

LEG REG REVIEW 2006, First Issue

LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm based near the State Capitol. It contains news on the Legislative and Regulatory scene in Pennsylvania that may be of use to insurance producers, companies, and interested parties. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters (PAHU) or the PA Surplus Lines Association (PSLA). Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217, Fax 717/728-1164 or E-mail to xenobun@aol.com. Please email jtrout2792@aol.com supplying both your fax number and your desired email address to convert your receipt of this publication to email. If you do not wish to receive it, please let us know.

PHILLIPS ASSOCIATES WOULD LIKE TO TAKE THIS OCCASION TO WISH YOU A SUCCESSFUL, HEALTHY, AND PROSPEROUS NEW YEAR.

PHILLIPS ASSOCIATES ANNOUNCES PRIVACY PARTNERSHIP

PHILLIPS ASSOCIATES and Pittsburgh-headquartered ComplianceAssurance Corporation have teamed up to promote insurance agency compliance with privacy rules mandated by Federal and state statute and regulation. This partnership utilizes PHILLIPS ASSOCIATES' expertise in teaching Privacy Compliance through approved Continuing Education courses. A separate thrust (non-CE) involves ComplianceAssurance Corporation's efforts to familiarize agencies with their private sector Internet-based compliance system. In addition, a Privacy Compliance CE Blitz will be inaugurated in February 2006. Details: Vince Phillips 717/728-1217 Jerry Shaffron 412/690-6201 www.complyfast.com.

GENERAL ASSEMBLY HAS HIGH STAKES AGENDA FOR NEW YEAR

The PA General Assembly returns to Harrisburg to begin the second year of a two-year session. Awaiting it is a myriad of issues. Some examples:

- What will they do now that Governor Rendell **vetoed tax cut/state spending control House Bill 515**? In his veto message, he said that the bill would cost PA \$53.1 million this coming FY up to \$387.8 million in FY 2010-11.
- **Property Tax Relief** – What form will it take? Expanded reach of the sales tax into heretofore untaxed areas such as professional services or even insurance agent fees per the House or a less controversial Senate measure to give local school districts more choice re continuing to use the property tax or redistribute taxation elsewhere. Senator Noah Wenger (R-Lancaster) has convened a special hearing January 4 to examine the question of expanding the sales tax to fund a reduction in school property taxes.
- **Joint and Several Liability Reform** legislation was side-tracked because of December's property tax debate but SB 435 is still waiting in the wings.

SESSION DAYS FOR 2006

Session dates for the General Assembly are listed for both House and Senate unless otherwise indicated:

- January: 3,4,23,24,25,30,31
- February: 1,6,7,8,13,14,15
- March: 6,7,8 (*House only*), 13,14,15, (*20 House only*)
- April: 3,4,5, (*17,16,19 Senate only*), 24,25,26
- May: 1,2,3, (*8 House only*), 22,23,24
- June: 5,6,7,12,13,14,19,20,21, (*22 Senate only*), 26,27,28,29,30

LONG-TERM CARE PARTNERSHIP RE-EMERGES AT FED LEVEL

Tucked into the Budget Reconciliation Act S. 1932 is section 6021 authorizing the states to enact Long-Term Care Partnerships, something that has been stymied since passage of the so-called Waxman Amendment dealing with Medicaid estate recovery. (Text is available at www.thomas.gov). Currently, the U.S. House and Senate have competing versions of the overall Budget Reconciliation Act because of last-minute Senate amendments. The House would have to concur before the bill became law. LTC Partnerships permit the shielding of assets from Medicaid spend-down that permit the purchase of a private sector LTC insurance policy. Right now, only four states have them.

REPORTS

- PA Health Cost Care Containment Council (PHC4) has released its Winter 2004 Hospital Performance Update. Details: www.phc4.org
- Kaiser Family Foundation updated the state facts section of its web site showing information on prescription costs, mandated benefits, numbers of uninsured etc. www.kaisernet.org
- National Association of Health Underwriters has published information on accessibility of health care in PA as part of national research for all states. Details: www.pahu.org

PSLA ANNOUNCES CE SCHEDULE FOR YEAR

The PA Surplus Lines Association (PSLA) announced its 2006 schedule as follows:

Feb. 7	Exton	E&O In-Depth
Feb. 8	Harrisburg	Commercial Insurance Flash Points/ Dept. Update
Feb. 9	Warrendale	Insurance Compliance
May 16	Exton	Commercial Insurance Flash points/Dept. Update
May 17	Harrisburg	History of Surplus Lines
May 18	Warrendale	E&O In-Depth
Aug. 8	Exton	History of Surplus Lines
Aug. 9	Harrisburg	E&O In-Depth
Aug. 10	Warrendale	Cyber Security
Nov. 14	Exton	Cyber Security
Nov. 15	Harrisburg	Cyber Security
Nov. 16	Warrendale	Commercial Insurance Flash Points/Dept. Update

In addition, the PSLA Annual Meeting in Hershey for April 18-19, 2006 will include CE. Details: 717/732-7255 www.pasla.org

SELECTED OTHER CONTINUING EDUCATION NOTES

I-DAYS: April 5 in Reading; April 27 in Pittsburgh

BAGEL BUNCH: Insurance agencies in South Central PA (Harrisburg area) might take note that Bagel Bunch is back after a year's absence. It features 12 CE credits in 8:00 a.m. one-hour increments and allows for an agency to switch staff depending on which topic is most relevant. Agencies may subscribe for the year or go a la carte. Details: 717/728-1217

REMINDER...Beginning January 1, 2006, insurance producers will use their license number and NOT their Social security number when taking Continuing Education.