

LEG REG REVIEW

2006, Twenty-fourth 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 business parties. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters or the PA Surplus Lines Association. Subscription information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/728-1164 or e-mail xenobun@aol.com. Please email jtrout2792@aol.com supplying both your e-mail and fax numbers in order to convert this publication to e-mail. If you wish to no longer receive it, please let us know.

SECOND FRAUD HEARING HEARS PUBLIC SECTOR

The second of two House Insurance-House Judiciary subcommittee hearings was convened August 29 to discuss Rep. Robert Godshall's insurance fraud package. This hearing concentrated on testimony from the public sector, notably the Attorney General's Office, the Insurance Department, and the Insurance Fraud Prevention Authority whose duties would be increased.

TWO MORE UNIVERSAL COVERAGE HEARINGS

Two more hearings on universal coverage convened by the House Insurance Committee are set. The new set of hearings is October 11-12 in Delaware County near Springfield. Here the emphasis will be a little different focusing on cost strategies. Should certificate of need be reinstated? What incentives can be given to businesses to provide employee wellness programs? Should PA develop a risk pool...If so, does that supplant the Blues' role as insurer of last resort? Should the public sector role of expanding programs be reconsidered in favor of private sector incentives? Lots of questions! What are your answers? E-mail them to xenobun@aol.com and they will be considered as PAHU develops additional testimony.

Announced last week were September 19 and 20 hearings in Penn Hills. Witnesses are asked to address three questions:

- Should PA require all adults to maintain health insurance coverage? If so, what coverage?
- Should PA develop a system to subsidize low-income coverage? How to finance it?
- Should employers bear some responsibility in providing universal insurance coverage and in its financing?

HEARINGS ...

- On September 6 the Senate Veterans Affairs and Emergency Preparedness Committee will hold a hearing on incentives for consolidation of volunteer fire departments per Senator Don White's (R-Indiana) Senate Bill 1236.
- On September 7 in Philadelphia the House Transportation Committee will meet to discuss a possible ban on using cell phones while driving.
- A hearing on the U.S. Farm Bill is scheduled for September 18 in Pottstown. This might be an opportunity to comment on improvements in the Crop Insurance program.
- House Democratic Policy Comm. convened a Dubois 9/5 hearing on expanding CHIP.

& MORE HEARINGS...

- September 14 the Senate Select Committee on Tobacco Funding will hold another hearing on Tobacco Settlement money on research and biotechnology at Villanova University.

- The Senate Communications & Technology Committee meets to look at technology and disease management on September 21 at the Montgomery County Community College in Blue Ball, PA.
- On September 13, the House Insurance Committee is holding a hearing on Rep. Josh Shapiro's (D-Montgomery) HB 1531 on group accident & sickness insurance.

HEARING FOCUSES ON 24/7 EMPLOYEE BEHAVIOR

Privacy of employees when not working was the topic of a hearing August 24 held by the House Labor Relations Committee. Discussed was House Bill 1271 (Surra-D-Elk/Clearfield). At issue was whether or not an employer could require certain behaviors off the job as long as it was legal. The matter has implications to insurance since employers seeking discounts from insurance companies might expand on-site behavior (such as no smoking) to off the job as well. The bill is supported by the AFL-CIO and the ACLU.

US CENSUS DATA RELEASED ON INSURED

The U.S. Census Bureau Population Survey released data giving a 2005 update on the insured and uninsured population. The report said that 15.9% of the population was uninsured, an increase of 1.3 million from 2004 to 2005. Those with health insurance also showed an increase of 1.4 million to 247.3 million. The percentage of persons receiving government-sponsored insurance (entitlement programs) remained constant at 27.3% while the percent bring covered by employer-provided plans dropped to 59.5% (from 59.8%), accounting for 961,000 of the 1.3 million increase in the numbers of uninsured (full-time workers). Almost 80% of the uninsured in 2005 were U.S. citizens. The Census Bureau report said that the percentage of U.S. residents purchasing insurance outside of their jobs fell to 9.1% in 2005 (from 9.3% in 2004). Hispanics were worse off in uninsured numbers (32.7%) followed by 19.6% of African Americans and 11.3% of "non-Hispanic whites".

Also included in the report was economic news suggesting that although income has increased, it did so more for those at the upper end of the economic spectrum but remained stagnant for middle-class wage earners.

POLITICS

In addition to the higher profile races for Governor and U.S. Senate, the Rothenburg Political Report provided ranking of PA congressional races (news provided by Capitol Wire). "Pure toss-ups" are found in incumbent Republican Representatives Curt Weldon and Jim Gerlach. "Toss-ups leaning Republican" are seats held by incumbent Republicans Representatives Don Sherwood and Mike Fitzpatrick. One seat with a Democratic voter majority appears to be safe for incumbent GOP Rep. Melissa Hart from Allegheny County.

LAWS TO NOTE

September 1: PACE Plus law took effect. That enrolls PACE recipients into the Medicare Part D plan and subsidizes the 'donut hole'.

September 8 is the effective date for the 'Steer Clear' law requiring drivers to move to the left lane when passing a patrol car, tow truck or accident scene on the shoulder.