VT); prognosis of bill passage: 3%
- H.R. 20: No Taxpayer Funding for Abortion and Abortion Insurance Full Disclosure Act of 2019; sponsored by Rep. Chris Smith (R-NJ4); prognosis of bill passage: 3%
- S. 1129: Medicare for All Act of 2019; sponsored by Senator Bernie Sanders (I-VT); prognosis of bill passage: 3%
- H.R. 909: Medicaid Expansion Parity Act of 2019; sponsored by Rep. John Lewis (D-GA5); prognosis of bill passage: 3%
- H.R. 352: Health Insurers Harmless Act; sponsored by Rep. Ted Yoho (R-FL3); prognosis of bill passage: 3%
- H.R. 1384: Medicare for All Act of 2019; sponsored by Rep. Pramila Jayapal (D-WA7); prognosis of bill passage: 3%

Prescription Drug International Pricing:

- Proposed by Trump Administration
- Payment model - over 5-year period
- Reduce spending by 17.2 billion over 5 years
- Senate Finance Chairman, Chuck Grassley (R-IA) - voiced serious concerns

New HRA Rules and Regulations:

- Individual policy on a Group Plan Chassis
- Applicable to ACA Group Rules
- CMS continues to evaluate and release rules and regulations
- Association Health Plans - are on hold

Texas Lawsuit: A three-judge panel of the 5th Circuit Court of Appeals in New Orleans heard arguments in early July on the constitutionality of the Affordable Care Act (ACA, or Obamacare).

5th U.S. Circuit Court of Appeal:

The justices were convened to weigh an appeal from Blue State attorneys-general (AGs) over a ruling in December 2018 by District Judge Reed O’Connor of Fort Worth, Texas, who declared the ACA unconstitutional. In doing so, Judge O’Connor sided with a lawsuit filed by Red State attorneys-general, led

OFFICE OF HEALTH INSURANCE
LOUISIANA HEALTH CARE COMMISSION

by Texas AG Ken Paxson, who argued that the ACA was unconstitutional now that the individual mandate tax penalty has been reduced to zero. That argument hinges on the 2012 Supreme Court decision in which Chief Justice John Roberts found the law constitutional based on Congress' taxing authority. Once the tax was zeroed out, the law was rendered unconstitutional.

The Tax Cuts and Jobs Act of 2017 eliminated the cash penalty part of the individual mandate, which forces citizens to buy health insurance or pay a penalty.

According to Ms. Nolan, an interesting twist in the case was the decision by the Department of Justice to drop any defense of the ACA and side with Judge O'Connor, effectively aiming to end the law entirely.

The justices' decision is not expected for many months, after which an appeal can be filed to the full Circuit Court or to the Supreme Court if Judge Reed's decision is upheld.

If the law is ruled unconstitutional, most likely the ruling will be put on hold while the appeals process takes place.

For more information on Ronnell Nolan's presentation, go to: www.HAFAmerica.org

Next, a presentation was then given by Ready Responders on the EMT Initiative to Monitor Patients with Chronic Disease in an Effort to Control Costs and Improve the Quality of Care. The presentation can be viewed by going to <https://ldi.la.gov/consumers/boards-commissions/health-care-commission>

Chairperson Fraiche then welcomed Dr. Rebekah Gee, Secretary of LA Department of Health who gave a special update from the Louisiana Department of Health, reporting:

- As a result of Medicaid expansion, emergency visits and hospital admissions have gone down;
- Over 70,000 people have had mammograms;
- Hepatitis C is the leading infectious killer of our time. There is a substantial increase as a result of the opioid epidemic;
- Dr. Gee and Governor Edwards confronted the pharmaceutical industry about high drug costs to treat Hepatitis C;
- Louisiana is the first state to eliminate deadly infectious disease, bringing in a full host of innovators and other companies to address this issue;
- 10,000 people have been vaccinated this year; and
- 36,000 people have joined the rolls of Medicaid.

OFFICE OF HEALTH, LIFE & ANNUITY
LOUISIANA HEALTH CARE COMMISSION

February 21, 2020

During the second meeting of the fiscal year, a discussion and presentation on Blue Cross Blue Shield of Louisiana's (BCBS) Opioid Related Efforts was given by Kandyce Cowart and Brice Mohundro of Blue Cross Blue Shield of Louisiana.

Kandyce Cowart stated that BCBS developed an opioid policy in 2017 to its drug policy and therapeutics committee, comprised of statewide physicians and pharmacists who approve of all formulary changes. BCBS also partnered with the Louisiana Attorney General's office. Providers and members were educated about the new program. In 2017, BCBS became involved with the Baton Rouge health district and their opioid task force partners with the local hospitals around town in contributing their own efforts. In 2018, a strategy to address the opioid epidemic was rolled out.

According to Cowart, anyone who was on an opioid for 100 days was grandfathered in and were not required to go through the prior authorization requirement, because BCBS didn't want people who used them on a chronic basis to go into withdrawal and have no access to the hospital. Also, Blue Cross' opioid policy removed prior authorization for Medicated Assisted Therapy Treatment so that patients would have better access if they had opioid use disorder.

In October, BCBS went out into the community and educated providers, starting with those who were involved in the Quality Blue program. An Opioid Prescribing Toolkit was also posted on the company's website to provide physicians with the tools they needed to manage the opioid epidemic. BCBS' website posted a policy including the CDC guidelines for prescribing opioids.

In addition to communication with providers, BCBS also put together a member education section on safe opioid use on its website. This included tips for members who prescribed opioids, as well as community and statewide initiatives.

Ms. Cowart stated that BCBS has a large health nurse team of over 200 nurses who talk to members on a regular basis. Commission member, Linda Hawkins, questioned Ms. Cowart about what outreach programs were offered for those addicted to heroin on the streets.

Ms. Cowart stated that BCBS has a partnership with New Directions. In-house care nurse managers talk to members on a regular basis, and will refer them to this program if they have a substance abuse issue. Providers also can refer patients to New Directions.

Next, David Pearce, Legislative Liaison for the Department of Insurance, presented members with a 2020 Legislative Preview.

Property & Casualty:

Mr. Pearce stated the main role of the Property & Casualty Division is to ensure that rates and policy forms that are tracked between the consumer and the insurer are compliant with state law.

He discussed the following bills:

1. Workers Compensation Terminology Revision: Trading one term for another to align it with some other statutes that have been changed to create more consistency in Insurance Title 22.

OFFICE OF HEALTH, LIFE & ANNUITY

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2. Flat fee for all form filings - \$50: Flat fee for all form filings that will be helpful for all insurers as well as the department. When an insurer is submitting a rate and form filing to the department for review of compliance with all state laws, they typically submit a unique fee based on the types and amounts of forms. This has been simplified to make the fee \$50 per submission via an electronic form filing platform.
3. Liability Limits and Defense Costs: With a policy that has a liability limit of \$50,000, if it goes to trial, part of that liability limits the exposure of the amount that can be taken out on the liability limit. The bill aligns the statute with the attorney general's opinion currently applied and in use.
4. Commercial Auto Reporting Repeal: A bill was passed last year for additional commercial trucking reporting. This seeks to repeal it with the author's agreement.
5. Notice of Policy Statement to Relevant Parties: This merely spreads an existing requirement to all lines of property and casualty business, not limited to just property. If a policy has been cancelled, all parties are notified of the cancellation whether it be a mortgagee or whomever may have a material interest in the existence of that policy. If they are notified of the cancellation, they also need to be notified of the reinstatement.
6. Louisiana Automobile Insurance Plan: This is the private passenger insurer of last resort. If someone is unable to find auto insurance on the open market due to accidents or a less than stellar driving record, this is their insurer of last resort. There were 25 policies in force in 2019.

Financial Solvency:

1. Insurer "Controlling Party" discretion upon appeal: This bill would not show how a party is determined, but in the event of an appeal due to a company's unique management system, or in the event of an appeal or complex situation, this bill would give the commissioner discretion in who the controlling party is.
2. Investment Safety & Risk Updates: This bill is the result of a collaborative review of meetings happening for the past year. It will update and modernize investment requirements to ensure they are not too risky. Mainly, if something happens in the stock market, their insurance is not suddenly crippled making them unable to pay the claims they agreed to pay.
3. LIGA - government secondary payer exemption: If an insurance company is financially insolvent Financial Solvency looks at the numbers very carefully and on occasion may find incidences of fraud that may cause an insurance company to go insolvent. The guaranty fund pays legitimate, qualified claims for policyholders who can no longer receive payment from the insurance company with whom they contracted. What this is going to do is exempt LIGA in paying claims to secondary payer claims, not the original policyholder but another entity that requests claims due to their interest in the issue. This will exempt Medicare and all government entities. It will exempt LIGA from having to pay those entities.
4. Credit for Reinsurance: When Financial Solvency is looking at an insurer's asset base to make sure they have enough money to pay claims, one of the ways insurance companies make sure that

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a big catastrophe doesn't wipe out their assets and they have the ability to pay claims is with a reinsurance policy. This bill seeks to update the statutes to NAIC model language so that credit may be given for a reinsurance policy that is held with an insurer. It essentially allows them to represent assets in case of a catastrophe.

5. Actuarial Updates: There are three parts, all having to do with the mathematical practice of assessing risk in insurance companies.
6. Repeal Deposit Requirements: The repeal is encouraged by newer solvency protections.
7. Repeal Life Policy Search: This bill would repeal the requirement that LDI transmit life policy search requests to life insurers.
8. Repeal of Dental Referral Plan Provisions: Currently, dental plans are licensed such as discount medical plans, so LDI is going to repeal a section of the insurance code and reclassify them under the set that we are already regulating them.

Office of Consumer Services:

This office monitors consumer complaints and performs general market conduct surveillance to make sure bad actors are caught as quickly as possible.

1. Repeal Life Policy Search: Currently there is a statute that requires LDI to submit a weekly written request for a life insurance policy search to all auto and life insurers in the state if requested by the family of a deceased person. However, NAIC has a robust national database that encompasses all companies including policies purchased out of state, so this bill seeks to repeal the duty on LDI to send those requests and instead refer individuals to the NAIC database search.
2. Data Security Bill: NAIC's model law was produced in 2017. Frequently, there are large data breaches in the news and LDI wants to be on the cutting edge in protecting consumer data. Currently, the model law has been passed in eight states with three others pending.

Health, Life & Annuity

The main duties of the Office of Health, Life & Annuity are similar to those of Property & Casualty: monitoring the rates and forms, making sure that health insurance forms and rates are not unfairly discriminatory, and making sure that the form and contract language is clear, concise and legal. The office also has the independent oversight if a claim is rejected by a health insurer and the claims appeal process at issue does not go the way the patient hopes. Patients can request an independent review to get an unbiased third party to assess the medical necessity.

1. Medical Necessity Standards for Substance Abuse Disorders: Currently, Louisiana does not have medical necessity standards for substance use disorders. It would refer to the American Society of Addiction and whatever standards they have would automatically be updated to Louisiana standards.

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2. Revisions of References to the Affordable Care Act: If repealed, any references to the ACA would be eliminated or referred to federal law in general because the ACA is in different court proceedings. This also ensures the Louisiana Insurance Code is statutorily updated in conformity to federal law.
3. Annuity section revisions: There was a merger at LDI, so language is being added so that certain parts of the Insurance Code that apply to annuities also apply to life insurance policies.
4. Life Policy Lapse Written Notice Exceptions location revision
5. Funeral cost reservation and citation revisions: R.S. 22:941 – \$2,500 limit
6. Health Reinsurance: This bill creates an individual market reinsurance program which is a tiny slice of total policies in the state, but it's the market that applies to the online marketplaces created under the ACA. This would create a reinsurance program that used a 1332 waiver. There would be a fee of up to \$2.50 and the reinsurance would serve for high cost patients in a given plan. The insurance policy would serve all individual insurance market plans once they reach certain caps in a given plan year and the reinsurance would pick up a co-share and one hundred percent of those costs would go back to the cost of the insurer. The 1332 waiver is a "Pass through" of money the federal government saves on ACA subsidies. The tax credits that the ACA gives is going to cause a decrease in the cost of premiums because of the decrease in exposure to insurance companies. It is anticipated that the federal government would save money because they would have a decrease in the amount of tax credits they give to the insureds. Thus, whatever they save, we would be able to pass that through and help fund the reinsurance plan itself.

Finally, Ronnell Nolan with HAVA gave an update on developments in Washington, D.C. She stated she met with Louisiana, Nevada, Connecticut and CMS. Some of the things discussed were drug transparency and opening the borders. Senator Vitter had a bill a couple of years ago to open the borders that both Democrat and Republican offices were interested in. There is a list of opposed countries that could actually open the borders and create some competition and bring some drugs in for Americans, especially Canada.

She also reported some states such as Nevada have a large parcel of land to set up genetic manufacturing for generic drugs to create more competition and bring down the cost of drugs.

Also, she discussed the issue of robocalls, specifically those that target seniors who purchase over the phone. They do not know whether or not what they are buying is ACA compliant. Ms. Nolan asked the federal government to create some legislation that made it more transparent. The goal is to have them sign a document on a computer attesting that it is not ACA compliant. She stated the feds were interested but wanted more time to think about it.

There was also a discussion on Association Health Plans and how successful they are in Nevada and in Louisiana but due to the lawsuits a hold has been placed on them going forward. Finally, Ms. Nolan stated while Christian Ministry Plans are not insurance, she believes people have a right to decide if they want to elect these plans or not.

May 29, 2020

Meeting cancelled due to the Covid-19 pandemic.

Executive Committee

The executive committee for the Louisiana Health Care Commission consists of the chair, vice chair and three LHCC members representing health care providers, insurers and consumers. The mission of the Louisiana Health Care Commission Executive Committee is to plan the agenda for Louisiana Health Care Commission meetings, schedule any emergency meetings necessary between regular meetings and to propose subcommittee assignments. The Louisiana Health Care Commission Executive Committee held four meetings via conference call during this reporting period.

Annual Health Care Conference - LDI Conference 2020

The Louisiana Department of Insurance held its first combined event sponsored by the LDI in conjunction with the Louisiana Health Care Commission, the Property and Casualty Commission and the Louisiana Auto Theft & Insurance Fraud Prevention Authority. The LDI Conference 2020 was held over the course of two days on March 4-5, 2020 at the Crowne Plaza Baton Rouge Hotel.

Looking to the future, the LDI organized this conference to attract additional participants, exchange ideas, and to allow more time and opportunity to interact with colleagues and presenters. The LDI combined the Health Care and LATIFPA conferences, and added property and casualty insurance, to create a larger event designed to meet the needs of insurance professionals in our state.

Leading insurance experts, as well as state and national policymakers, filled the two-day agenda, providing the audience with the opportunity to participate in nearly 20 breakout sessions.

Some of the health topics that were addressed at the two-day conference are as follows:

- It's (Still) the Prices: Observations on U.S. Health Care Spending
- Medicare Secondary Payer Act: Who is Liable?
- Health Clinics as a Cost-Saving Solution
- Federal Health Update / What's New with AHPs, Medicare Supplement and Long-Term Care?
- Fighting Opioid Fraud with Data Analytics
- The Battle of Balance Billing
- Driving Value in Health Care / Exploring Alternative Payment Models
- The Federal Perspective on Health Care Fraud
- ACA Individual Market Forecast

This year's program provided a diverse audience of more than 400 attendees representing health plan executives and staff, health care providers, insurance producers, government officials, employers, health care attorneys, and government relations professionals with a review of the current landscape of our health care system. It focused on the future of the insurance industry, while exploring cutting edge innovations and providing an in-depth look at ongoing efforts to combat insurance fraud.

The LHCC looks forward to convening another conference in 2021 with a similar format, while certainly keeping in mind social distancing requirements that may still be in place.

LIFE & ANNUITY AND LONG-TERM CARE DIVISION

Pursuant to La. R.S. 22:861 and La R.S. 22:1794, the Life & Annuity and Long-Term Care Division conducts thorough reviews of all life, annuity, long-term care and viatical settlement form filings, as well as long-term rate filings, to assure compliance. The division also approves or disapproves such filings marketed and sold to the citizens of Louisiana.

The Life & Annuity and Long-Term Care Division is responsible for performing detailed analysis and reviews for all life, annuity, long-term care and viatical settlement filings to assure compliance with all applicable state and federal laws, rules and regulations.

**TABLE 22 ACTIVITIES OF THE LIFE & ANNUITY AND LONG-TERM CARE DIVISION
THREE-YEAR HISTORY**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Policy Forms, Annual Certifications, Advertisements and Rates Received			
Forms Received	3,680	4,818	3,687
Advertisements Received	113	125	178
Rates Received	214	252	232
TOTALS	4,007	5,195	4,097
Policy Forms, Annual Certifications, Advertisements and Rates Processed			
Approved	4,299	4,429	3,879
Accepted/Filed	5	2	0
Acknowledged/Informational	503	517	569
Disapproved	43	185	69
Withdrawn by Company	204	195	126
Departmental Withdrawal of Approval	2	0	0
TOTAL PROCESSED	5,056	5,328	4,643

LIFE, ANNUITY, LONG-TERM CARE AND VIATICAL SETTLEMENT FORMS RECEIVED BY COVERAGE TYPE **TABLE 23**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Life Insurance Coverage Types			
Adjustable Life	407	766	795
Credit Life	5	23	7
Endowment	10	21	4
Term Life	307	208	300
Variable Life	109	176	50
Whole Life	680	1,163	905
Life Other/Special	744	886	456
Annuity Coverage Types			
Annuities	1,121	1,092	509
Equity Indexed Annuities	235	304	286
Long-Term Care / Viatical Settlement			
Long-Term Care	265	504	631
Viatical Settlement	124	52	154
TOTALS	4,007	5,195	4,097

HELPFUL LINKS

“Health Care Resources for the Uninsured” brochures, www.ldi.la.gov/healthuninsured. Brochures created by the Louisiana Health Care Commission Access to Care Subcommittee which contain health care resources for the uninsured and underinsured populations of the Acadiana, central, greater Baton Rouge, Houma, New Orleans, northeast, northshore, northwest and nouthwest regions of Louisiana.

Coverage to Care resources, <https://www.cms.gov/About-CMS/Agency-Information/OMH/OMH-Coverage2Care.html>. An effort to help educate consumers about their new coverage and to connect them with primary care and preventive services which are right for them.



Office of Financial Solvency

OFFICE OF FINANCIAL SOLVENCY

The Office of Financial Solvency consists of two divisions:

- Financial Examinations Division
- Actuarial Division

These divisions work together to examine and monitor the financial condition of all insurers approved to conduct the business of insurance in Louisiana. The type of regulated insurer varies and includes Louisiana domiciled (domestic), out of state (foreign) and out-of-country (alien) insurers. These companies may operate as life, health, property and casualty, health maintenance organizations, surplus lines, self-insurance funds (primarily workers' compensation insurance), title and vehicle mechanical breakdown companies. This office is staffed primarily by accounting and actuarial professionals who review the financial condition of insurers for the protection of the policyholders and taxpayers of Louisiana.

FINANCIAL EXAMINATIONS DIVISION

The Financial Examinations Division is divided into two units: Financial Examinations and Financial Analysis.

The Financial Examinations Unit performs on-site examinations, at least once every five years as required by statute, of the financial, corporate and marketing practices of Louisiana domiciled insurers under the provisions and requirements of the Louisiana Insurance Code. Examinations may entail a review of all operations of insurers and their related transactions with affiliates or be confined to limited or targeted areas relating to the insurers' activities. The LDI commenced 15 financial examinations in Fiscal Year 2019-2020.

The Financial Analysis Unit analyzes the periodic financial statements and other required filings of licensed insurers. The activities of the analysts are important in the early detection of financially troubled insurers. During the course of the year, analysts review consumer complaint data, financial statements, holding company registration statements, affiliated transactions, investments and other items. In addition, this unit performs financial reviews of insurance company acquisition transactions and insurance company licensing applications and mergers. The LDI analyzed the financial filings of 198 companies in Fiscal Year 2019-2020.

ACTUARIAL DIVISION

The Actuarial Division is composed of two units: the Life and Health Actuarial Unit and the Property and Casualty Actuarial Unit.

The Life and Health Actuarial Unit provides actuarial expertise in the determination of the adequacy of the reserve liabilities established by domestic life and health insurers and health maintenance organizations.

The Property and Casualty Actuarial Unit provides similar actuarial and reinsurance expertise to the examination and analysis of property and casualty insurers, title insurers, vehicle mechanical breakdown companies and self-insurance funds.

The Actuarial Division provides actuarial analysis of insurance legislation.

HELPFUL LINK

Market Share Reports, <https://www.lidi.la.gov/onlineservices/TopTwentyPremiums/>. Downloadable PDF and Excel® reports by year on the top 20 property and casualty insurers, health insurers and life insurers, plus premiums written by line for all carriers, including Louisiana Citizens Property Insurance Corporation (Citizens). Except for Citizens, the data source is the National Association of Insurance Commissioners.

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Office of Property and Casualty

OFFICE OF PROPERTY AND CASUALTY

The Office of Property and Casualty exercises regulatory oversight of state and federal requirements applicable to commercial and personal lines of property and casualty insurance. The Office of Property and Casualty provides protection to Louisiana consumers and determines whether enhancements or modifications are necessary to assure continued compliance with laws and regulations. The Office of Property and Casualty also provides the public with a forum for addressing major property and casualty issues through the Louisiana Property and Casualty Insurance Commission. There are three divisions in operation:

- Property and Casualty Rating Division
- Property and Casualty Forms Division
- Louisiana Property and Casualty Insurance Commission

PROPERTY AND CASUALTY RATING DIVISION

Louisiana is a “prior approval” state, meaning companies cannot implement or impose their property and casualty rates or rules without first receiving approval from the commissioner of insurance via the Property and Casualty Rating Division.

It is the purpose of the Office of Property and Casualty, through the authority granted to the commissioner of insurance under La. R.S. 22:1451 et seq., to ensure that all property and casualty rates and rules for admitted carriers are not excessive, inadequate or unfairly discriminatory. This is accomplished through:

- Review of all initial rate and rule programs
- Review of all proposed rate and rule changes
- Actuarial review of all rate filings

If actuarial analysis does not support a proposed rate change, the rate filing will be disapproved. Additionally, if the Property and Casualty Rating Division finds that a proposed rule is not in compliance with Louisiana statutes and regulations, then the proposed rule will be disapproved. A disapproval action prohibits an insurer from implementing a proposed rate and/or rule. The insurance company has a right to appeal the decision by the commissioner of insurance to disapprove a rate or rule filing.

The Actuarial Division (within the Office of Financial Solvency) reviews all property and casualty rate filings and rule filings that may result in a rate or premium impact. The Actuarial Division then provides a written recommendation to the Property and Casualty Rating Division for each filing reviewed. Actuarial review may result in a company’s filing being amended to a lesser or greater percentage change.

Table 24 on page 59 represents actions taken by the Office of Property and Casualty on all rate, rule and informational filings for the current and the prior two fiscal years. The table categorizes the total number of filings as either “P&C Filings Reviewed,” “Rate Filings Reviewed by Actuarial Division,” “Rate Filings Not Reviewed by Actuarial Division” or “All Filings Reviewed Other Than Rate Filings.” The identified actions taken by the Office of Property and Casualty on these filings are “Acknowledged,” “Approved,” “Disapproved” or “Withdrawn” (by the company before the Office of Property and Casualty issues a dispositive decision).

In accordance with the reporting provision of La. R.S. 22:1333(D), no insurers filed a plan for writing new business in tandem with a request to change named storm/hurricane deductibles on policies that had been in force for more than three years.

PROPERTY AND CASUALTY LINE FILINGS TABLE 24
THREE-YEAR HISTORY

All Lines 7/1/2019 to 6/30/2020				
<i>Filing Disposition</i>	<i>P&C Filings Reviewed ¹</i>	<i>Rate Filings Reviewed by Actuarial Division ²</i>	<i>Rate Filings Not Reviewed by Actuarial Division ³</i>	<i>All Filings Reviewed Other Than Rate Filings</i>
Acknowledged	88	0	83	5
Approved	2,289	1,429	268	592
Disapproved	183	126	21	36
Withdrawn	208	150	8	50
TOTALS	2,768	1,705	380	683
All Lines 7/1/2018 to 6/30/2019				
<i>Filing Disposition</i>	<i>P&C Filings Reviewed ¹</i>	<i>Rate Filings Reviewed by Actuarial Division ²</i>	<i>Rate Filings Not Reviewed by Actuarial Division ³</i>	<i>All Filings Reviewed Other Than Rate Filings</i>
Acknowledged	39	0	35	4
Approved	2,038	1,285	218	535
Disapproved	215	167	3	45
Withdrawn	193	131	5	57
TOTALS	2,485	1,583	261	641
All Lines 7/1/2017 to 6/30/2018				
<i>Filing Disposition</i>	<i>P&C Filings Reviewed ¹</i>	<i>Rate Filings Reviewed by Actuarial Division ²</i>	<i>Rate Filings Not Reviewed by Actuarial Division ³</i>	<i>All Filings Reviewed Other Than Rate Filings</i>
Acknowledged	28	0	25	3
Approved	2,155	1,335	198	622
Disapproved	190	152	3	35
Withdrawn	208	132	12	64
TOTALS	2,581	1,619	238	724

1. Includes only filings where the review was completed in the fiscal year for property and casualty lines regulated under La. R.S. 22:1451 et seq. and includes Workers' Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. This category includes rate filings made in accordance with La. R.S. 22:1464(E), 1464(A)(1) or 1451(D).

2. Includes only rate filings where the review was completed in the fiscal year by the Actuarial Division for property and casualty lines regulated under La. R.S. 22:1451 et seq. (referred to as "Modified Prior Approval") and includes Workers' Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. It does not include rate filings made in accordance with La. R.S. 22:1464(E), 1464(A)(1) or 1451(D) (referred to, respectively, as "Consent-to-Rate," "Individually Risk Rated" and "Commercial Informational").

3. Rate filings made in accordance with La. R.S. 22:1464(E), 1464(A)(1) or 1451(D). These filings may be reviewed for statutory compliance but are not reviewed by the Actuarial Division.

Table 25 on page 60 summarizes rate filings reviewed by the Actuarial Division over the current and the prior two fiscal years. Table 25 displays the action taken on all rate filings reviewed by the Actuarial Division and the market impact of these filings as requested by the filing company compared to the market impact of these rate filings as approved by the Office of Property and Casualty.

OFFICE OF PROPERTY AND CASUALTY
PROPERTY AND CASUALTY RATING DIVISION

**TABLE 25 RATE FILINGS DOLLAR IMPACT
THREE-YEAR HISTORY**

All Lines 7/1/2019 to 6/30/2020				
<i>Filing Disposition</i>	<i>Rate Filings Reviewed by Actuarial Division ¹</i>	<i>Percent of Total Rate Filings Reviewed</i>	<i>Requested Dollar Impact of Rate Filings</i>	<i>Approved Dollar Impact of Rate Filings</i>
Disapproved	126	7%	\$32,519,890	\$0
Total Approved	1,429	84%	\$(147,524,413)	\$(175,490,200)
Approved with Amended Rate Request ²	128	8%	\$65,059,413	\$37,093,626
All Other Approvals	1,301	76%	\$(212,583,826)	\$(212,583,826)
Withdrawn	150	9%	\$20,790,245	\$0
TOTALS	1,705	100%	\$(94,214,277)	\$(175,490,200)
All Lines 7/1/2018 to 6/30/2019				
<i>Filing Disposition</i>	<i>Rate Filings Reviewed by Actuarial Division ¹</i>	<i>Percent of Total Rate Filings Reviewed</i>	<i>Requested Dollar Impact of Rate Filings</i>	<i>Approved Dollar Impact of Rate Filings</i>
Disapproved	167	11%	\$25,414,684	\$0
Total Approved	1,285	81%	\$36,845,736	\$19,400,872
Approved with Amended Rate Request ²	84	5%	\$50,563,859	\$33,097,464
All Other Approvals	1,201	76%	\$(13,718,123)	\$(13,696,592)
Withdrawn	131	8%	\$15,719,097	\$0
TOTALS	1,583	100%	\$77,979,517	\$19,400,872
All Lines 7/1/2017 to 6/30/2018				
<i>Filing Disposition</i>	<i>Rate Filings Reviewed by Actuarial Division ¹</i>	<i>Percent of Total Rate Filings Reviewed</i>	<i>Requested Dollar Impact of Rate Filings</i>	<i>Approved Dollar Impact of Rate Filings</i>
Disapproved	152	9%	\$14,584,855	\$0
Total Approved	1,335	82%	\$407,440,439	\$365,657,697
Approved with Amended Rate Request ²	135	8%	\$310,044,971	\$268,262,228
All Other Approvals	1,200	74%	\$97,395,468	\$97,395,469
Withdrawn	132	8%	\$13,141,785	\$0
TOTALS	1,619	100%	\$435,167,079	\$365,657,697

1. Includes only rate filings where the review was completed in the fiscal year by the Actuarial Division for property and casualty lines regulated under La. R.S. 22:1451 et seq. (referred to as “Modified Prior Approval) and includes Workers’ Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. It does not include rate filings made in accordance with La. R.S. 22:1464(E), 1464(A)(1) or 1451(D) (referred to respectively as “Consent-to-Rate”, “Individually Risk Rated” and “Commercial Informational”).

2. As a result of the rate filing’s review, either the requested rates were amended or corrected.

OFFICE OF PROPERTY AND CASUALTY

PROPERTY AND CASUALTY RATING DIVISION

Table 26 on page 62 summarizes rate filings over the current and the last two fiscal years by type of filing. Prior approval, consent-to-rate, individually risk rated and commercial deregulation are the only property and casualty filing types authorized in Louisiana under Title 22. In addition to Title 22, Title 23 authorizes the commissioner of insurance to review all workers' compensation group self-insured rate filings. The commissioner of insurance delegated the review of self-insured funds' rates to the Actuarial Division. Workers' compensation is a form of property and casualty, so these reviews are also shown in Table 26.

These provisions are as follows:

PRIOR APPROVAL

The prior approval provisions for rates and rules apply to the review process performed by the Office of Property and Casualty for the majority of rate and rule filings received. Rate filings set the base rate of the coverage, and then rule filings apply certain underwriting criteria that establishes the premium.

The company must submit a filing with the Office of Property and Casualty and wait 45 days before implementing a newly requested rate and/or rule revision. The Office of Property and Casualty can approve an earlier implementation of a new or revised rate and/or rule if the rate and/or rule has been reviewed and approved before the expiration of the 45-day wait period.

If an insurer has submitted a rate and/or rule filing to the LDI for review and the LDI does not disapprove the filing or inform the insurer that the filing is incomplete within 45 days of the filing's receipt by the Office of Property and Casualty, the insurer can implement the rate and/or rule pursuant to La. R.S. 22:1451(C)(2).

CONSENT-TO-RATE

Pursuant to La. R.S. 22:1464, a company may exceed the rate previously approved for use in Louisiana and charge a rate in excess of the rate on a specific, usually high, risk. In these situations, the insured must "consent" to the rate increase in writing, and then the insurer files a written application setting forth the reasons for the excess rate and obtains the approval of the commissioner. Regulation 111 sets forth the specifics relative to the time period for the submission and the elements required for a consent-to-rate filing.

INDIVIDUALLY RISK RATED

Pursuant to La. R.S. 22:1464, a company may individually rate an insured risk for excess property and casualty insurance coverages that are not written according to manual rates or rating plans. Examples of this include excess flood insurance, adding higher liability coverage, or an endorsement/rider that expands the scope of the policy to cover high valued items.

COMMERCIAL DEREGULATION

The commercial deregulation provision is outlined in La. R.S. 22:1451(D). All commercial filings, both rate and rule, are filed with the Office of Property and Casualty. If a filing is designated by the insurance company as being negotiated, the policy has an annual premium of \$10,000 or greater, and if the line of business is any other than workers' compensation or medical malpractice, the company is required to submit an informational filing to the Office of Property and Casualty.

OFFICE OF PROPERTY AND CASUALTY
PROPERTY AND CASUALTY RATING DIVISION

**TABLE 26 METHODS OF RATE FILING
THREE-YEAR HISTORY**

All Lines 7/1/2019 to 6/30/2020			
<i>Filing Type</i>	<i>Total Number of Filings Reviewed¹</i>	<i>Number of Filings Reviewed Favorably²</i>	<i>Number of Filings Not Reviewed Favorably³</i>
Modified Prior Approval Rate Filings ⁴	1,703	1,427	276
Consent-to-Rate Rate Filings ⁵	341	316	25
Individually Risk Rated Rate Filings ⁶	3	3	0
Commercial Informational Rate Filings ⁷	36	32	4
Filings Other Than Rate Filings	683	597	86
Workers' Compensation Group Self-Insured Funds ⁸	2	2	0
TOTALS: ALL FILING METHODS	2,768	2,377	391
All Lines 7/1/2018 to 6/30/2019			
<i>Filing Type</i>	<i>Total Number of Filings Reviewed¹</i>	<i>Number of Filings Reviewed Favorably²</i>	<i>Number of Filings Not Reviewed Favorably³</i>
Modified Prior Approval Rate Filings ⁴	1,581	1,283	1,283
Consent-to-Rate Rate Filings ⁵	228	223	223
Individually Risk Rated Rate Filings ⁶	1	1	1
Commercial Informational Rate Filings ⁷	32	29	29
Filings Other Than Rate Filings	641	539	539
Workers' Compensation Group Self-Insured Funds ⁸	2	2	2
TOTALS: ALL FILING METHODS	2,485	2,077	2,077
All Lines 7/1/2017 to 6/30/2018			
<i>Filing Type</i>	<i>Total Number of Filings Reviewed¹</i>	<i>Number of Filings Reviewed Favorably²</i>	<i>Number of Filings Not Reviewed Favorably³</i>
Modified Prior Approval Rate Filings ⁴	1,616	1,332	284
Consent-to-Rate Rate Filings ⁵	205	200	5
Individually Risk Rated Rate Filings ⁶	6	2	4
Commercial Informational Rate Filings ⁷	27	21	6
Filings Other Than Rate Filings	724	625	99
Workers' Compensation Group Self-Insured Funds ⁸	3	3	0
TOTALS: ALL FILING METHODS	2,581	2,183	398

1. Includes only filings where the review was completed in the fiscal year for property and casualty lines regulated under La. R.S. 22:1451 et seq. and includes Workers' Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. This category includes rate filings made in accordance with La. R.S. 22:1464(E), 1464(A)(1) or 1451(D).

2. Filings "Reviewed Favorably" include those reviewed and approved by the commissioner in accordance with La. R.S. 22:1451 et seq. or in accordance with Workers' Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. "Reviewed Favorably" also includes filings reviewed and found to be compliant with the requirements of La. R.S. 22:1464(E), 1464(A)(1) or 1451(D), i.e., consent-to-rate, individually risk rated or informational filings.

3. Filings "Not Reviewed Favorably" are those reviewed and disapproved by the commissioner in accordance with La. R.S. 22:1451 et seq. or in accordance with Workers' Compensation Group Self-Insured Fund rate filings reviewed in accordance with La. R.S. 23:1191 et seq. and Regulation 42. "Not Reviewed Favorably" also includes filings reviewed and found not to be compliant with the requirements of La. R.S. 22:1464(E), 1464(A)(1) or 1451(D), i.e., consent-to-rate, individually risk rated or informational filings, and includes filings withdrawn before a review is completed.

4. See Footnote 2 for Table 24.

5. La. R.S. 22:1464(E).

6. La. R.S. 22:1464(A)(1).

7. La. R.S. 22:1451(D).

8. La. R.S. 23:1191 et seq. and Regulation 42

OFFICE OF PROPERTY AND CASUALTY
PROPERTY AND CASUALTY RATING DIVISION

Table 27 on page 64 shows the Louisiana premiums paid to insurers in 2019 along with underwriting gains and losses by line, as reported to the National Association of Insurance Commissioners.

Not all lines of business shown in Table 27 are subject to rate regulation. Lines not subject to rate regulation by the LDI Office of Property and Casualty include federal flood, ocean marine, health and accident, and aircraft. Per state law, the Louisiana Workers' Compensation Corp. and surplus lines insurers are exempt from rate and form filing requirements per La. R.S. 23:1395 and La R.S. 22:446 respectively. An exception is set forth in La R.S. 22:1456, which requires that both admitted and surplus lines insurers must file all taxi cab rates with the Office of Property and Casualty for prior approval.

OFFICE OF PROPERTY AND CASUALTY
PROPERTY AND CASUALTY RATING DIVISION

**TABLE 27 LOUISIANA PROPERTY AND CASUALTY MARKET EXHIBIT OF
 UNDERWRITING GAINS AND LOSSES BY LINE OF BUSINESS
 CALENDAR YEAR 2019**

<i>Line of Business</i>	<i>(A) Direct Premium Written</i>	<i>(B) Direct Premium Earned</i>	<i>(C) Dividends Paid</i>	<i>(D) Incurred Losses & Adjustment Expenses</i>	<i>(E) Estimated Underwriting Expenses</i>	<i>(F) Estimated Other Income / (Expense)</i>	<i>(G) Estimated Underwriting Gain/(Loss), Excluding Investment Income</i>
Fire	373,424,072	373,671,757	288,713	135,707,886	122,991,192	2,238,908	116,922,874
Allied Lines	460,711,880	448,612,422	1,139,870	224,115,190	181,833,955	7,599,217	49,122,624
Multiple Peril Crop	82,905,524	83,909,454	-	139,312,217	8,467,677	12,622	(63,857,819)
Federal Flood	253,592,842	243,828,472	-	81,980,442	85,368,618	1,369,819	77,849,231
Private Crop	4,650,714	4,637,886	-	10,101,925	1,307,368	924	(6,770,483)
Private Flood	14,665,268	14,161,981	-	2,937,496	4,518,653	224,722	6,930,555
Farmowners Multiple Peril	15,627,638	15,313,461	-	8,764,183	5,304,490	(29,017)	1,215,771
Homeowners Multiple Peril	1,960,740,503	1,923,868,076	8,809,155	867,919,306	699,805,218	5,715,349	353,049,746
Commercial Multiple Peril (Non-Liability)	366,321,665	356,493,659	116,871	168,635,308	136,339,238	382,823	51,785,066
Commercial Multiple Peril (Liability)	145,692,171	142,482,184	29,193	108,270,566	60,198,828	78,535	(25,937,868)
Mortgage Guaranty	64,104,666	65,422,552	-	8,720,066	16,653,740	(4,633,436)	35,415,310
Ocean Marine	146,119,722	141,959,200	5,141	116,982,809	50,970,270	(180,757)	(26,179,777)
Inland Marine	459,192,384	454,776,089	249,786	219,382,296	157,764,251	787,169	78,166,925
Financial Guaranty	3,466,906	6,071,511	-	(4,498,432)	5,975,329	(396,939)	4,197,675
Medical Malpractice	102,002,745	99,495,447	2,763,269	41,556,222	43,185,387	697,194	12,687,763
Earthquake	5,572,492	5,475,453	13,469	78,548	1,022,738	2,312	4,363,010
Group Accident and Health	49,959,743	46,914,099	-	37,767,996	13,175,026	(12,548)	(4,041,471)
Credit Accident and Health	172,810	298,430	-	11,556	152,799	4,320	138,395
Other Accident and Health	23,856,736	21,826,468	288	12,950,339	7,243,478	(6,285,749)	(4,653,386)
Workers' Compensation	828,613,732	816,625,592	225,513,168	456,834,224	326,874,611	393,546	(192,202,866)
Other Liability-Occurrence	763,864,932	747,619,782	1,084,267	560,595,418	250,425,450	658,877	(63,826,476)
Other Liability-Claims-Made	222,157,128	215,888,071	67,659	130,356,483	75,695,657	13,356	9,781,628
Excess Workers' Compensation	53,928,893	52,641,022	-	34,539,411	16,032,619	5,665	2,074,658
Products Liability	47,248,458	43,858,763	2,475	102,363,844	16,418,267	15,037	(74,910,785)
Private Passenger Auto Liability	3,168,648,385	3,170,837,869	11,587,857	2,171,505,128	958,358,049	12,043,807	41,430,642
Commercial Auto Liability	696,944,309	676,857,525	104,900	743,652,754	238,348,445	1,093,676	(304,154,898)
Private Passenger Auto Physical Damage	1,718,447,986	1,716,732,692	6,054,208	1,019,143,860	518,096,811	5,711,297	179,149,110
Commercial Auto Physical Damage	131,230,921	127,933,645	8,306	64,610,627	44,032,866	172,231	19,454,077
Aircraft (All Perils)	41,296,057	38,405,713	-	20,614,087	13,409,226	(40,925)	4,341,475
Fidelity	13,435,217	13,038,180	60	12,372,859	5,566,011	(3,627)	(4,904,377)
Surety	119,609,474	116,248,910	-	25,851,524	59,927,704	(20,831)	30,448,852
Burglary and Theft	6,873,346	5,877,074	1	1,885,850	2,403,261	(313)	1,587,649
Boiler and Machinery	40,049,032	36,173,260	2,068	9,969,710	11,263,666	(37,805)	14,900,011
Credit	38,724,490	33,919,267	-	13,589,435	20,073,947	533,909	789,795
International	-	-	-	-	1,184	-	(1,184)
Warranty	6,497,043	6,470,140	-	5,503,367	799,771	3,205	170,206
Aggregate Write-Ins, Other Lines of Business	27,393,801	25,053,577	-	14,217,459	7,791,583	4,164	3,048,699
Totals	12,457,743,685	12,293,399,683	257,840,724	7,568,301,959	4,167,797,380	28,120,738	327,580,358

(A) Actual Reported Louisiana Experience, 2019 Property & Casualty Annual Statement, Page 19 (State Page), column 1.
 (B) Actual Reported Louisiana Experience, 2019 Property & Casualty Annual Statement, Page 19 (State Page), column 2.
 (C) Actual Reported Louisiana Experience, 2019 Property & Casualty Annual Statement, Page 19 (State Page), column 3.
 (D) Actual Reported Louisiana Experience, 2019 Property & Casualty Annual Statement, Page 19 (State Page), columns 6 & 9.
 (E) Actual Reported Louisiana Experience - Commission & Premium Tax Expenses, 2019 P&C Annual Statement (Page 19 (State Page) , columns 11 & 12) + Estimated Louisiana Experience based upon Nationwide Ratio of Other Adjustment, Acquisition & General Expenses to Earned Premium (2019 Insurance Expense Exhibit - Part III, Columns 11, 27, & 29).
 (F) Estimated Louisiana Experience based upon Nationwide Ratio of Other Income/Expense to Earned Premium, 2019 Insurance Expense Exhibit - Part III, Column 31.
 (G) Calculation = Cols. B - C - D - E + F

Report Date: August 13, 2020

Caution: This page is unaudited and may contain inadvertent errors.

PROPERTY AND CASUALTY FORMS DIVISION

The Property and Casualty Forms Division reviews contract forms submitted by insurers for compliance with applicable statutes, rules and regulations.

The forms review process emphasizes:

- compliance with all applicable state and federal laws, rules and regulations
- avoidance of any inconsistent, ambiguous or misleading language, text or format
- assurance that exceptions and conditions affecting the risks are clearly stated and are reasonable
- assurance of consumer protection to the extent authorized by law

Table 28 shows the total number of policy forms reviewed by the Property and Casualty Forms Division.

<i>Fiscal Year</i>	<i>Total Number of Forms Processed</i>
2019-2020	17,404
2018-2019	20,935
2017-2018	24,454

Of the total number of policy forms in Fiscal Year 2019-2020, 79% were approved prior to use, either by receiving LDI approval or by utilizing the Certified Approved process. Table 29 presents the numbers of approval and disapproval actions taken on all forms processed. However, Table 29 does not include numbers for forms received for informational purposes only, forms withdrawn or filings where companies adopt forms developed by rating organizations which the Property and Casualty Forms Division had previously approved for use in Louisiana.

<i>Fiscal Year</i>	<i>Approved</i>	<i>Disapproved</i>
2019-2020	13,702	2,398
2018-2019	16,173	2,184
2017-2018	18,901	2,598

LOUISIANA PROPERTY AND CASUALTY INSURANCE COMMISSION

LEGISLATIVE BACKGROUND AND PURPOSE

In 1997, the Louisiana Legislature created the Council on Automobile Insurance Rates and Enforcement (CAIRE) to undertake a comprehensive study of automobile insurance rates and to provide oversight and recommendations aimed at enforcement of laws and programs that affect those rates. CAIRE researched and studied many ideas that have been beneficial in the area of lowering automobile insurance rates including, but not limited to, the impoundment law, “No Pay, No Play,” stronger DWI penalties, graduated licensing, automobile insurance checkpoints and insurance fraud.

In 2001, the Louisiana Legislature expanded CAIRE’s realm of study to include not only automobile insurance but also homeowners insurance and workers’ compensation insurance, thus forming and renaming the entity as the Louisiana Property and Casualty Insurance Commission (LPCIC). The LPCIC, which consists of three ad-hoc committees (Automobile Insurance Ad-Hoc Committee, Homeowners Insurance Ad-Hoc Committee and Workers’ Compensation Ad-Hoc Committee), has been given the task of reviewing and examining the availability and affordability of property and casualty insurance in the state.

The LPCIC submits an annual report to the governor, commissioner of insurance and the legislature, which includes its recommendations to improve automobile, homeowners and workers’ compensation insurance based upon its research, meetings and testimony. The Louisiana Property and Casualty Insurance Commission is authorized under La. R.S. 22:2171.

MEMBERSHIP

The 24-member commission is composed of insurance industry experts and other interested parties, including national and state property insurance associations, agent associations, law enforcement, community leaders and representatives of various insurance consumer interests. Membership also includes the commissioner of insurance, representatives from the Office of the Governor, the Office of the Attorney General, the Senate and House Committees on Insurance and an appointment designated by the commissioner of insurance.

Legislative Recommendations for the 2020 Regular Session

1. Uniform Construction Code

The LPCIC recommends the maintenance and strengthening of the Louisiana State Uniform Construction Code. The commission has no specific proposals at present, but it supports the efforts of the State Uniform Construction Code Council and the state fire marshal to maintain and strengthen the code.

OFFICE OF PROPERTY AND CASUALTY

LOUISIANA PROPERTY AND CASUALTY INSURANCE COMMISSION

2. Highway Safety

The LPCIC recommends that the legislature ban drivers from manually using telecommunication devices while operating a motor vehicle.

The commission's recommendation is for legislation that builds upon Rep. Huval's HB 229 of the 2019 Regular Session and HB 619 of the 2018 Regular Session. It draws upon laws and bills from several states that have enacted such bans. It includes a provision to prohibit a law enforcement officer from seizing or searching a wireless telecommunications device merely because of it may have been used while driving. It also provides for issuing written warnings only before Jan. 1, 2021, to provide a transition period and education about the new law.

The commission also supports other highway safety initiatives and, in the past, has made specific recommendations on topics such as seat belt fines and enforcement that have been enacted. The commission has received presentations over the last several years that indicate that infrastructure and road conditions contribute to motor vehicle accidents and litigation, which in turn affect insurance costs. The commission supports action to address infrastructure and road repair and improvements.

3. Civil Justice Reforms

The LPCIC recommends that the legislature reduce the civil jury threshold to \$5,000, amend the direct action statute to limit the instances for naming an insurer as a defendant to those where the insured is unable to be served with process, modify the collateral source rule to limit the ability of a plaintiff to recover damages for expenses that are not due or payable pursuant to a healthcare provider agreement with an insurer or other health coverage issuer, amend La. C.C.P. art. 1812(C)(4) to provide for only one written finding of general damages for each plaintiff on a special verdict form, and amend La. R.S. 32:295.1(E) to admit seat belt use as evidence of comparative negligence.

The LPCIC also recommends the following amendments: La. C.E. art. 411 to prohibit reference to the name of an insurer or the retention of counsel by an insurer in a civil proceeding involving an insurer that issues a policy to a party to the suit, La. C.E. art. 411 to prohibit reference to the name of an insurer or the retention of counsel by an insurer in a civil proceeding involving an insurer that issues a policy to a party to the suit, the Code of Evidence to permit force of impact evidence in personal injury cases, the Code of Evidence to require documentary evidence of past lost wages to support a claim for that element of damages, and C.E. art. 408 to permit evidence of settlement to show why a party is not a defendant in a civil action.

4. Opioid Abuse

The LPCIC recommends the establishment of a closed drug formulary that will not provide for authorization of drugs not listed in the formulary, and generally excludes compounded medication. The formulary is to be selected by the Office of Workers' Compensation Administration, for use in the state's workers' compensation system in order to facilitate the safe and appropriate use of prescription drugs in the treatment of work-related injury and occupational disease.

Study Issues for 2020

1. Insurance and Technology

The LPCIC will monitor and study issues related to the effects of technology on the business of insurance and insurance coverage.

2. Cybersecurity and Insurance

The LPCIC will continue to monitor and study issues related to cybersecurity and insurance.

3. Highly Automated Vehicles (HAV) and Driverless Vehicles

The LPCIC will study regulatory and insurance issues that arise with the development of driverless vehicles.

4. Federal and International Actions Affecting Insurance and Insurance Regulation

The LPCIC will monitor and study the effects of federal laws and regulations and international actions on the affordability and availability of property and casualty insurance.

5. Automobile Insurance Market

The LPCIC will study the automobile insurance market to determine solutions to the problems with availability and affordability of private passenger and commercial automobile insurance.

6. Reference-Based Pricing of Medical Expenses

The LPCIC will study the issue of medical expenses in property and casualty insurance. It will look at options to define what is a reasonable and necessary medical expense as an element of damages in matters of personal injury.

7. Bad Faith

The LPCIC will study the current laws and cases addressing the issue of bad faith in the adjustment of claims and make recommendations.

Helpful Links

Search property and casualty rate filings, <http://www.ldi.la.gov/online-services/rate-filing-search>.

Product Filing Requirements for Insurers, <http://ia.ldi.state.la.us/productmatrix/>
Explanation of rate, form and complaint response web-based systems used by the LDI.

Shop Your Rates: Auto and Home Insurance Rate Comparison guides, www.ldi.la.gov/online-services/shop-your-rates.



Division of Legal Services

DIVISION OF LEGAL SERVICES

LEGAL SERVICES

RESPONSIBILITIES AND ACTIVITIES

The Division of Legal Services in the Department of Insurance was created by La. R.S. 36:689 and is under the direction of the executive counsel. The Division of Legal Services acts as the legal counsel and enforcement arm of the LDI. Its functions include drafting regulations, directives, advisory letters and bulletins; preparing and monitoring legislation; representing the LDI in litigation before federal, state and administrative courts; enforcing insurance regulatory laws in administrative hearings; and assisting LDI staff by providing legal advice on policy forms and any other insurance related matters. This division also serves as a liaison between the LDI and other federal, state and local government departments, agencies and commissions as well as insurance companies, producers and consumers. The Division of Legal Services may provide legal opinions to the insurance industry, other regulators and LDI personnel.

ADMINISTRATIVE HEARINGS

In Fiscal Year 2019-2020, the Division of Legal Services tracked 62 activities related to legal representation of the LDI in its enforcement and regulatory capacity. Each attorney works closely with different LDI offices and divisions to enforce the requirements of Title 22, the Louisiana Insurance Code.

Staff attorneys also serve as prosecutors for violations of the Insurance Code in legal hearings by the Division of Administrative Law. See Table 30 for the legal issues involved.

TABLE 30 **LEGAL ISSUES/ADMINISTRATIVE HEARINGS**
THREE-YEAR HISTORY

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Bail Bond Forfeitures	17	36	85
Cease and Desist Orders	1	4	10
Failure to Pay Taxes, Fines or Assessments	0	1	6
Misappropriations	2	3	5
Misrepresentations	6	19	7
Revocation of Certificate of Authority/License	12	1	5
Unlicensed/Unauthorized Producers or Companies	2	5	2
Other	22	25	35
TOTALS	62	94	155

FINES COLLECTED

In Fiscal Year 2019-2020, the Division of Legal Services assisted the commissioner of insurance in collecting \$10,650 in fines.

La. R.S. 22:1972 requires the reporting of penalties and costs of proceedings against regulated entities which were brought under the Unfair Trade Practices Act. The Division of Legal Services reports no fines were imposed on regulated entities under the Unfair Trade Practices Act during Fiscal Year 2019-2020.

RULES, REGULATIONS, DIRECTIVES, ADVISORY LETTERS, BULLETINS

A list of regulations, rules, directives, advisory letters and bulletins written, amended, revised, rescinded/ repealed in Fiscal Year 2019-2020 follows.

The following documents can be found on the LDI website here:
<https://www.lidi.la.gov/onlineservices/documentsearch/>

- Advisory Letter 2019-04: Act No. 262 of the 2019 Regular Session of the Louisiana Legislature (September 24, 2019)
- Advisory Letter 2019-05: Producer Agency Registration of Affiliated Individual (October 31, 2019)
- Advisory Letter 2019-06: Preservation of Office of Motor Vehicles (OMV) Daily Insurance File Submissions During Statewide Computer Outage (November 20, 2019).
- Advisory Letter 2019-07: Resuming Submission of Office of Motor Vehicles (OMV) Daily Insurance Files (December 9, 2019)
- Advisory Letter 2020-01: LA R.S. 22:1460(l)(1)(C) Guidance to Property and Casualty Insurers as to how the LDI interprets Act 61 of the 2017 Regular Session (March 11, 2020)
- Advisory Letter 2020-02: Small Group Coverage of Husband and Wife Groups under the Louisiana Insurance Code (April 22, 2020)
- Bulletin 2019-03: Request for Information from All Interested Parties Regarding Louisiana Guaranteed Benefits Pool to be Established Pursuant to Act 412 of the 2019 Legislative Sessions (August 29, 2019)
- Bulletin 2020-01: COVID-19 Effect on Producer Licensing; Issuance of Temporary Producer Licenses Pursuant to La. R.S. 22:1553 (May 15, 2020)
- Bulletin 2020-02: Transitional Relief - Deadlines for Health Insurance Issuer and HMO Submissions of Forms and Rate Filings and Plan Management Binders (June 2, 2020)

DIVISION OF LEGAL SERVICES

- Emergency Rule 35: Healthcare Coverage for Louisiana Families Protection Act
Effective Date: December 19, 2020
Termination Date: July 21, 2020
- Emergency Rule 36: Patient Protections and Related Health Care Services Regarding Health Insurance Matters Affecting Insureds in Louisiana Caused by the Outbreak of Coronavirus Disease
Effective Date: March 17, 2020
Termination Date: May 12, 2020
- Emergency Rule 37: Telemedicine and Network Adequacy in Health Insurance in Louisiana During the Outbreak of Coronavirus Disease
Effective Date: March 23, 2020
Termination Date: May 12, 2020
- Emergency Rule 38: Temporary Licensing of Certain Insurance Producers
Effective Date: March 25, 2020
Termination Date: May 15, 2020
- Emergency Rule 39: Mid-Term Audit of Auditable Policies
Effective Date: March 26, 2020
Termination Date: May 12, 2020
- Emergency Rule 40: Moratorium on Policy Cancellations/Non-Renewals for Policyholders in Louisiana During the Outbreak of Coronavirus Disease
Effective Date: March 12, 2020
Termination Date: May 12, 2020
- Emergency Rule 41: Medical Surge - Related Patient Transfers in Louisiana during the Outbreak of Coronavirus Disease
Effective Date: March 31, 2020
Termination Date: May 12, 2020
- Emergency Rule 42: Tax Reporting During Outbreak of Coronavirus Disease
Effective Date: April 3, 2020
Termination Date: April 3, 2020
- Emergency Rule 43: Temporary Licensing of Adjusters
Effective Date: April 6, 2020
Termination Date: May 15, 2020
- Emergency Rule 44: Extension of Renewal Date
Effective Date: April 17, 2020
Termination Date: May 12, 2020

DIVISION OF LEGAL SERVICES

- Potpourri: Act 454 - Notice of Public Hearing
Final Promulgation Date: October 20, 2019
- Regulation 63: Prohibitions on the Use of Medical Information and Genetic Test Results
Final Promulgation Date: March 20, 2020 (Amended)
- Regulation 70: Replacement of Life Insurance and Annuities
Final Promulgation Date: December 20, 2019 (Amended)
- Regulation 72: Commercial Lines Insurance Policy
Final Promulgation Date: December 20, 2019 (Amended)
- Regulation 80: Commercial Lines Insurance Rate Deregulation
Final Promulgation Date: December 20, 2019 (Repealed)
- Regulation 82: Insure Louisiana Incentive Program
Final Promulgation Date: May 20, 2020 (Repealed)
- Regulation 98: Annual Financial Reporting
Final Promulgation Date: January 20, 2020 (Amended)
- Regulation 100: Coverage of Prescription Drugs through a Drug Formulary
Final Promulgation Date: December 20, 2019 (Amended)
- Regulation 107: Homeowner and Fire/Commercial Insurance Policy Disclosure Forms
Final Promulgation Date: December 20, 2019 (Amended)
- Regulation 113: Registration of Catastrophe Claims Adjusters
Final Promulgation Date: August 20, 2019 (New)
- Regulation 114: Claims Adjuster Pre-Licensing Education Program
Final Promulgation Date: January 20, 2020 (New)
- Regulation 116: Stop-Loss or Excess Policies of Insurance
Final Promulgation Date: May 20, 2020 (New)

LITIGATION DISCLOSURE ANNUAL REPORT

LA. R.S. 36:8.1 REPORT BY THE COMMISSIONER

§8.1. Litigation oversight; reports to the legislature

A.(1)(a) The head of each agency shall make and publish an annual report to the legislature containing a list of all civil actions brought in a court of law by the agency as a named party plaintiff.

(b) The attorney general shall make and publish an annual report to the legislature containing a list of all civil actions brought in a court of law by the state of Louisiana as a named party plaintiff.

(2) Each such report shall include all cases instituted, pending, or concluded during the preceding calendar year and shall:

(a) Contain the names of all parties appearing as plaintiffs at any time during the litigation and all parties named as defendants at any time during the litigation as they appear on the pleadings, the court that has jurisdiction over the matter, the docket number, the cause of action being averred, and the relief being sought.

(b) Indicate the current status of the case, including whether the case has been heard on the merits, whether there is a final judgment therein and, if so, an indication if the final judgment was determined on a procedural or substantive issue, whether the case has settled prior to any final judgment, and whether an appeal has been taken and, if so, if that appeal was initiated by the agency.

(c) List the name or names of all outside counsel representing the agency or the state and the agreement of the agency or the attorney general on behalf of the agency or the state, including the hourly rate of pay for the attorney or attorneys and paraprofessionals or the percentage of compensation or commission or any other arrangement relative to compensation, including payment of compensation by a defendant.

(3)(a) One week before the convening of each annual legislative session, a copy of the report shall be submitted by the head of each agency and the attorney general to the presiding officer of each house of the legislature and shall also be submitted in accordance with the provisions of R.S. 24:772.

(b) The presiding officer shall refer the report to the appropriate committee having jurisdiction of the subject matter as provided in the rules of the respective house, and any legislative committee which receives a report may conduct a hearing thereon.

LDI was the plaintiff in one case initiated during the 2019 calendar year. During that period, seven cases were pending and one was concluded.

DIVISION OF LEGAL SERVICES
LITIGATION DISCLOSURE ANNUAL REPORT

**TABLE 31 LAWSUITS BROUGHT BY THE COMMISSIONER OR DEPARTMENT OF INSURANCE
CALENDAR YEAR 2019**

<i>Docket Number</i>	<i>Court</i>	<i>Plaintiffs (at any time)</i>	<i>Defendants (at any time)</i>	<i>Cause of Action</i>	<i>Relief Sought</i>	<i>Current Status</i>	<i>Counsel Information</i>
686310	19th JDC	Louisiana Department of Insurance	Brookwood Properties, L.L.C and Brookwood Capital, L.L.C.	Petition for Declaratory Judgment and Injunctive Relief	Judgment declaring that protection plan sold by defendants constitutes insurance as defined under Louisiana law and that Brookwood and its agents are required to be licensed to sell insurance. Permanent injunction enjoining and prohibiting Brookwood from offering for sale its Protection Plan or any other similar insurance policy without fully complying with Louisiana law.	Discovery Phase	J. Alan Harrell; Jeffrey Barbin; Gregory Reba; Shelton Blunt (Phelps Dunbar LLP); Harry J. Phillips; Sarah N. White (Taylor, Porter, Brooks & Phillips, L.L.P.)
628016	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Snider Mutual Funeral Association	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Walter Corey Louisiana Department of Insurance
646352	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Blackwell and Golden Funeral Association	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Walter Corey Louisiana Department of Insurance
660611	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Pride of Carroll Life Insurance Company	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Walter Corey Louisiana Department of Insurance
650039	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Sabine Mutual Benevolent Funeral Association	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Walter Corey Louisiana Department of Insurance

DIVISION OF LEGAL SERVICES
LITIGATION DISCLOSURE ANNUAL REPORT

Docket Number	Court	Plaintiffs (at any time)	Defendants (at any time)	Cause of Action	Relief Sought	Current Status	Counsel Information
629200	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Louisiana Employers-Managed Insurance Holdings (LEMIC) and Employers Mutual Insurance Holdings Company (EMIHC)	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Sue A. Buser (Burglass & Tankersley, L.L.C.) Michael Guy Louisiana Assistant Attorney General
641928	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Louisiana Health Cooperative, Inc.	Petition for Rehabilitation	Receivership Proceeding	Pending - Under Order of Rehabilitation	Sue A. Buser (Burglass & Tankersley, L.L.C.); Michael Guy Louisiana Assistant Attorney General
651069	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana, In His Capacity as Rehabilitator of Louisiana Health Cooperative, Inc.	Terry S. Shilling, George G. Cromer, Warner L. Thomas, IV, William A. Oliver, Charles D. Calvi, Patrick C. Powers, CGI Technologies and Solutions, INC., Group Resources Incorporated, Beam Partners, LLC, Milliman Inc., Buck Consultants, LLC. And Travelers Casualty and Surety Company of America	Petition for Damages	Compensatory damages caused by defendant's conduct; all administrative costs incurred as a result of receivership; fees, expenses and compensation of any kind paid by defendant and all other relief Plaintiff may be entitled to.	Pending	J.E. Cullens, Jr.; Ed Walters, Jr; Darrel J. Pappion, David Abboud Thomas, Jennifer Wise Moroux (Walters, Papillion, Thomas, Cullens, LLC)
671699	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Excalibur National Insurance Company and Excalibur National Holdings, Inc.	Petition for Rehabilitation	Receivership Proceeding	Closed	J. Ashley Moore (Taylor, Porter, Brooks & Phillips L.L.P.); Michael Guy Louisiana Assistant Attorney General
694171	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana, In His Capacity as Rehabilitator of Excalibur National Holdings, Inc.	Jeffrey C. Pollick, Dennis P. Nyland, Antonio Scognamiglio, The Bank of Tampa, Seacoast Banking Corporation of Florida d/b/a Seacoast National Bank, Katrina Rigali Trump and Capital Specialty Insurance Company	Petition for Damages and Jury Demand	Compensatory damages caused by defendant's conduct; all administrative costs incurred as a result of receivership; fees, expenses and compensation of any kind paid by defendant and all other relief Plaintiff may be entitled to.	Pending	J.E. Cullens, Jr.; Andree Mathern Cullens; S. Layne Lee (Walters, Papillion, Thomas, Cullens, LLC)
642353	19th JDC	James J. Donelon, Commissioner of Insurance for the State of Louisiana	Affirmative Casualty Insurance Company and Affirmative Direct Insurance Company	Petition for Liquidation	Receivership Proceeding	Pending - Under Order of Liquidation	Michael Guy Louisiana Assistant Attorney General

HELPFUL LINKS

Regulatory documents issued during 2019-2020 can be found at <https://www.ldi.la.gov/oneservices/documentsearch/>

All currently effective advisory letters, bulletins, directives, rules and regulations, <https://www.ldi.la.gov/oneservices/documentsearch/>. This document search feature may be filtered by keywords in the document name, by document type, by LDI office associated with the subject matter and by the year of promulgation.

For information on rules or regulations currently in the adoption process, <http://www.ldi.la.gov/public-hearing-and-rulemaking-notices>. Actions posted here remain available for at least one year in accordance with La. R.S. 49:974.

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Division of Insurance Fraud

DIVISION OF INSURANCE FRAUD

The Division of Insurance Fraud consists of two units:

- Fraud and Background Investigations
- Louisiana Automobile Theft and Insurance Fraud Prevention Authority

FRAUD AND BACKGROUND INVESTIGATIONS

The Division of Insurance Fraud investigates all forms of suspected insurance fraud:

- Claims fraud
- Producer fraud, including bail bond agents and bail enforcement agents
- Claims adjuster fraud
- Company fraud, including fraud committed by a company or fraud committed against a company (i.e., insider fraud)
- Provider fraud, which includes doctors, attorneys, body shops, pharmacies or any person or entity playing a role in the insurance process

Investigators work closely with the various offices and divisions within the LDI and other departments of insurance across the nation, as well as with the Insurance Fraud/Auto Theft Investigation Unit of the Office of State Police and the Insurance Fraud Support Unit of the Office of the Attorney General, local and federal law enforcement officers, prosecutors, insurance company personnel, insurance agencies and the general public in their mission to reduce fraud in Louisiana. The Division of Insurance Fraud places emphasis on the following:

- Investigating suspected fraudulent claims and working closely with the respective law enforcement agencies and prosecutors' offices for the successful investigation and prosecution of individuals involved in fraudulent insurance activities.
- Investigating insurance producers and companies suspected of engaging in fraudulent practices and working with the respective law enforcement agencies and prosecutors' offices for the successful prosecution of individuals involved in fraudulent activities.
- Performing background investigations on companies, individuals and other entities seeking to conduct the business of insurance in Louisiana.
- Performing background investigations on individuals seeking an 18 U.S.C. § 1033 consent to engage in the business of insurance.
- Supervising the filing of insurance anti-fraud plans and the annual statistical reports.

An assessment on insurance premiums has provided funding to combat insurance fraud since 1999. The funds are dedicated to the insurance fraud units within the Office of State Police and the Office of the Attorney General and for additional assistance to the Division of Insurance Fraud of the LDI. The fraud units of the three agencies work closely as a task force, each playing a vital role in the process, from preliminary investigation and criminal referral, to arrest and prosecution. In 2012, legislation passed to establish an additional funding source by imposing fines and a treble damage penalty on insurance fraudsters. In 2013, legislation passed allowing fraud investigators to become Peace Officer Standards and Training (POST) certified and to carry weapons while in performance of their duties.

DIVISION OF INSURANCE FRAUD

FRAUD AND BACKGROUND INVESTIGATIONS

Any law enforcement authority may investigate insurance fraud, but the majority of cases are channeled through the State Police Insurance Fraud/Auto Theft Investigation Unit. When local authorities pursue insurance fraud cases, the Division of Insurance Fraud works with them and may serve as an informal liaison between them and the State Police.

The State Police developed the Homeland Security Information Network, an information sharing website for the three fraud units to share information among themselves and with special investigation units of the insurance industry. The status of all cases referred to the State Police can be found on the Homeland Security Information Network, along with arrest messages and an information sharing link. The information included on the Homeland Security Information Network is confidential and accessible only by the insurance fraud task force members and industry special investigation units, which must sign confidentiality agreements before being permitted access.

The Division of Insurance Fraud plays a critical role in insurance fraud prevention by educating the public and regulated entities and conducting extensive background investigations. The Division of Insurance Fraud educates the public through press releases, brochures, maintaining an online presence and making presentations to various groups and organizations about insurance fraud.

CLAIMS FRAUD

The Division of Insurance Fraud received 2,412 reports of suspected fraudulent claims during Fiscal Year 2019-2020. The majority of reports originated from insurance companies in accordance with La. R.S. 22:1926. Since its inception in 2007, the Division of Insurance Fraud database has accumulated 37,779 entries of suspected fraudulent claims.

The database enables the Division of Insurance Fraud to determine patterns of numerous suspicious claims which involve an individual claimant, possibly several insurance companies and specific medical providers, attorneys or possibly insurance company staff. Analysis of the data may expose fraudulent schemes.

Exaggerated loss statements are reported more frequently than any other type of suspected fraud. Exaggerated losses include the following:

- Claiming greater and more prolonged severity of a physical injury than actually occurred.
- Claiming damage to a vehicle from a wreck when the damage actually occurred from another wreck or incident.
- Claiming property was destroyed or burglarized in a home when in fact the items never existed or were never stolen or destroyed.

Other examples of fraudulent claims include staged accidents (i.e., planned incidents that are made to appear and claimed by the participants to be “accidents” involving some type of loss), automobile arson, automobile “give ups” (i.e., owners arrange to have the vehicle stolen), provider fraud and medical/health care fraud.

DIVISION OF INSURANCE FRAUD

FRAUD AND BACKGROUND INVESTIGATIONS

Louisiana laws La. R.S. 22:1926 and 40:1424 require that all cases of suspected fraudulent activity be reported to the LDI Division of Insurance Fraud. Consumers, members of the public, companies or industry employees can report suspicions of fraudulent claims through the department's link to the National Association of Insurance Commissioners Online Fraud Reporting System. Property and casualty insurance companies who are members of the National Insurance Crime Bureau may report questionable or suspicious insurance claims through the ISO Claim Search Link, which is also on the LDI website.

The Division of Insurance Fraud referred 1,185 claim fraud investigations to the State Police during the fiscal year. There were 103 arrests resulting in 217 charges for numerous crimes as a result of criminal referrals related to suspected fraudulent insurance claims. Those charges are categorized in Table 33.

PRODUCER, ADJUSTER AND COMPANY FRAUD

Investigations of insurance agents, claims adjusters and companies may involve misrepresentation; misappropriation (by any person) of funds belonging to the policyholder; activities of premium finance companies; activities by unlicensed and/or unauthorized entities; and the issuance/use of fraudulent insurance identification cards or certificates of insurance. From an administrative perspective, the single greatest producer fraud activity continues to be misappropriation of funds from a policyholder. Because these funds are not reported to an insurance company or premium finance company, counterfeit insurance identification cards and certificates of insurance may also be involved.

Investigations include the compilation, research and analysis of information obtained by the Division of Insurance Fraud from consumer complaints, producers, companies, LDI offices and additional sources. A detailed analysis is done to determine if sufficient evidence exists to justify LDI action and/or criminal referral. Investigators work closely with law enforcement during on-site investigations of fraudulent activity and with the gathering of additional evidence, if warranted. This division referred ten producer investigations to law enforcement.

**TABLE 32 ACTIONS TAKEN REGARDING PRODUCER, CLAIMS ADJUSTER AND COMPANY FRAUD
THREE-YEAR HISTORY**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Number of Investigations Opened	168	124	125
Cease and Desist Orders Served	12	10	9
Notices of Proposed Action Served	11	17	24
Criminal Referrals to Law Enforcement	34	8	2
Arrests Made as a Result of Criminal Referrals	2	0	0

DIVISION OF INSURANCE FRAUD
FRAUD AND BACKGROUND INVESTIGATIONS

**CHARGES AGAINST CLAIMANTS OR LICENSEES
 RESULTING FROM REFERRALS BY CATEGORY** **TABLE 33**

<i>Category</i>	<i>Number of Charges*</i>	<i>Percent of Crimes</i>
Insurance Fraud	100	46.1%
Forgery	42	19.3%
Automobile Insurance Fraud	32	14.7%
Filing False Public Records	10	4.6%
Criminal Conspiracy	9	4.1%
Theft	8	3.6%
Filing a False Report	4	1.8%
Filing a False Affidavit to Support Theft of a Motor Vehicle	3	1.4%
Injuring Public Records	3	1.4%
Cruelty to Juveniles	2	1.0%
Identity Theft	1	0.5%
Improper Lane Usage	1	0.5%
Residential Contractor Fraud	1	0.5%
Unauthorized Use of a Movable	1	0.5%

*An arrest may include multiple charges.

BACKGROUND INVESTIGATIONS

One of the duties and responsibilities of the Division of Insurance Fraud is to investigate the backgrounds of companies, officers, directors, medical necessity review organizations, claims adjusters and other entities applying to conduct the business of insurance in Louisiana. This includes changes of officers and directors of domestic companies currently authorized to do business in the state.

The Division of Insurance Fraud uses the following sources when conducting background investigations:

- U.S. Attorneys;
- District Attorneys;
- FBI and other federal enforcement agencies;
- Other state law enforcement agencies nationwide;
- Sheriff departments across the state;
- Other state insurance regulatory agencies nationwide;
- Federal and state agencies involved in the regulation of securities;
- Professional licensing boards in all states, nationally and internationally;
- Professional associations and organizations at all levels;

DIVISION OF INSURANCE FRAUD

FRAUD AND BACKGROUND INVESTIGATIONS

- Fraud prevention and detection organizations such as the National Insurance Crime Bureau, Coalition Against Insurance Fraud and the International Association of Special Investigative Units, as well as the National Association of Insurance Commissioners;
- Other regulatory agencies, depending on the background of the entity involved;
- Fraud prevention and detection organizations such as the National Insurance Crime Bureau, Coalition Against Insurance Fraud and the International Association of Special Investigative Units, as well as the National Association of Insurance Commissioners.

**TABLE 34 BACKGROUND INVESTIGATIONS
THREE-YEAR HISTORY**

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Company Applications Received	127	117	132
Company Applications Approved	123	116	131
Company Biographical Affidavits Received	897	890	1,012
Company Biographical Affidavits Approved	881	843	994

18 U.S.C. § 1033 CONSENT

The Division of Insurance Fraud also investigates all applicants for written consent in accordance with federal law, 18 U.S.C. § 1033. Prior to engaging in the business of insurance, anyone convicted of certain felonies must apply for and be granted written consent from the commissioner of insurance. Extensive background investigation by the Division of Insurance Fraud aids the decision-making process.

ANTI-FRAUD PLAN FILINGS

In January 2011, insurance companies and health maintenance organizations began filing anti-fraud plans as required by La. R.S. 22:572.1. (Small companies as defined in La. R.S. 22:46 are exempt.) Admitted insurers and health maintenance organizations must file their anti-fraud plan for approval between January 1 and April 1 of each year. The initial anti-fraud plan filing in 2011 did not require data submission; however, supplemental annual filings are required each year with insurers and health maintenance organizations reporting two data elements:

- The number of Louisiana claims processed during the previous year.
- The number of claims the company referred to LDI as suspicious.

After its initial filing, the insurance company and health maintenance organization need only report material changes in the anti-fraud plan. Plans must be filed electronically through the LDI Industry Access Portal, Anti-Fraud Plans Module, and must cover all eight objectives established by statute. The plan submitter can assume substantial compliance unless he receives a written rejection notice from LDI within 45 days of filing.

Louisiana Automobile Theft and Insurance Fraud Prevention Authority

Legislative Background

La. R.S. 22:2131 et seq. establishes the Louisiana Automobile Theft and Insurance Fraud Prevention Authority. La. R.S. 22:2134 establishes an Automobile Theft and Insurance Fraud Prevention Authority Fund within the Authority. This specially-created fund is the mechanism used to collect and disburse funds for the purpose of reducing motor vehicle theft and insurance fraud.

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority is governed by an 11-member board of directors, consisting of the following:

- The commissioner of insurance or his designee
- The state treasurer or his designee
- A representative of the Louisiana State Police Insurance Fraud/Auto Theft Unit
- The chairman of the Senate Committee on Insurance or his designee
- The chairman of the House Committee on Insurance or his designee
- Two members appointed by the attorney general to represent law enforcement officials in this state
- Two members representing motor vehicle insurers doing business in this state
- Two members representing purchasers of motor vehicle insurance

PURPOSE

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority is a public agency whose purpose is to combat motor vehicle theft, including fraud by theft and other criminal acts.

In carrying out its purpose, the Louisiana Automobile Theft and Insurance Fraud Prevention Authority may:

- Solicit and accept gifts, grants, donations, loans and other assistance from any person or entity, private or public.
- Establish programs in conjunction with other state agencies, local governing authorities and law enforcement agencies for motor vehicle theft and insurance fraud prevention, detection and enforcement.
- Make grants to state agencies, local governing authorities and law enforcement agencies for motor vehicle theft and insurance fraud prevention, detection and enforcement.
- Enter into cooperative endeavors with any public or private association, corporation or individual with similar obligations and purpose as long as all expenditures are for a public purpose and create a public benefit proportionate to the cost.

DIVISION OF INSURANCE FRAUD

LOUISIANA AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY

INITIATIVES

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority issues grants to law enforcement agencies across the state under its bait vehicle and license plate reader programs. These grants are awarded to law enforcement agencies to promote more efficient and effective law enforcement activities in vehicle theft investigations and enforcement.

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority's education initiative in Fiscal Year 2019-2020 included outreach to school districts as well as continued work in the community. This school-based program emphasizes the consequences and prevention of vehicle theft. Presentations to civic, business and professional organizations cover insurance fraud and vehicle theft prevention.

During Fiscal Year 2019-2020, the Louisiana Automobile Theft and Insurance Fraud Prevention Authority conducted a statewide public awareness campaign.

During this reporting period, the Louisiana Automobile Theft and Insurance Fraud Prevention Authority continued its collaborative efforts with the National Insurance Crime Bureau and law enforcement authorities to combat insurance fraud and auto theft through the following initiatives.

LICENSE PLATE RECOGNITION PROGRAM

The License Plate Recognition Program is implemented through a Cooperative Endeavor Agreement with the National Insurance Crime Bureau. Under the License Plate Recognition Program, grant awards of license plate recognition systems are made to Louisiana law enforcement agencies including university police departments. License plate readers can be mounted on police car dashboards, placed on mobile trailers, or set in permanent locations.

During Fiscal Year 2019-2020, license plate readers were operational in Baton Rouge, New Orleans, Calcasieu, Lake Charles, Kenner, Lafayette, the Causeway Bridge, the Louisiana State Police and on the Louisiana State University and Southern University Baton Rouge campuses. The use of license plate readers in these locations resulted in 13,744,161 reads, 171 arrests, the recovery of 126 stolen vehicles and 41 stolen license plates valued at \$1,254,355. There were \$15,472 in expenditures for the License Plate Recognition Program in Fiscal Year 2019-2020.

VEHICLE INVESTIGATION PREVENTION ENFORCEMENT RESPONSE PROGRAM

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority began supporting local law enforcement agencies in 2006 when it introduced the Vehicle Investigation Prevention Enforcement Response, or VIPER, a statewide bait vehicle program implemented through a Cooperative Endeavor Agreement with the National Insurance Crime Bureau. Under the program, vehicles donated by insurance companies and equipped with systems funded by the Louisiana Automobile Theft and Insurance Fraud Prevention Authority are granted to law enforcement agencies through an application process approved by the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Board of Directors. As technology has shifted, the use of bait cars by law enforcement has declined. Instead, the best practice for finding stolen vehicles has shifted to the use of license plate readers which are a more cost effective method of locating

DIVISION OF INSURANCE FRAUD
LOUISIANA AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY

stolen vehicles. During this reporting period, the bait vehicle program was operational in Calcasieu and Jefferson parishes. Since the program’s inception, approximately 378 arrests have been made. During Fiscal Year 2019-2020, bait vehicles were deployed for a total of 55 hours, resulting in three activations and five adult arrests. There were no expenditures for the Vehicle Investigation Prevention Enforcement Response Program this fiscal year.

EDUCATION AND OUTREACH

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority presents an educational program to middle and high school students and members of civic, business and professional organizations. The Program educates them about the consequences of auto theft and insurance fraud and offers them tips to avoid being victims of vehicle theft and insurance fraud. The Program is offered at no cost to schools or the requesting organizations.

This fiscal year, the educational curriculum was presented to 3,665 students in East Baton Rouge, Orleans, St. Landry and Livingston parishes. The vehicle theft and insurance fraud prevention presentations were made to 15,720 individuals in various civic, business and professional organizations in Orleans, East Baton Rouge, Jefferson, St. Landry, Livingston, Ascension, Tangipahoa, Acadia and St. James parishes.

FRAUD PREVENTION ACTIVITIES TABLE 35
THREE-YEAR HISTORY

	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
VIPER (Bait Vehicle) Program			
Hours Deployed	55	138	398
Activations	3	5	9
Adult Arrests	5	9	9
Expenditures	\$0	\$0	\$0
License Plate Recognition Program			
Reads	13,744,161	15,326,057	11,502,835
Stolen Vehicles Recovered	126	130	164
Stolen License Plates Recovered	41	80	82
Adult Arrests	171	170	199
Value of Recoveries	\$1,254,355	\$1,494,744	\$1,627,393
Expenditures	\$15,472	\$96,322	\$0
Education Program			
School Awareness Program	3,665	4,565	2,895
Community Awareness Program	15,720	24,245	13,150
TOTAL ATTENDEES	19,385	28,810	16,045

DIVISION OF INSURANCE FRAUD

LOUISIANA AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority encourages groups to request this program through its presence as an exhibitor at expos, fairs and conferences. Through these events during Fiscal Year 2019-2020, the Louisiana Automobile Theft and Insurance Fraud Prevention Authority reached approximately 15,720 people.

Since the inception of this program, outreach on vehicle theft and prevention and insurance fraud prevention has been delivered to over 100,000 individuals.

PUBLIC AWARENESS CAMPAIGN

La. R.S. 40:1428 allocates \$187,000 to be deposited in the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Fund established by La. R.S. 22:2134 each year. In Fiscal Year 2019-2020, these funds were used for educational and public awareness campaigns designed to inform the citizens of the state about methods of preventing motor vehicle theft and combating insurance fraud through the use of broadcast and digital television and radio advertisements as well as through the distribution of informational brochures. The purpose of these campaigns was to stimulate public awareness about the economic, social and public safety consequences of vehicle theft, encourage public participation in theft prevention and enforcement efforts, and encourage the use of fraud hotlines to report suspected vehicle theft and suspicious insurance fraud activity.

MEETINGS

The Louisiana Automobile Theft and Insurance Fraud Prevention Authority's Board of Directors conducted three public meetings during this fiscal year: July 9, 2019, Oct. 9, 2019, and Jan. 29, 2020. The April meeting was cancelled because of COVID restrictions. All meetings were open to the public.

COLLECTIONS

Pursuant to La. R.S. 22:2134, the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Fund was established as a depository for all revenues received. All monies in this fund are used only to enhance fraud and vehicle theft prevention efforts as determined by the Board of Directors.

All revenue derived from solicitations, grants or donations from any person or entity, private or public, or federal, state or local government is deposited upon receipt into the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Fund. All interest earned on money from the fund through investments by the state treasurer is credited to the fund.

At the beginning of Fiscal Year 2019-2020, there was a statutory dedicated fund balance of \$80,988. In accordance with La. R.S. 40:1428, \$187,000 in revenue was deposited in the Louisiana Automobile Theft and Insurance Fraud Prevention Authority Fund established by La. R.S. 22:2134. The interest on investments totaled \$3,650. Total funds for this period were \$213,016.

DIVISION OF INSURANCE FRAUD

LOUISIANA AUTOMOBILE THEFT AND INSURANCE FRAUD PREVENTION AUTHORITY

OBLIGATIONS

Expenditures from the fund during this fiscal year totaled \$78,239. The ending fund balance for this period was \$213,016. At the beginning of the reporting period, there was a balance of \$124,232 under the General Cooperative Endeavor Agreement between the Louisiana Automobile Theft and Insurance Fraud Prevention Authority and the National Insurance Crime Bureau.

All administrative expenses of the Louisiana Automobile Theft and Insurance Fraud Prevention Authority are funded with self-generated funds of the LDI.

HELPFUL LINKS

To search Regulatory Action on the website, please visit: [*www.ldi.la.gov/OnlineServices/RegulatoryActions*](http://www.ldi.la.gov/OnlineServices/RegulatoryActions).

For more information about the Louisiana Automobile Theft and Insurance Fraud Prevention Authority, visit [*www.ldi.la.gov/latifpa*](http://www.ldi.la.gov/latifpa).

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Office of Consumer Services

OFFICE OF CONSUMER SERVICES

The Office of Consumer Services consists of the Market Conduct and Consumer Complaint Divisions. Act 274 of the 2015 Louisiana Regular Legislative Session created the Office of Consumer Services under the direction of the deputy commissioner of the Office of Consumer Services. The office monitors the marketing, customer service and claims handling practices of health, property and casualty, and life and annuity insurance issuers and producers conducting business in the state of Louisiana.

The Market Conduct Division performs examinations and analysis of insurers to ensure that policyholders, claimants and beneficiaries are being treated fairly and in line with laws, rules and regulations. In FY 2019-2020, 40 companies were analyzed and the office conducted an examination on two companies.

COMPLAINT REPORT

LA. R.S. 22:1972 REPORT BY THE COMMISSIONER

The commissioner of insurance shall annually submit a report to the Senate and House of Representatives Committees on Insurance relative to complaints received and actions taken pursuant to the provisions of this Part. Such report shall contain information relative to the number of complaints received, and the disposition of same, the amount collected in penalties, the cost of all related proceedings, and such other information as the commissioner deems pertinent or the insurance committees shall request.

OFFICE OF CONSUMER SERVICES

The Office of Consumer Services investigates complaints to determine whether the insurer or producer performed in compliance with the law and the terms and conditions of the policy. A consumer may expect payment for an item not covered by the policy or may not agree with the way a transaction was handled, but the company or producer may have acted properly and within the law. A consumer complaint may or may not result in a claim payment or premium refund from the insurer or producer, depending on the facts of the matter giving rise to the complaint. Overall, the LDI completed complaint investigations in an average of 27 days.

COMPLAINTS HANDLED AND FUNDS RECOVERED BY INSURANCE PRODUCT TABLE 36

<i>Fiscal year 2019-2020</i>	<i>Life, Annuity & Long-Term Care</i>	<i>Health</i>	<i>Property & Casualty</i>	<i>Total</i>
Complaints Received	414	805	1,771	2,990
Amount of Benefits and Funds Recovered	\$2,889,817	\$787,313	\$4,563,676	\$8,240,806

As a result of these inquiries by the Office of Consumer Services, policyholders recovered more than \$8.2 million in claims payments, additional claims payments or refunds during Fiscal Year 2019-2020. The majority of complaints were in the area of property and casualty, with private passenger auto and homeowners being the most common coverage types generating complaints.

The three-year trends in numbers of complaints received and dollars recovered for consumers are shown in Charts 3 and 4.

CHART 3 NUMBERS OF COMPLAINTS RECEIVED BY PRODUCT TYPE AND TOTAL FOR LDI THREE-YEAR HISTORY

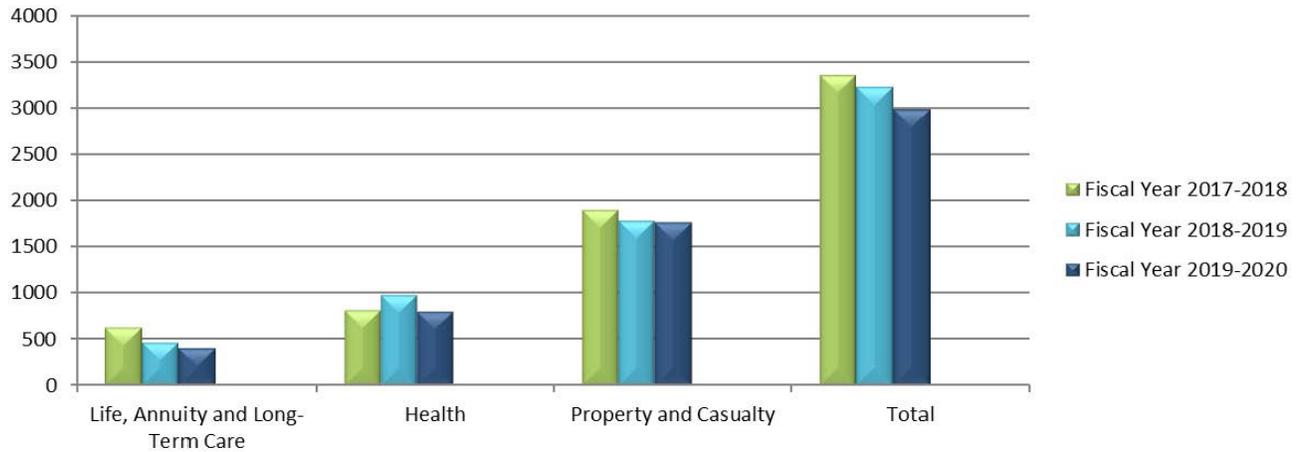
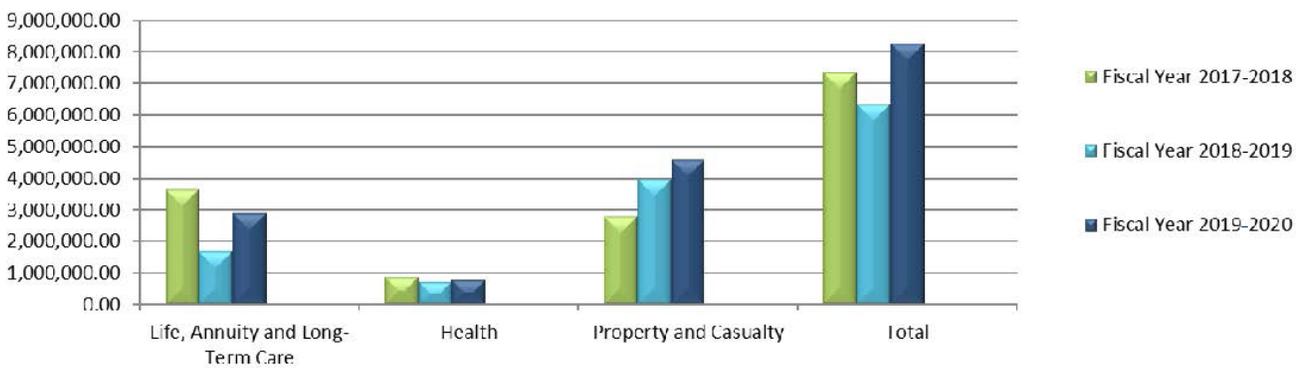


CHART 4 DOLLARS RECOVERED BY PRODUCT TYPE AND TOTAL FOR LDI THREE-YEAR HISTORY



COMPLAINT DISPOSITIONS

When a file is closed, it is assigned a disposition code. Disposition codes used by the LDI are uniform with those used by other states and are in accordance with guidelines set forth by the National Association of Insurance Commissioners. For example, disposition codes favorable to the complainant are used when the company position is overturned, when additional recovery is acquired by the complainant, when a premium or rating problem is resolved in the complainant’s favor or when other similar actions occur. If a file is closed because coverage is not provided for the complainant’s loss under the policyholder’s contract, the company’s or producer’s position is upheld, or it is determined that a policy was not in force at the time of the loss, the disposition is recorded as favorable to the regulated entity. Neutral closures are reserved for withdrawn complaints, insufficient information provided, questions of fact or law, the filing of a lawsuit, or similar dispositions.

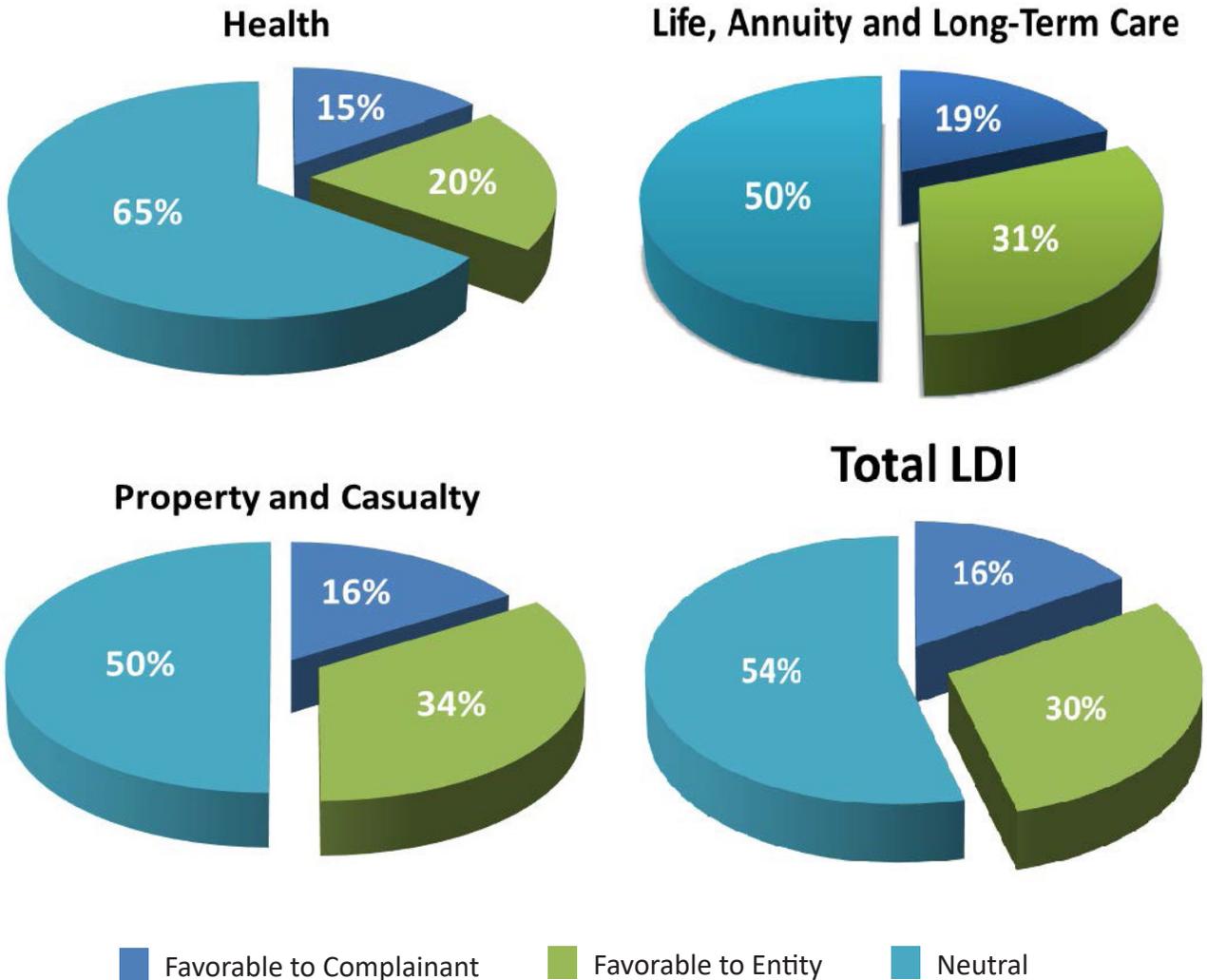
The table below provides closed complaint disposition percentages by product type and for the LDI as a whole. The dispositions include favorable to the complainant, favorable to the regulated entity the complaint is against and neutral.

FY 19-20 COMPLAINT DISPOSITION PERCENTAGES BY PRODUCT AND TOTAL FOR LDI **TABLE 37**

<i>Category</i>	<i>Life, Annuity and Long-Term Care</i>	<i>Health</i>	<i>Property and Casualty</i>	<i>Total Percentage for LDI</i>
Favorable to Complainant	19%	15%	16%	16%
Favorable to Regulated Entity	31%	20%	34%	30%
Neutral	50%	65%	50%	54%
	100%	100%	100%	100%

Charts 5-8 on page 96 provide a visual representation of the complaint dispositions shown in Table 37.

CHARTS 5-8 CLOSED COMPLAINT DISPOSITIONS



HELPFUL LINKS

Complaint Filing, www.lds.la.gov/onlineservices/ConsumerComplaintForm. Identifies the types of complaints the LDI can assist with and what documents are needed for a specialist to investigate a formal complaint. A series of screens leads the complainant through the process, including uploading supporting documentation. Complainants can also track the status of their complaint online.

View complaint data for companies who write insurance in Louisiana at www.lds.la.gov/complaintdata.



Appendices

APPENDIX A:	INSURANCE TERMS
APPENDIX B:	PROPERTY AND CASUALTY INSURANCE
APPENDIX C:	LIFE, ACCIDENT AND HEALTH INSURANCE
APPENDIX D:	AGGREGATE HEALTH PREMIUM AND ENROLLMENT
APPENDIX E:	HEALTH MAINTENANCE ORGANIZATIONS
APPENDIX F:	TITLE INSURANCE
APPENDIX G:	GROUP SELF-INSURANCE FUNDS
APPENDIX H:	REVENUE REPORT AS REQUIRED BY LA. R.S. 49:308.6(C)

APPENDIX A

INSURANCE TERMS

The tables in the subsequent appendices show gross direct premium writings in Louisiana, on a **calendar year basis**, for all insurers segregated by line of business. These categories do not provide information about specific insurance coverages or classes of insureds. The data contained hereafter may conflict with other areas of the Annual Report due to the treatment of some premiums as non-taxable. Following is a brief description of terms used throughout the appendices.

SOURCE

Barron's Business Guides: Dictionary of Insurance Terms, Fourth Edition; NAIC Glossary of Insurance Terms

GENERAL TERMS

Alien Company: an insurance company formed according to the laws of a foreign country. The company must conform to state regulatory standards to legally sell insurance products in that state.

Direct: premiums collected by the insurer from policyholders, before reinsurance premiums are deducted. Insurers share some direct premiums and the risk involved with their reinsurers.

Domestic Company: insurance company incorporated according to the laws of the state in which a risk is located and the policy issued. The insurance company is domiciled in that state.

Earned Premium: portion of a premium paid by an insured that has been allocated to the insurance company's loss experience, expenses and profit year to date.

Foreign Company: insurance company whose domicile is in a state other than the one in which the company is writing business in Louisiana.

Loss Ratio: relationship of incurred losses plus loss adjustment expense to earned premiums.

Losses Incurred: important quantitative measure for an insurance company indicating the percentage of each premium dollar that is going to pay for losses. Based on losses incurred, appropriate reserves are established. Changes in incurred losses over several policy periods indicate the trend in the loss picture and the accuracy of the basic premium charged to reflect expected losses.

Market Share: the ratio of direct premiums written by a company to the total direct premiums written by all companies writing that line of business.

Risk Retention Group: group-owned insurer organized for the purpose of assuming and spreading the liability risks to its members.

Written Premium: total premiums generated from all policies written by an insurance company within a given period of time.

APPENDIX A – INSURANCE TERMS

LINES OF BUSINESS

Aggregate Write-Ins: coverages not generally described on the previous page (e.g., Involuntary Unemployment Insurance, Automobile Warranty, etc.).

Aircraft Hull Insurance: coverage on an all risks basis whether the airplane is on the ground or in the air.

Aircraft Liability Insurance: coverage for the insured in the event that the insured's negligent acts and/or omissions result in losses in connection with the use, ownership, or maintenance of aircraft. Liability coverage can be provided for bodily injury and/or property damage to passengers and also to individuals who are not passengers.

Allied Lines: property insurance closely associated with fire insurance and usually purchased in conjunction with a Standard Fire Policy. Allied lines include data processing insurance, demolition insurance, earthquake insurance, increased cost of construction clause, radioactive contamination insurance, sprinkler leakage insurance, standing timber insurance, vandalism and malicious mischief insurance, water damage insurance.

Annuity: contract sold by insurance companies that pays a monthly (or quarterly, semiannual or annual) income benefit for the life of a person (the annuitant), for the lives of two or more persons, or for a specified period of time. The annuitant can never outlive the income from the annuity.

Auto Liability Insurance: coverage if an insured is legally liable for bodily injury or property damage caused by an automobile.

Automobile Physical Damage Insurance: coverage in the event an insured's automobile is damaged, destroyed, or lost through fire, theft, vandalism, malicious mischief, collision or windstorm. There are two kinds of property damage coverage – collision insurance and comprehensive insurance.

Boiler and Machinery Insurance: covers losses resulting from the malfunction of boilers and machinery. Most property insurance policies exclude these losses, which is why a separate boiler and machinery policy or a commercial package policy is needed. The insurance covers business property, other property involved, and legal fees, if any.

Burglary and Theft: coverage for property taken or destroyed by breaking and entering the insured's premises, burglary or theft, forgery or counterfeiting, fraud, kidnap and ransom, and off-premises exposure.

Commercial Auto Insurance: coverage for motor vehicles owned by a business engaged in commerce that protects the insured against financial loss because of legal liability for motor vehicle related injuries, or damage to the property of others caused by accidents arising out of the ownership, maintenance, use, or care-custody & control of a motor vehicle.

Commercial Package Policy: insurance policy that is commercial lines in orientation and is composed of two or more of the following coverages: Commercial Property, Business Crime, Business Automobile, Boiler and Machinery, Commercial General Liability, Inland Marine Insurance and Farmowners and Ranchowners Insurance (Commercial Multiple Peril Policy).

Credit Insurance: commercial coverage against losses resulting from the failure of business debtors to pay their obligation to the insured, usually due to insolvency. The coverage is geared to manufacturers, wholesalers and service providers who may be dependent on a few accounts and therefore could lose significant income in the event of an insolvency.

APPENDIX A – INSURANCE TERMS

Credit Accident and Health Insurance: coverage provided to or offered to borrowers in connection with a consumer credit transaction where the proceeds are used to repay a debt or an installment loan in the event the consumer is disabled as the result of an accident, including business not exceeding 120 months duration.

Credit Life Insurance: insurance issued to a creditor (lender) to cover the life of a debtor (borrower) for an outstanding loan. If the debtor dies prior to repayment of the debt, the policy will pay off the balance of the amount outstanding.

Crop Insurance: coverage protecting the insured against loss or damage to crops from a variety of perils, including but not limited to fire, lightening, loss of revenue, tornado, windstorm, hail, flood, rain, or damage by insects.

Dental Insurance: policies providing only dental treatment benefits such as routine dental examinations, preventive dental work, and dental procedures needed to treat tooth decay and diseases of the teeth and jaw.

Earthquake Insurance: coverage that can be purchased as an endorsement to many property policies such as the standard fire policy or as a separate policy. Coverage is for direct damage resulting from earthquake or volcanic eruption.

Farmowners Comprehensive Personal Liability Insurance: provides the same coverage as a comprehensive personal liability insurance policy, plus coverage to exposures that are peculiar to farms, such as farm business operations, farm employees engaged in farm business activities, and liability arising out of selling farm products.

Fidelity Bond: coverage that guarantees that the insurance company will pay the insured business or individual for money or other property lost because of dishonest acts of its bonded employees, either named or by positions. The bond covers all dishonest acts, such as larceny, theft, embezzlement, forgery, misappropriation, wrongful abstraction, or willful misapplication, whether employees act alone or as a team.

Financial Guaranty: a surety bond, insurance policy, or an indemnity contract (when issued by an insurer), or similar guaranty types under which loss is payable upon proof of occurrence of financial loss to an insured claimant, obligee or indemnitee as a result of failure to perform a financial obligation or any other permissible product that is defined as or determined to be financial guaranty insurance.

Fraternal Life Insurance: group coverage for members of a fraternal association, usually on a nonprofit basis.

Group Insurance: single policy under which individuals in a natural group (such as employees of a business firm) and their dependents are covered.

Group Accident and Health: coverage written on a group basis (e.g., employees of a single employer and their dependents) that pays scheduled benefits or medical expenses caused by disease, accidental injury or accidental death. Excludes amounts attributable to uninsured accidents and health plans and the uninsured portion of partially insured accident and health plans.

Group Credit-Life: contracts sold in connection with loan/credit transactions or other credit transactions, which do not exceed a stated duration and/or amount and provide insurance protection against death.

Health Maintenance Organization: prepaid group health insurance plan that entitles members to services of participating physicians, hospitals and clinics.

APPENDIX A – INSURANCE TERMS

Homeowners Insurance Policy: package policy that combines (1) coverage against the insured’s property being destroyed or damaged by various perils, and (2) coverage for liability exposure of the insured.

Inland Marine Insurance: business risks coverage for (1) property damage or destruction of an insured’s property and (2) liability exposure of an insured for damage or destruction of someone else’s property under his or her care, custody or control. The insured (shipper) needs this insurance because the carrier (who can also be the insured and purchase inland marine insurance) may be found not at fault for damage to a property; or the carrier may not have any insurance or adequate insurance.

Individual Health: health insurance where the policy is issued to an individual covering the individual and/or their dependents in the individual market. This includes conversions from group policies.

Industrial Life: also called “debit” insurance, is insurance under which premiums are paid monthly or more often, the face amount of the policy does not exceed a stated amount, and the words “industrial policy” are printed in prominent type on the face of the policy.

International: includes all business transacted outside the U.S. and its territories and possessions where the appropriate line of business is not determinable.

Life Insurance: protection against the death of an individual in the form of payment to a beneficiary – usually a family member, business or institution.

Long-Term Care: policies that provide coverage for not less than one year for diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services provided in a setting other than an acute care unit of a hospital, including policies that provide benefits for cognitive impairment or loss of functional capacity.

Malpractice Insurance: professional liability coverage for physicians, lawyers and other specialists against suits alleging negligence or errors and omissions that have harmed clients.

Marine Insurance: coverage for goods in transit and the vehicles of transportation on waterways, land and air (Ocean Marine Insurance).

Medicare Supplement: coverage sold on an individual or group basis to help fill the “gaps” in the protections granted by the federal Medicare program. It is structured to pay part or all of Medicare’s deductibles and co-payments. Also known as “Medigap” insurance.

Mortgage Guarantee: insurance that indemnifies a lender for loss upon foreclosure if a borrower fails to meet required mortgage payments.

Mortgage Insurance: life insurance that pays the balance of a mortgage if the mortgagor (insured) dies.

Multi-Peril: personal and business property coverage combining several types of property insurance in one policy.

Other Insurance: presence of other contract(s) covering the same conditions. When more than one policy covers the exposure, each policy will pay an equal share of the loss.

APPENDIX A – INSURANCE TERMS

Other Liability Coverage: protects the insured against legal liability resulting from negligence, carelessness or a failure to act causing property damage or personal injury to others. Can include General Liability; Umbrella Liability; Professional Liability; Contractor, Construction and Landlord Liability; and Environmental Liability.

Private Passenger Auto (PPA): filings that include singularly or in any combination coverage such as the following: Auto Liability, Personal Injury Protection (PIP), Medical Payments (MP), Uninsured/Underinsured (UM/UIM); Specified Causes of Loss, Comprehensive, and Collision.

Product Liability Coverage: protects manufacturers, merchants and distributors exposure to lawsuits by people who have sustained bodily injury or property damage through the use of the product.

Reinsurance: a transaction between a primary insurer and another licensed (re) insurer where the reinsurer agrees to cover all or part of the losses and/or loss adjustment expenses of the primary insurer. The assumption is in exchange for a premium. Indemnification is on a proportional or non-proportional basis.

Self-Insurance Plan: type of insurance often used for high frequency low severity risks where risk is not transferred to an insurance company but retained and accounted for internally.

Short-Term Medical: policies that provide major medical coverage for a short period of time, typically 30 to 180 days. These policies may be renewable for multiple periods.

Surety Bond: a three-party agreement whereby a guarantor (insurer) assumes an obligation or responsibility to pay a second party (obligee) should the principal debtor (obligor) become in default.

Surplus Lines: specialized property or liability coverage available via nonadmitted insurers where coverage is not available through an admitted insurer, licensed to sell that particular coverage in the state.

Title Insurance: coverage that guarantees the validity of a title to real and personal property. Buyers of real and personal property and mortgage lenders rely upon the coverage to protect them against losses from undiscovered defects in existence when the policy is issued.

Viatical Settlements: contracts or agreements in which a buyer agrees to purchase all or a part of a life insurance policy.

Vision Insurance: limited benefit expense policies that provide benefits for eye care and eye care accessories. Generally provides a stated dollar amount per annual eye examination. Benefits often include a stated dollar amount for glasses and contacts. May include surgical benefits for injury or sickness associated with the eye.

Warranty: coverage that protects against manufacturer's defects past the normal warranty period and for repair after breakdown to return a product to its originally intended use. Warranty insurance generally protects consumers from financial loss caused by the seller's failure to rectify or compensate for defective or incomplete work and cost of parts and labor necessary to restore a product's usefulness. Includes but is not limited to coverage for all obligations and liabilities incurred by a service contract provider, mechanical breakdown insurance and service contracts written by insurers.

Workers' Compensation Insurance: insurance that covers an employer's liability for injuries, disability or death to persons in their employment, without regard to fault, as prescribed by state or federal workers' compensation laws and other statutes.

APPENDIX B

PROPERTY AND CASUALTY INSURANCE

APPENDIX B – PROPERTY AND CASUALTY INSURANCE

PROPERTY AND CASUALTY INSURERS EXHIBIT OF PREMIUMS AND LOSSES BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019

Line #	Line of Business	Direct Premium Written	Direct Premium Earned	Dividends Paid on Direct Business	Direct Unearned Premium Reserve	Direct Loss Paid (Deducting Salvage)	Direct Losses Incurred
01	Fire	373,424,072	373,671,757	288,713	163,599,825	128,655,832	129,223,480
02.1	Allied Lines	460,689,809	448,590,351	1,139,870	203,121,915	164,344,087	197,847,129
02.2	Multiple Peril Crop	82,905,524	83,909,454	-	3,190,998	136,415,814	139,233,439
02.3	Federal Flood	253,592,842	243,828,472	-	139,172,253	79,874,660	78,727,011
02.4	Private Crop	4,650,714	4,637,886	-	37,217	9,559,795	10,100,646
02.5	Private Flood	14,665,268	14,161,981	-	5,686,481	2,031,075	2,937,496
03	Farmowners Multiple Peril	15,627,638	15,313,461	-	7,409,892	6,776,232	8,197,935
04	Homeowners Multiple Peril	1,960,740,503	1,923,868,076	8,809,155	993,634,599	785,360,592	841,889,984
05.1	Commercial Multiple Peril (Non-Liability)	366,274,087	356,448,494	116,871	171,186,647	169,071,114	163,317,384
05.2	Commercial Multiple Peril (Liability)	145,685,125	142,470,094	29,193	65,581,503	75,322,866	73,557,657
06	Mortgage Guaranty	64,104,666	65,422,552	-	21,478,893	13,350,671	8,643,564
08	Ocean Marine	144,751,613	140,413,995	5,141	64,491,281	93,448,939	97,060,935
09	Inland Marine	459,041,658	454,612,144	249,786	132,415,754	196,205,197	214,558,836
10	Financial Guaranty	3,466,906	6,071,511	-	35,973,933	1,814,115	(4,684,522)
11	Medical Malpractice	102,002,745	99,495,447	2,763,269	44,142,797	23,857,933	13,708,821
12	Earthquake	5,572,492	5,475,453	13,469	2,259,695	1,190	108,697
13	Group Accident and Health	49,959,743	46,914,099	-	20,460,949	34,151,243	37,348,808
14	Credit Accident and Health	172,810	298,430	-	70,572	85,792	11,808
15.1	Collectively Renewable Accident and Health	753	733	-	97	-	(92)
15.2	Non-Cancelable Accident and Health	-	3,393	-	11,960	-	-
15.3	Guaranteed Renewable Accident and Health	13,374,821	11,305,128	-	76,968,359	10,982,113	11,288,831
15.4	Non-Renewable Accident and Health	3,949,578	3,923,731	288	1,906,901	1,827,285	1,728,050
15.5	Other Accident Only	2,105,341	2,230,748	-	343,598	7,154	(871,519)
15.6	Medicare Title XVIII	-	-	-	-	-	-
15.7	All Other Accident and Health	4,426,243	4,362,735	-	452,248	1,320,994	721,006
15.8	Federal Employees Health Benefits Program	-	-	-	-	-	-
16	Workers' Compensation	823,914,806	811,752,870	225,513,168	288,048,718	405,186,203	394,448,659
17.1	Other Liability - Occurrence	763,798,568	747,549,403	1,084,267	368,779,227	394,909,542	460,122,029
17.2	Other Liability - Claims-made	221,648,976	215,390,951	67,659	117,350,561	74,701,076	83,699,869
17.3	Excess Workers' Compensation	53,928,893	52,641,022	-	13,292,507	29,097,193	31,718,420
18	Products Liability	47,248,458	43,858,763	2,475	21,364,854	38,245,537	61,143,809
19.1	Private Passenger Auto No-Fault	7,925	6,077	-	1,848	484,335	159,588
19.2	Private Passenger Auto Liability	3,168,640,460	3,170,831,792	11,587,857	857,031,325	1,987,020,949	2,003,226,202
19.3	Commercial Auto No-Fault	398,501	401,076	-	191,268	739,713	353,718
19.4	Commercial Auto Liability	696,243,326	675,439,516	104,900	291,056,357	531,653,674	653,718,865
21.1	Private Passenger Auto Physical Damage	1,718,447,986	1,716,732,692	6,054,208	476,840,528	1,010,587,338	1,014,504,123
21.2	Commercial Auto Physical Damage	131,230,921	127,933,645	8,306	47,933,949	61,756,423	62,642,674
22	Aircraft (All Perils)	41,296,057	38,405,713	-	21,178,725	18,873,500	19,401,058
23	Fidelity	13,435,217	13,038,180	60	8,490,753	13,420,453	12,471,935
24	Surety	112,133,086	108,378,313	-	51,421,887	4,812,197	17,839,238
26	Burglary and Theft	6,873,346	5,877,074	1	3,115,399	1,445,362	1,923,574
27	Boiler and Machinery	40,049,032	36,173,260	2,068	17,406,719	16,969,399	9,732,873
28	Credit	38,724,490	33,919,267	-	28,004,057	12,175,303	13,482,655
29	International	-	-	-	-	-	-
30	Warranty	6,497,043	6,470,140	-	11,538,326	5,572,151	5,486,046
34	Aggregate Write-Ins, Other Lines of Business	27,393,801	25,053,577	-	21,823,566	14,394,043	14,104,351
35	TOTALS	12,443,095,843	12,277,283,456	257,840,724	4,798,468,941	6,556,509,084	6,884,835,070

DATA SOURCE: 2019 Property and Casualty Annual Statement, Exhibit of Premiums and Losses (State Page) for all companies writing business in Louisiana.

CAUTION: This page is unaudited and may contain inadvertent errors.

APPENDIX B – PROPERTY AND CASUALTY INSURANCE

PROPERTY AND CASUALTY INSURERS EXHIBIT OF PREMIUMS AND LOSSES BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019

Line #	Line of Business	Direct Losses Unpaid	Direct Defense and Cost Containment Expense Paid	Direct Defense and Cost Containment Expense Incurred	Direct Defense and Cost Containment Expense Unpaid	Commissions and Brokerage Expenses	Taxes, Licenses and Fees
01	Fire	86,374,581	3,169,647	2,498,284	4,276,015	49,560,186	11,887,439
02.1	Allied Lines	159,312,685	4,425,264	6,423,350	8,683,835	59,993,620	9,833,707
02.2	Multiple Peril Crop	14,135,037	3,973	78,778	83,576	5,932,152	172,054
02.3	Federal Flood	13,982,459	3,348,407	3,253,431	314,010	47,008,912	9,005,399
02.4	Private Crop	611,040	1,214	1,279	214	1,004,314	147,798
02.5	Private Flood	3,619,732	80,839	143,044	193,832	1,266,850	500,834
03	Farmowners Multiple Peril	4,428,870	270,678	566,248	779,971	2,402,988	742,612
04	Homeowners Multiple Peril	313,586,046	18,642,277	21,030,803	28,227,020	270,287,736	85,466,726
05.1	Commercial Multiple Peril (Non-Liability)	121,778,742	4,526,613	5,290,922	7,989,168	58,591,495	14,728,115
05.2	Commercial Multiple Peril (Liability)	248,748,114	27,465,606	34,701,016	91,795,225	26,277,561	6,294,659
06	Mortgage Guaranty	37,517,423	62,417	76,502	131,057	-	2,698,813
08	Ocean Marine	194,788,728	17,442,626	19,350,666	27,968,285	26,229,461	4,905,977
09	Inland Marine	76,673,756	3,382,741	4,647,333	4,277,457	92,400,876	15,698,246
10	Financial Guaranty	-	365,959	186,090	-	-	413,328
11	Medical Malpractice	164,480,182	24,977,944	27,847,401	103,206,246	9,603,229	2,168,200
12	Earthquake	636,876	1,262	(30,149)	22,369	545,441	134,614
13	Group Accident and Health	20,652,971	269,742	419,188	570,352	6,805,009	1,258,046
14	Credit Accident and Health	143,471	-	(252)	367	69,813	15,903
15.1	Collectively Renewable Accident and Health	106	-	-	-	(2)	63
15.2	Non-Cancelable Accident and Health	-	-	-	-	-	32
15.3	Guaranteed Renewable Accident and Health	28,247,335	10,935	11,313	47,854	1,266,883	404,732
15.4	Non-Renewable Accident and Health	1,564,215	13	(283)	4,690	455,399	100,957
15.5	Other Accident Only	502,905	47	3,234	13,418	542,482	35,868
15.6	Medicare Title XVIII	-	-	-	-	-	-
15.7	All Other Accident and Health	1,489,569	32,199	69,799	74,124	824,434	199,953
15.8	Federal Employees Health Benefits Program	-	-	-	-	-	32
16	Workers' Compensation	2,092,397,614	69,620,292	59,162,796	242,143,862	72,139,584	59,218,954
17.1	Other Liability - Occurrence	1,589,565,439	95,248,284	100,396,313	336,789,028	112,784,499	19,114,636
17.2	Other Liability - Claims-made	381,450,251	29,317,860	46,280,149	110,024,165	36,488,032	5,644,540
17.3	Excess Workers' Compensation	337,156,307	2,528,279	2,820,991	15,798,834	7,184,798	1,456,162
18	Products Liability	149,002,260	39,305,459	41,220,035	64,031,817	7,747,419	1,149,618
19.1	Private Passenger Auto No-Fault	1,411,765	63,545	70,021	140,948	349,632	50,125
19.2	Private Passenger Auto Liability	2,188,349,825	138,766,306	168,049,317	361,096,246	233,274,295	90,589,313
19.3	Commercial Auto No-Fault	478,186	115,319	62,810	95,005	80,454	18,697
19.4	Commercial Auto Liability	1,048,494,862	72,994,598	88,683,893	141,279,740	95,207,411	25,802,233
21.1	Private Passenger Auto Physical Damage	87,995,861	4,178,125	4,639,737	4,658,286	133,534,100	51,860,523
21.2	Commercial Auto Physical Damage	17,764,721	1,919,580	1,967,953	2,726,868	17,457,144	4,710,307
22	Aircraft (All Perils)	42,346,108	1,922,607	1,213,029	6,959,599	6,801,478	1,672,722
23	Fidelity	8,607,357	98,148	(99,076)	1,103,160	2,059,850	570,276
24	Surety	73,227,616	5,690,200	7,853,976	16,235,503	27,963,815	4,716,618
26	Burglary and Theft	1,536,238	600	(37,724)	210,239	1,304,781	223,351
27	Boiler and Machinery	8,561,858	332,221	236,837	222,720	1,957,703	1,495,615
28	Credit	6,513,152	95,128	106,780	25,648	14,058,956	953,803
29	International	-	-	-	-	-	1,184
30	Warranty	408,479	16,715	17,321	1,998	98,580	297,082
34	Aggregate Write-Ins, Other Lines of Business	46,795,804	72,444	113,108	221,629	4,800,713	871,676
35	TOTALS	9,575,338,546	570,766,113	649,326,263	1,582,424,380	1,436,362,083	437,231,542

DATA SOURCE: 2019 Property and Casualty Annual Statement, Exhibit of Premiums and Losses (State Page) for all companies writing business in Louisiana.

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APPENDIX C

LIFE, ACCIDENT AND HEALTH INSURANCE

APPENDIX C – LIFE, ACCIDENT AND HEALTH INSURANCE

**LIFE INSURERS EXHIBIT OF PREMIUMS AND BENEFITS
BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019**

Life Insurance					
<i>Direct Premiums and Annuity Considerations</i>	<i>Ordinary</i>	<i>Credit Life</i>	<i>Group</i>	<i>Industrial</i>	<i>Total</i>
Life Insurance	1,948,037,295	42,713,048	462,446,877	3,646,955	2,456,844,181
Annuity Considerations	2,984,449,874	-	794,310,724	-	3,778,760,598
Deposit-Type Contract Funds	69,981,568		195,927,859		265,909,429
Other Considerations	9,715,249	-	532,759,036	-	542,474,285
TOTALS	5,012,183,987	42,713,048	1,985,444,493	3,646,955	7,043,988,484
<i>Direct Dividends to Life Policyholders</i>					
Life Insurance					
Paid in Cash or Left on Deposit	23,364,759	-	485,476	4,335	23,854,570
Applied to Pay Renewal Premiums	25,511,786	-	389,618	3	25,901,408
Applied to Provide Paid-Up Additions or Shorten the Endowment or Premium-Paying Agent	154,584,365	-	29	152,129	154,736,522
Other	1,941,912	-	-	-	1,941,912
Total Life	205,402,818	-	875,123	156,467	206,434,409
<i>Direct Dividends to Annuity Holders</i>					
Annuities					
Paid in Cash or Left on Deposit	6,945,348	-	54,563	-	6,999,911
Applies to Provide Paid-Up Annuities	950,105	-	-	-	950,105
Other	5,733,172	-	1,515,119	-	7,248,291
Total Annuities	13,628,626	-	1,569,682	-	15,198,308
GRAND TOTALS	219,031,444	-	2,444,805	156,467	221,632,717
<i>Direct Claims and Benefits Paid</i>					
Death Benefits	1,087,833,745	11,239,601	424,892,578	10,232,620	1,534,198,544
Matured Endowments	3,603,342	-	68,343	551,602	4,223,287
Annuity Benefits	739,647,108	-	296,137,371	18,407	1,035,802,877
Surrender Values and Withdrawals for Life Contracts	3,046,863,348	-	1,308,115,467	1,286,637	4,356,265,453
Aggregate Write-Ins for Miscellaneous Direct Claims and Benefits Paid	8,156,184	-	14,311,028	1,623	22,468,835
All Other Benefits, Except Accident and Health	16,707,610	-	780,091	27,496	17,515,200
TOTALS	4,902,811,339	11,239,601	2,044,304,875	12,118,385	6,970,474,204

DATA SOURCE: 2019 Life Annual Statement (State Page) for all companies writing business in Louisiana.

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APPENDIX C – LIFE, ACCIDENT AND HEALTH INSURANCE

LIFE INSURERS EXHIBIT OF PREMIUMS AND BENEFITS
BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019

Direct Death Benefits and Matured Endowments Incurred	Life Insurance												Total		
	Ordinary			Credit Life			Group			Industrial			Number	Amount	
	Number	Amount		Number	Amount		Number	Amount		Number	Amount				
Unpaid December 31, Prior Year	9,712	146,398,763		51	1,296,926		1,068	60,601,854		7,246	2,031,427		18,077	210,328,972	
Incurred During Current Year	39,140	1,117,943,339		886	10,988,525		21,679	440,856,994		23,031	10,513,034		84,736	1,580,301,897	
Settled During Current Year															
By Payment in Full	41,327	1,100,158,826		738	10,986,902		21,105	429,671,623		27,946	10,801,841		91,117	1,551,619,193	
By Payment on Compromised Claims	28	255,183		-	-		5	231,000		-	-		33	486,183	
Totals Paid	41,355	1,100,414,009		738	10,986,902		21,110	429,902,623		27,946	10,801,841		91,150	1,552,105,376	
Reduction by Compromise	11	1,593,083		-	-		6	127,000		-	-		17	1,720,083	
Amount Rejected	94	2,831,081		-	-		23	588,102		-	-		117	3,419,183	
Total Settlements	41,460	1,104,838,173		738	10,986,902		21,139	430,617,725		27,946	10,801,841		91,284	1,557,244,642	
Unpaid December 31, Current Year	7,392	159,503,932		199	1,298,547		1,606	70,841,124		2,331	1,742,620		11,528	233,386,228	
Policy Exhibit															
In Force December 31, Prior Year	2,822,549	282,405,992,913		520,221	2,599,949,679		158,095	155,095,311,144		807,737	491,735,661		4,308,602	440,592,989,395	
Issued During Year	268,362	25,490,925,738		447,582	1,710,338,602		29,882	14,218,535,836		8	31,292		745,834	41,419,831,467	
Other Changes to In Force (Net)	(243,203)	(20,681,357,248)		(465,692)	(1,751,275,737)		(15,293)	(13,990,403,049)		(14,346)	1,679,429		(738,534)	(36,421,356,606)	
In Force December 31, Current Year	2,847,708	287,215,561,402		502,111	2,559,012,543		172,684	155,323,443,931		793,399	493,446,383		4,315,902	445,591,464,260	

Accident and Health Insurance	Dividends on						Direct Losses Incurred	
	Direct Premiums		Direct Premium Earned		Direct Business		Direct Losses Paid	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Group Policies	1,461,437,066	1,473,860,185	459,008		1,055,167,898		1,076,766,265	
Federal Employees Health Benefits Program	10,666,445	10,686,357	-		10,176,342		10,334,751	
Credit (Group and Individual)	34,281,894	31,336,149	-		9,286,443		9,194,800	
Collectively Renewable Policies	292,144	470,383	-		914,117		326,115	
Medicare Title XVIII	294,470,611	293,872,678	-		234,226,475		239,981,588	
Other Individual Policies								
Non-cancellable	78,518,520	77,844,150	4,880,589		66,268,696		51,210,695	
Guaranteed Renewable	510,048,897	510,278,214	1,554,557		327,243,426		336,874,474	
Non-renewable for Stated Reasons Only	6,402,020	6,445,291	141,435		2,776,915		2,846,576	
Other Accident Only	1,475,180	1,500,368	-		916,538		1,166,272	
All Other	26,494,216	26,209,741	199		13,306,461		13,539,754	
Totals	622,938,828	622,277,759	6,576,779		410,512,034		405,637,769	
TOTALS	2,424,086,994	2,432,503,504	7,035,787		1,720,283,305		1,742,241,291	

DATA SOURCE: 2019 Life Annual Statement (State Page) for all companies writing business in Louisiana.

CAUTION: This page is unaudited and may contain inadvertent errors.

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APPENDIX D

AGGREGATE HEALTH PREMIUM AND ENROLLMENT

APPENDIX D – AGGREGATE HEALTH PREMIUM AND ENROLLMENT

**HEALTH INSURANCE EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION
IN LOUISIANA AS OF DECEMBER 31, 2019**

	<i>Total</i>	<i>Individual Comprehensive</i>	<i>Group Comprehensive</i>	<i>Medicare Supplement</i>
Total Members at End of:				
Prior Year	5,091,055	148,866	458,160	45,994
First Quarter	5,180,474	156,541	441,146	45,489
Second Quarter	5,026,083	148,260	443,274	45,627
Third Quarter	5,162,658	144,297	444,280	46,112
Current Year	5,031,656	134,342	446,904	47,397
Current Year Member Months	61,204,518	1,707,903	5,320,971	549,965
Total Member Ambulatory Encounters for Year:				
Physician	24,401,315	1,335,408	4,441,777	1,182,685
Non Physician	17,667,155	1,111,630	2,697,531	429,465
Totals	42,068,470	2,447,038	7,139,308	1,612,150
Hospital Patient Days Incurred	1,941,713	36,054	81,455	79,099
Number of Inpatient Admissions	302,273	7,783	17,119	8,489
Health Premiums Written	16,294,068,755	877,864,372	2,462,920,666	116,797,445
Life Premiums Direct	1,626,021	-	-	-
Property and Casualty Premiums Written	73,550,449	-	-	-
Health Premiums Earned	16,066,832,528	875,994,866	2,460,866,339	116,938,159
Property and Casualty Premiums Earned	-	-	-	-
Amount Paid for Provision of Health Care Services	13,836,896,888	762,511,720	2,097,405,494	95,252,724
Amount Incurred for Provision of Health Care Services	14,032,756,335	758,930,927	2,109,066,278	96,119,565

DATA SOURCE: 2019 Health Annual Statement, Exhibit of Premiums, Enrollment and Utilization (by state), for all companies writing business in Louisiana.

CAUTION: This page is unaudited and may contain inadvertent errors.

APPENDIX D – AGGREGATE HEALTH PREMIUM AND ENROLLMENT

**HEALTH INSURANCE EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION
IN LOUISIANA AS OF DECEMBER 31, 2019**

	<i>Vision Only</i>	<i>Dental Only</i>	<i>Federal Employees Health Benefits Plan</i>	<i>Title XVIII Medicare</i>	<i>Title XIX Medicaid</i>	<i>Other</i>
Total Members at End of:						
Prior Year	282,926	379,171	72,304	300,647	3,013,314	389,673
First Quarter	298,994	370,052	73,974	314,887	3,093,656	385,735
Second Quarter	299,432	374,059	73,775	317,112	2,923,833	400,711
Third Quarter	307,430	380,788	73,538	321,408	3,046,388	398,417
Current Year	309,693	389,295	73,514	323,575	2,894,108	412,828
Current Year Member Months	3,635,341	4,533,518	884,203	3,819,653	35,881,776	4,871,188
Total Member Ambulatory Encounters for Year:						
Physician	-	-	1,017,374	6,662,089	9,761,426	556
Non-physician	45,469	4	516,050	2,685,931	10,179,555	1,520
Totals	45,469	4	1,533,424	9,348,020	19,940,981	2,076
Hospital Patient Days Incurred	-	-	33,371	688,788	1,022,625	321
Number of Inpatient Admissions	-	-	5,939	89,329	173,408	206
Health Premiums Written	22,450,126	113,307,856	437,288,640	3,971,504,659	8,053,994,753	237,940,238
Life Premiums Direct	-	-	-	-	-	1,626,021
Property/Casualty Premiums Written	-	-	-	-	73,550,449	-
Health Premiums Earned	22,448,384	112,208,097	442,339,842	3,967,651,752	7,836,625,971	231,759,117
Property/Casualty Premiums Earned	-	-	-	-	-	-
Amount Paid for Provision of Health Care Services	15,494,272	96,458,725	408,766,167	3,303,900,592	6,883,742,147	173,365,048
Amount Incurred for Provision of Health Care Services	15,656,738	96,678,334	412,081,430	3,325,596,765	7,037,120,389	181,505,909

DATA SOURCE: 2019 Health Annual Statement, Exhibit of Premiums, Enrollment and Utilization (by state), for all companies writing business in Louisiana.

CAUTION: This page is unaudited and may contain inadvertent errors.

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APPENDIX E

HEALTH MAINTENANCE ORGANIZATIONS

APPENDIX E – HEALTH MAINTENANCE ORGANIZATIONS

**HEALTH MAINTENANCE ORGANIZATIONS EXHIBIT OF PREMIUMS AND LOSSES
BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019**

NAIC Number	Company Name	Total Members	Direct Premium Written	Market Share	Cumulative Market Share	Direct Premium Earned	Direct Losses Incurred	Loss Ratio
13970	Louisiana Healthcare Connections Inc	451,846	2,407,304,704	18.83%	18.83%	2,407,304,704	2,093,470,682	86.96%
95833	United Healthcare of LA Inc	423,523	2,344,955,006	18.34%	37.17%	2,349,340,749	2,012,943,549	85.68%
95642	Humana Health Benefit Plan of LA Inc	401,302	2,250,685,349	17.60%	54.77%	2,250,677,753	1,890,402,257	83.99%
14064	Community Care Health Plan of LA Inc	268,173	1,259,356,516	9.85%	64.62%	1,285,035,455	1,117,731,636	86.98%
14143	AmeriHealth Caritas LA Inc	204,056	1,149,100,812	8.99%	73.60%	1,149,100,812	1,030,763,865	89.70%
95643	HMO LA Inc	175,711	1,083,905,689	8.48%	82.08%	1,083,939,059	943,004,593	87.00%
13607	Peoples Health Inc	78,372	1,039,597,870	8.13%	90.21%	1,039,597,870	883,597,704	84.99%
15616	Aetna Better Health Inc	120,701	715,707,296	5.60%	95.81%	715,707,296	640,722,986	89.52%
95584	Vantage Health Plan Inc	38,842	388,013,535	3.03%	98.84%	388,013,535	332,014,244	85.57%
95173	Aetna Health Inc LA	9,627	74,466,354	0.58%	99.42%	72,272,727	63,860,415	88.36%
15550	Magellan Complete Care of LA Inc	2,349	73,550,449	0.58%	100.00%	73,550,449	51,168,897	69.57%
16625	Dignity Care Corp	-	-	0.00%	100.00%	-	-	0.00%
12 HMO's	TOTAL	2,174,502	12,786,643,580	100.00%		12,814,540,409	11,059,680,828	86.31%

DATA SOURCE: 2019 Health Annual Statement, Exhibit of Premiums, Enrollment and Utilization (by state), for all companies writing business in Louisiana.

CAUTIONS: The information contained on this page is unaudited and not a complete financial analysis, nor is it an expression of opinion on any insurer. This page may contain inadvertent errors.

APPENDIX F

TITLE INSURANCE

**TITLE INSURANCE EXHIBIT OF PREMIUMS AND LOSSES
BUSINESS IN LOUISIANA AS OF DECEMBER 31, 2019**

NAIC Number	Company Name	Domicile	Direct Premium Written			Other Income	Net Premium Earned	Direct Loss & Allocated Loss Adjustment Expenses	Direct Loss Allocated Loss Adjustment Expenses Incurred	Direct Known Claim Reserves
			Direct Operations	Non-Affiliated Agencies	Affiliated Agencies					
12309	Alliant National Title Insurance Co Inc	CO	-	1,468,486	-	-	1,425,256	-	-	-
51578	AmTrust Title Insurance Co	NY	-	39,237	-	815	38,373	-	-	-
51411	American Guarantee Title Insurance Co	OK	31,525	337,385	-	-	384,469	15,847	40,853	25,006
50229	Chicago Title Insurance Co	FL	31,802	14,855,875	2,259,400	1,001,133	16,066,336	601,417	525,631	315,093
50083	Commonwealth Land Title Insurance Co	FL	34,106	11,497,075	76,660	26,289	11,615,076	763,720	565,492	1,189,658
51586	Fidelity National Title Insurance Co	FL	1,827,474	29,201,062	3,098,615	2,495,176	33,661,378	613,209	1,211,481	1,015,615
50814	First American Title Insurance Co	NE	545,113	8,085,068	73,126	3,309,050	8,710,451	796,982	705,545	2,842,810
51527	First American Title Insurance Co of LA	LA	-	48,921,353	-	1,102	48,304,703	574,764	627,036	356,315
50369	Investors Title Insurance Co	NC	143	(5,011)	-	1,722	4,138	16,808	14,788	3,417
51020	National Title Insurance of NY Inc	NY	-	-	376,015	-	371,924	2,144	27,441	28,992
50130	North American Title Insurance Co	CA	-	5,936	-	-	5,872	1,727	1,727	-
50520	Old Republic National Title Insurance Co	FL	197,286	5,049,128	-	218,224	5,738,168	333,412	97,482	175,535
16334	Pulsar Title Insurance Co Inc	LA	-	17,819	3,059,080	-	2,968,642	-	-	-
51632	Radian Title Insurance Inc	OH	4,699	-	-	5,025	5,123	9,110	12,110	3,000
50440	Real Advantage Title Insurance Co	CA	901	-	64,608	2,383	62,859	-	-	-
50784	Security Title Guarantee Corp Baltimore	MD	-	4,970,375	-	186,545	4,843,123	97,615	56,453	295,680
50792	Southern Title Insurance Corp	VA	-	-	-	-	78	-	-	-
50121	Stewart Title Guarantee Co	TX	5,923	12,802,036	40,630	103,915	12,959,589	915,753	913,855	589,535
50016	Title Resources Guarantee Co	TX	-	691,237	(5,338)	10,325	690,702	10,215	10,215	-
50030	US National Title Insurance Co	MS	5,231	530,340	387,850	-	826,592	66,374	16,374	166,694
51152	WFG National Title Insurance Co	SC	-	13,937,342	321,519	287,050	14,082,217	312,930	444,763	365,701
50050	Westcor Land Title Insurance Co	SC	25,142	327,041	-	13,118	332,082	2,145	3,568	1,423
22 Companies		TOTALS	2,709,345	152,731,784	9,752,165	7,661,872	163,097,151	5,134,172	5,274,814	7,374,474

DATA SOURCE: 2019 Title Annual Statement, Schedule T for all companies writing business in Louisiana.

CAUTION: The information contained on this page is unaudited and not a complete financial analysis, nor is it an expression of opinion on any insurer. This page may contain inadvertent errors.

APPENDIX G

GROUP SELF-INSURANCE FUNDS

(Appendix G was formerly Fraternal Insurance which is now included with the Life Insurance figures reported in Appendix C.)

APPENDIX G – GROUP SELF-INSURANCE FUNDS

**STATE OF LOUISIANA
GROUP SELF-INSURANCE PREMIUM BUSINESS
WRITTEN CALENDAR YEAR 2019**

<i>Fund Name</i>	<i>Premium Written</i>
LAC Self-Insured Fund ^(d)	\$6,686,238
Louisiana Association of Clerks of Court ^(b)	485,003
Louisiana Automobile Dealers Association Self Insurers' Fund ^(d)	9,011,525
Louisiana Construction and Industry Self Insurers' Fund ^(d)	25,904,657
Louisiana Health Care Self Insurance Fund ^(d)	11,329,776
Louisiana Home Builders' Association Self Insurers' Fund ^(a)	21,939,418
Louisiana Hospital Association Workers' Compensation Group SIF ^(d)	6,734,529
Louisiana Housing Council Group Self-Insured Fund ^(a)	12,199,615
Louisiana Loggers Self-Insured Fund ^(d)	3,989,567
Louisiana Municipal Risk Management Agency Group SIF ^(d)	21,515,101
Louisiana Public Schools Risk Management Agency ^(c)	4,616,515
Louisiana Restaurant Association Self Insurers' Fund ^(d)	17,651,312
Louisiana Rural Parish Insurance Cooperative (SIF) ^(d)	2,669,732
Police Jury Assoc. of Louisiana d/b/a Parish Government Risk Management Agency ^(d)	11,601,724
Property Casualty Alliance of Louisiana ^(b)	2,393,299
TOTAL	\$158,728,011

DATA SOURCE: Audited Financial Statements for all Group Self-Insurance Funds for Workers' Compensation and Inter-Local Risk Management Agencies writing coverage in Louisiana.

^(a) As of March 31, 2019

^(b) As of June 30, 2019

^(c) As of October 1, 2019

^(d) As of December 31, 2019

CAUTION: The information contained on this page is unaudited and not a complete financial analysis, nor is it an expression of opinion on any insurer. This page may contain inadvertent errors.

APPENDIX H

REVENUE REPORT

AS REQUIRED BY
LA. R.S. 49:308.6(C)

APPENDIX H – REVENUE REPORT

MULTI-YEAR COMPARISON OF REVENUES BY TYPE SUMMARY

<i>Description</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Self-Generated Fees	\$37,440,043	\$27,021,698	\$26,871,595
Assessments:			
<i>Health Insurance Portability and Accountability Act Assessment, Interest</i>	1,126,189	951,003	923,928
<i>Louisiana Insurance Rating Assessment</i>	75,723,248	80,161,595	79,827,255
<i>Insurance Fraud Investigation Assessment</i>	5,843,461	5,286,667	5,694,664
Total Assessments	\$82,692,898	\$86,399,265	\$86,445,847
Federal Funds	\$539,308	\$622,222	\$552,067
Miscellaneous/Other Revenue:			
<i>Louisiana Automobile Theft and Insurance Fraud Prevention Authority (Gifts, Grants, Donations), Interest</i>	3,650	7,353	3,264
<i>Income Not Available</i>	38,356	30,334	9,569
<i>Premium Taxes</i>	953,772,736	914,774,551	892,965,199
Total Other Major State Revenue	\$953,814,742	\$914,812,238	\$892,978,032
Interagency Transfers	-	-	-
TOTAL COLLECTIONS	\$1,074,486,991	\$1,028,855,423	\$1,006,847,541

APPENDIX H – REVENUE REPORT

MULTI-YEAR COMPARISON OF REVENUES BY TYPE SELF-GENERATED FEES

Description	Revised Statute	Fee Amount	Fiscal Year 2019-2020	Fiscal Year 2018-2019	Fiscal Year 2017-2018
Certificate of Authority, Initial Certificate	22:821(B)(1), 22:269(B)(1), 22:214 (2)(a)	2,500/500/25	\$84,750	\$68,800	\$83,000
Initial Examination of Insurance Companies	22:269(B)(4)	1,000	-	1,500	-
Securities Fees - Registration of Securities	22:821(B)(6)	200	260	200	200
Filing a Charter, Other Documents and Amendments thereto	22:821(B)(8)	25	7,550	5,100	3,250
Approval Fee of Foreign or Alien Surplus Lines Insurers	22:821(B)(17)	1,050	186,900	192,150	189,000
Third Party Administrators - Licensing Fee	22:821(B)(15)(a)	500	16,200	16,000	13,500
Third Party Administrators - Annual Report Filing Fee	22:821(B)(15)(b)	300	116,700	117,350	114,300
Acquisition of Control or Merger with a Domestic Insurer - Statement Fee	22:821(B)(16)	2,500	-	5,150	-
Risk Purchasing Group - Registration Fee	22:821(B)(18)(a)	100	3,200	4,055	3,250
Risk Purchasing Group - Annual Renewal	22:821(B)(18)(b)	50	13,350	16,775	16,400
Viatical Settlement Broker - First Time Applicant	22:821(B)(19)(a)	50	250	50	-
Viatical Settlement Broker - Annual Renewal	22:821(B)(19)(a)	50	5,800	350	400
Viatical Settlement Investment Agent - Annual Renewal	22:821(B)(19)(b)	50	-	(50)	-
Viatical Settlement Provider - First Time Applicant	22:821(B)(19)(c)	1,000	2,400	4,550	-
Vehicle Mechanical Breakdown Insurer	22:362(A)	1,500	27,000	54,025	88,500
Medical Necessity Review Organization - Licensing Fee	22:821(B)(28)(a) REPEALED	1,500	-	-	9,050
Property Residual Value Insurer - Renewal Fee	22:382	1,500	-	-	1,500
Dental Referral Plan - Initial License	22:1166	250	500		
Producer License - First Time Applicant, includes: Each Addtl. Line of Authority for Limited Lines only \$50 Specialty Limited Lines Credit Insurance Specialty Limited Lines Motor Vehicle Title Insurance	22:821(B)(3)(a-c) 22:821(B)(31); 22:1549(B)(4)&(5) 22:821(B)(32); 22:1550(B)(1)(d)&(B)(2)	75+50 each addtl. line 250<21 emp/1,000>20 emp 250<21 emp/1,000>20 emp	2,757,475	2,674,793	2,584,025
Producer License - Includes: Initial Company Appointment (yearly) Renewal Co. Appointment of Individual (yearly by Jan.1) Initial Company Appointment of Business Entity	22:821(B)(3)(b), 22:1549(D), 22:1550(D) 22:821(B)(3)(b), 22:1549(D), 22:1550(D) 22:821(B)(3)(b), 22:1549(D), 22:1550(D)	30 20 100	24,435,580	14,365,835	12,949,070
Producer License - Renewal Fee (every 2 yrs), includes: Producer Renewal Fee Specialty Limited Lines Credit Insurance Specialty Limited Lines Motor Vehicle Title Insurance	22:821(B)(3)(b), 22:1549(D), 22:1150(D) 22:821(B)(31)(c-d); 22:1549(C) 22:821(B)(32)(d-e); 22:1550(C)	50=1 line/55=2+ lines 125<21 emp/500>20 emp 125<21 emp/500>20 emp	3,299,095	2,931,803	2,901,615
Producer License - Surplus Line Broker - First Time Applicant	22:821(B)(3)(a)	250	98,750	104,750	89,250
Producer License - Surplus Line Broker - Renewal Fee	22:821(B)(3)(a)	350	542,470	503,510	642,260
Producer License - Failure to File Producer License Timely (Late Fee)	22:821(B)(3)(c), 22:1547(C)(2)	50	267,610	260,250	290,920
Producer License - Continuing Education Provider/ Course Application Fee	22:821(B)(29)(a-b)	250/25	45,780	48,725	57,259
Producer License - Duplicate Producer License/Name Change	22:821(B)(3)(g) REPEALED	15	-	60	30
Producer License - Invalid/Bad Address	22:1547(G)	50	39,700	37,250	34,050
Managing General Agent - Initial Registration	22:821(B)(14)(a)	300	600	1,700	900
Managing General Agent - Annual Registration	22:821(B)(14)(b)	300	14,400	12,600	9,300

APPENDIX H – REVENUE REPORT

**MULTI-YEAR COMPARISON OF REVENUES BY TYPE
SELF-GENERATED FEES
(CONTINUED)**

<i>Description</i>	<i>Revised Statute</i>	<i>Fee Amount</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Managing General Agent - Insurer's Initial Notice of Appointment	22:821(B)(14)(c)	300	900	900	300
Managing General Agent - Insurer's Annual Notice of Appointment	22:821(B)(14)(d)	300	17,000	20,100	14,100
Company Filing of Life, Health and Accident Insurance Policy Forms - Per Product	22:821(B)(11)(a)	100	216,700	206,601	175,700
Company Filing of Property and Casualty Insurance Policy Forms - Per Product	22:821(B)(10)(a)	100	54,440	57,065	66,650
Company Filing to Adopt a Reference or Item Filing of Advisory Organization's Form Reference Filing	22:821(B)(10)(b)	20	5,075	2,375	5,350
Company Filing of Property and Casualty Insurance Policy Endorsements, Amendments, or Riders	22:821(B)(10)(c)	25	67,905	83,535	87,090
Company Filing of Life, Health and Accident Insurance Policy Forms or Health Maintenance Organization Submission - Per Product	22:821(B)(11)(a)	100	48,275	46,300	49,900
Company Filing of Medicare Supplement Insurance Premium Rates, Rate Schedule and Supporting Documents - Per Type	22:821(B)(11)(b)	100	20,900	21,800	16,800
Company Filing of Medicare Supplement Insurance Advertisements - Per Submission	22:821(B)(11)(c)	100	27,900	25,800	31,600
Health Care Conference (FY 17-18 & FY 18-19) LDI Annual Conference (FY 19-20)			42,275	32,955	35,160
Financial Examination - Professional Service Contract	22:976(B), 22:308, 22:705, 22:1981, 22:1982, 22:1985, 22:1986, 22:2064, 22:2094, 22:370, 22:251, 22:256, 22:484(G), 22:462, 23:1197(C), 33:1348(B), 33:1350.2, 33:1358, 42:851(D) (Part XXVIII of Title 22)		-	-	40,020
Market Conduct - Professional Service Contract	22:308, 22:705, 22:1985, 22:976(B)		-	-	63,647
Market Conduct - State Examiner	22:308, 22:705, 22:1985, 22:976(B)		-	200	200
Annual Financial Regulation Fee/Annual Statement (Health Maintenance Organization)	22:821(B)(2), 22:269(B) (3)(a)	1,000/250	1,420,214	1,441,560	1,436,280

APPENDIX H – REVENUE REPORT

**MULTI-YEAR COMPARISON OF REVENUES BY TYPE
SELF-GENERATED FEES
(CONTINUED)**

<i>Description</i>	<i>Revised Statute</i>	<i>Fee Amount</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Fines/Stipulations	22:13, 22:14, 22:16, 22:18, 22:33, 22:35, 22:68(E), 22:88(M)(1)(2)(3), 22:184, 22:216, 22:250, 22:252, 22:257, 22:269, 22:271, 22:316, 22:348, 22:371, 22:391, 22:440, 22:444: 22:456, 22:457, 22:536, 22:591, 22:597, 22:709, 22:714, 22:796, 22:833, 22:846, 22:855, 22:987, 22:1011, 22:1071, 22:1143, 22:1167, 22:1191, 22:1211, 22:1283, 22:1292, 22:1460, 22:1529, 22:1546, 22:1547, 22:1549, 22:1550, 22:1552, 22:1554, 22:1556, 22:1557, 22:1558, 22:1559, 22:1562, 22:1585, 22:1623, 22:1625, 22:1627, 22:1651, 22:1654, 22:1671, 22:1672, 22:1699, 22:1700, 22:1731, 22:1770, 22:1837, 22:1860, 22:1877, 22:1892, 22:1924, 22:1925, 22:1929, 22:1946, 22:1964, 22:1969, 22:1970, 22:1994, 22:1995, 22:2007, 22:2036, 22:2060, 22:2069, 22:2090, 22:2198, 22:2245, 22:2394, 22:2399		285,284	518,912	856,195
Lawsuit Fees	9:2800.7(H)	5	60	15	20
Annual Premium Tax Fee (\$90,000)	22:794, 22:821(D)	90,000	90,000	90,000	90,000
Copies, Certified Copies and Other Fees (Miscellaneous)	LA Administrative Code Title 4 Chapter 3:30; 22:821(B)(4)	0.25	578	750	758
Professional Employer Organization New License	22:1748	500	14,800	14,000	13,500
Professional Employer Organization Renewal	22:1748	300	53,100	49,000	42,200
Limited Licensing for Motor Vehicle Rental Company - Initial License	22:821(B)(33)(a)(i-i), 22:1763(B)	500/100	2,020	310	800
Limited Licensing for Motor Vehicle Rental Company - Renewal	22:821(B)(33)(a)(i-i), 22:1763(B)	250/50	500	2,000	750
Service of Process	22:821(B)(22)	25	3,717	3,020	2,875
Claims Adjuster License and Registration - Business Entity - Initial License	22:821(B)(23)(a)	55	2,860	4,730	6,490
Claims Adjuster License and Registration - Business Entity - Renewal	22:821(B)(23)(a)	50	6,100	6,950	5,000
Claims Adjuster License and Registration - Resident/Non-Resident - Initial License	22:821(B)(23)(b)	55	909,800	1,070,125	1,077,740
Claims Adjuster License and Registration - Resident/Non-Resident - Renewal	22:821(B)(23)(b)	50	1,976,415	1,683,620	2,398,955
Claims Adjuster License and Registration - Catastrophe and Emergency Claims Adjuster	22:821(B)(23)(c)	25	18,000	2,400	30,300
Public Adjuster License - Business Entity - Initial License	22:821(B)(24)(a)	55	330	165	275
Public Adjuster License - Business Entity - Renewal	22:821(B)(24)(a)	50	550	450	550
Public Adjuster License - Resident/Non-Resident - Initial License	22:821(B)(24)(b)	55	5,390	3,300	2,860
Public Adjuster License - Resident/ Non-Resident - Renewal	22:821(B)(24)(b)	50	4,450	3,800	5,850
Risk Retention Group - Initial Registration	22:821(B)(21)	1,000	4,000	7,000	5,000
Certificate of Compliance	22:821(B)(25)	10	1,530	1,959	2,331

APPENDIX H – REVENUE REPORT

**MULTI-YEAR COMPARISON OF REVENUES BY TYPE
SELF-GENERATED FEES
(CONTINUED)**

<i>Description</i>	<i>Revised Statute</i>	<i>Fee Amount</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Filing of Vehicle Mechanical Breakdown Insurance Policies - Per Submission	22:821(B)(26)	25	-	-	50
Discount Medical Plan - Application	22:2394	250	3,220	4,500	3,500
Prelicensing or Continuing Education - Provider Application	22:821(B)(29)(a)	250	5,525	8,450	7,250
Prelicensing or Continuing Education - Program or Course Application	22:821(B)(29)(b)	25	1,275	425	-
Appraisers - First Time Applicant	22:821(B)(34)	55	4,695	2,490	2,890
Appraisers - Renewal Fee	22:821(B)(34)	50	815	600	850
Utilization Review Organization (other than a Health Insurance Issuer) - Application Fee	22:821(B)(36)	1,500	18,000	16,500	7,500
Independent Review Organization - Application Fee	22:821(B)(37)(a)	500	500	3,000	1,500
Independent Review Organization - Annual Report Filing Fee	22:281(B)(37)(b) REPEALED	500	500	-	-
Consultant License - First Time Applicant	22:821(B)(38)(a-b)	75	8,475	7,950	5,200
Consultant License - Producer Renewal Fee (Every Two years)	22:821(B)(38)(a-b)	50	500	655	480
Consultant License - Failure to File License Timely (Per License) (Late Fee)	22:821(B)(38); 22:821(b)(3)(c)	50	200	-	50
Claims Adjuster License - Failure to File License Timely (Per License) (Late Fee)	22:821(B)(23)(d)	50	128,450	144,650	189,050
Viatical Settlement Provider - Annual Renewal	22:821(B)(19)(c)	500	500	3,500	7,000
TOTAL FEES			\$ 37,440,043	\$27,021,698	\$26,871,595

APPENDIX H – REVENUE REPORT

MULTI-YEAR COMPARISON OF REVENUES BY TYPE ASSESSMENTS

<i>Health Insurance Portability and Accountability Act Assessment- Administrative Fund</i>	<i>Revised Statute</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
HIPAA Assessment	22:1071(D)(2)(a)	1,124,847	949,912	923,299
HIPAA Interest	22:1071(D)(3)(b)	1,342	1,091	629
TOTAL ADMINISTRATIVE FUND		\$1,126,189	\$951,003	\$923,928

<i>Louisiana Insurance Rating Assessment</i>	<i>Revised Statute</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Sheriffs' Pension Fund, Municipal Police Retirement Fund, Firefighters' Retirement Fund	22:1476(A)(3)	73,112,101	69,489,927	66,921,052
Municipal Fire and Police Civil Service	22:1476(A)(2)	2,611,147	2,481,783	2,390,038
Department of Insurance	22:1476(B) Act 226 of 2019 Regular Session repealed LDI portion effective 7/1/19	-	8,189,885	10,516,165
TOTAL LOUISIANA INSURANCE RATING ASSESSMENT		\$75,723,248	\$80,161,595	\$79,827,255

<i>Insurance Fraud Investigation Fund Assessment</i>	<i>Revised Statute</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Fraud Assessment - Administrative Fee	40:1428(A)(4)(a)	30,000	30,000	30,000
Fraud Assessment - Louisiana Automobile Theft and Insurance Fraud Prevention Authority	40:1428(A)(4)(a)	187,000	187,000	187,000
Fraud Assessment - Department of Insurance - 10%	40:1428(A)	624,159	548,473	532,769
Fraud Assessment- Department of Justice - 15%	40:1428(A)	952,711	662,822	672,869
Fraud Assessment - Department of Public Safety - 75%	40:1428(A)	4,049,591	3,858,372	4,272,026
TOTAL INSURANCE FRAUD INVESTIGATION FUND ASSESSMENT		\$5,843,461	\$5,286,667	\$5,694,664

APPENDIX H – REVENUE REPORT

**MULTI-YEAR COMPARISON OF REVENUES BY TYPE
FEDERAL/MISCELLANEOUS/OTHER REVENUE**

<i>Federal</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Senior Health Insurance Information Program Grant	539,308	622,222	552,067
TOTAL FEDERAL FUNDS	\$539,308	\$622,222	\$552,067

<i>Louisiana Automobile Theft and Insurance Fraud Prevention Authority</i>	<i>Revised Statute</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
LATIFPA Fund (Gifts, Grants, Donations)	22:2133(2)	-	1,500	-
LATIFPA Fund Interest	22:2134(A)	3,650	5,853	3,264
TOTAL LATIFPA		\$3,650	\$7,353	\$3,264

<i>Income Not Available</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Income Not Available	27,466	20,662	1,642
Income Not Available - Prior Year Accounts Receivable Collections	10,890	9,672	7,927
TOTAL INCOME NOT AVAILABLE	\$38,356	\$30,334	\$9,569

<i>Insurance Premium Taxes</i>	<i>Revised Statute</i>	<i>Fiscal Year 2019-2020</i>	<i>Fiscal Year 2018-2019</i>	<i>Fiscal Year 2017-2018</i>
Medicaid-Enrolled Managed Care Organization - Bayou Health Plan	22:842(B)	457,885,185	438,902,527	417,329,204
Life, Accident and Health	22:838, 22:842, 22:270	112,769,151	109,894,695	108,356,801
Fire Casualty and Miscellaneous	22:838, 22:831	255,605,012	249,672,225	255,011,367
Surplus Lines	22:439	83,663,349	73,629,665	71,313,247
Fireman Training	22:837	3,381,642	3,317,082	3,271,906
Fire Department	22:345	23,012,775	22,238,779	22,101,503
Penalties	22:846, 22:796, 22:440	307,892	294,666	(942,080)
Retaliatory	22:836	239,246	239,501	163,723
Sub-Totals		\$936,864,252	\$898,189,140	\$876,605,671
Fire Marshal	22:835	16,908,484	16,585,411	16,359,528
TOTAL INSURANCE PREMIUM TAXES		\$953,772,736	\$914,774,551	\$892,965,199



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