

# DECLARATION OF EMERGENCY

## Office of the Governor Division of Administration Office of Statewide Uniform Payroll

### Temporary Qualification Procedure Long-Term Care Insurance Vendors (LAC 4:III.107)

The Division of Administration through the Office of State Uniform Payroll, is exercising the emergency provisions of the Administrative Procedures Act, R.S. 49:953(B), and pursuant to the authority granted under R.S. 42:455 (A), adopts the following Emergency Rule effective November 1, 2009. Unless extended, this Rule shall remain in effect for the maximum period allowed under the APA, or until it expires under its own terms and conditions, whichever period is shorter.

The Division of Administration, through the Office of State Uniform Payroll, finds it necessary to issue this Emergency Rule to insure continued access by state employees to long-term care insurance coverage. State employees paid through the ISIS Human Resource System may purchase long-term care insurance policies through payroll deductions. These plans benefit state employees by providing long-term care benefits due to disability or illness, and help to protect an employee's assets if living in assisted care facilities becomes necessary. Although any number of vendors may qualify under LAC rules to sell long-term care insurance through payroll deductions, the sole qualified vendor has informed the administration that the insurer it represents will no longer sell such policies in Louisiana after December 31, 2009. Qualification of additional vendors and/or insurers takes in excess of one year under existing rules. In the interim, the welfare of state employees who may wish to participate in long-term care insurance plans will be adversely affected unless the ordinary qualification time frame is temporarily shortened.

#### **Title 4**

#### **ADMINISTRATION**

#### **Part III. Payroll**

#### **Chapter 1. Qualification of Long-Term Care Insurance Products**

#### **§107. Temporary Qualification Procedure Long-Term Care Insurance Vendors**

A. Any vendor seeking to sell long-term care insurance policies through direct payroll deductions for the year 2010 may submit a letter of request for an application form to the Office of State Uniform Payroll (OSUP) no later than November 20, 2009. OSUP shall reasonably attempt to accommodate requests for applications made in person, by mail, by telephone or through electronic means. Application forms will then be forwarded to vendors to be completed and submitted to OSUP by December 31, 2009.

B. The ordinary rules controlling application review and approval are waived in regard to subject applications submitted on or before December 31, 2009. The following timetable shall apply insofar as is practicable: Starting Jan 4, 2010 OSUP and the Employees Payroll Benefits Committee will begin review of all applications; Vendors will be notified by February 10, 2010 of approval or denial; Solicitation of approved products may begin March 1, 2010. Payroll deductions may begin with the first pay period in March 2010.

C. Nothing in this emergency rule shall be construed to waive the minimum requirements established by law for vendors and insurers offering long-term care insurance policies through payroll deductions. However, Form SED-3 evidencing an insurer's compliance with R.S. 42:455 and a product's benefits may be verified by the applicant vendor and submitted directly to OSUP without individual departmental certification. Any application which cannot be verified as complying with the requirements of R.S. 42:455 shall be rejected.

D. Any regulation or policy establishing a deadline for vendors of long-term care insurance policies to enroll a minimum number of employees within a set period of time is extended until February 28, 2011. Nothing in this Emergency Rule shall be construed to prevent any other vendor from qualifying to solicit and to sell long-term care insurance policies through payroll deductions by ordinary process after December 31, 2009.

AUTHORITY NOTE: Promulgated in accordance with R.S. 42:455 (A).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of Statewide Uniform Payroll, LR 36:

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