

LEG REG REVIEW 2007, Twenty-Sixth 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 useful to insurance producers, companies, and business interests. It is a free Member Service if you belong to the Pennsylvania Association of Health Underwriters or Manufacturers Association of South Central PA. 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 tell us.

INSURANCE COMMITTEE ANNOUNCES EARLY FALL SCHEDULE

The House Insurance Committee released its early fall schedule for hearings, most of which involve mandating health insurance benefits of various types. Exception to that rule is a hearing August 30 in Harrisburg on House Bill 1121 to create an Office of Consumer Advocate for Insurance housed within the Office of the Attorney General. This office would be funded by a \$5 million assessment on insurance companies. All hearings are in Harrisburg except where indicated.

The other hearings are:

- August 29 on HB 1177 – requiring a reimbursement for mental health services supplied by licensed clinical social workers
- September 5 on HB 1462 requiring payment for costs connected with cancer clinical trials
- September 6 on HB 685 and HB 933 re payment to health providers by insurance companies
- September 10 in Hershey and September 27 in Pittsburgh on HB 1105. This bill provides a standard of care for treatment of persons with bleeding disorders, requiring payment for blood-clotting products and stipulating that pre-authorization if necessary must be done within one business day.

SWIF HAS A SOLE PROPRIETOR POLICY!

The State Workers Insurance Fund (SWIF) has moved to meet a long-standing concern faced by sole proprietor independent contractors that must show proof of a Workers' Compensation policy to a general contractor but cannot find it in the standard market. The SWIF application is called 'Sole Proprietor's Voluntary Election of Coverage'. Details: Erin Vancosky, underwriter at SWIF 570/941-1634.

DEPARTMENT ISSUES DIRECTIVE ON LTC

PA Insurance Department issued a memo to CE providers announcing that any insurance producer seeking to market Long-Term Care Partnerships must take a one-credit course using an Insurance Department/DPW script. While the directive clearly covers those seeking to sell Partnerships, wording suggests that others may possibly be required to take CE if they sell any long-term care policy. This is ambiguous but the Department said it plans to issue FAQs and additional guidance. The new law (Act 40 of 2007/Senate Bill 548) is effective September 15. The new PA CE requirement does not take the place of federal training requirements under the Deficit Reduction Act.

REGULATORY NOTES

- Nebraska domiciled Columbia Insurance Company is seeking to acquire control of The Pennsylvania Reinsurance Company.
- The Patient Safety Authority Board of Directors will meet September 11 in Harrisburg. Details: 717/346-0469
- The Insurance Department is proposing changes to the Exempt list those types of coverage not requiring the three declinations from admitted insurers. Questions: Cressinda Bybee, Office of Regulation of companies, Insurance Department 717/787-8557. The three changes are:
 - Addition of fireworks sales/manufacturing
 - Addition of hunting clubs
 - Deletion of Employment related Practices Liability
- The Department has replaced its IVR telephone system with Internet ability for individuals to check on the status of their license application.
https://www.insurance.state.pa.us/cgi/prdcr_appt_sts.pl
- The Federal Trade Commission issued a report supporting insurers' claims that insurance (credit scores) are a reliable predictor of the number of claims a person will file. This research was mandated by the Fair and accurate Credit Transactions Act.

PHC4 SETS COMMENT DEADLINES

The PA Health Cost Care Containment Council (PHC4) is accepting public comments on several mandated benefit bills on or before October 4 as part of its legislative authority to assess market reaction to mandated benefits. The three new studies are for colorectal screening (SB 146 sponsored by Sen. Tommy Tomlinson (R-Bucks), House Bill 1150 on autism benefits sponsored by House speaker Dennis O'Brien (R-Phila.), and SB 260 (Rhoades-R-Schuylkill) preventing insurers from requiring that mail order pharmacies be used by health plan participants. The other mandated benefit open for public comment is one on prosthetic devices (HB 317). Comments for that one are due on September 14. (www.phc4.org)

OTHER NEWS ...

- *The Attorney General issued a decision August 15 strengthening dog wardens attempting to enforce PA's Dog Law. This means that PA Department of Agriculture attorneys are now able to represent the wardens' side in court. Before, a warden might be faced with client attorneys but not have that legal resource him/herself. For a review of the PA Dog Law that includes information on the liability insurance policy required on 'dangerous' animals, go to www.agriculture.state.pa.us/padoglaw. ...*
- It's time to re-register yourself for the Pennsylvania Do Not Call list.
- The Governor's Occupational Safety & Health Conference will be held October 15-16 in Hershey. Details: Lacey Billow 717/783-8114. Ten insurance CE credits are offered for the two-day event.
- The PA Farm Bureau announced that USDA Risk Management Agency has waived a requirement for on-site inspection by crop adjusters in some situations. Farmers may be able to collect their own samples if telephone permission is given by the crop adjuster.

SPARKS DOMINATES SEPTEMBER CE

- The 62nd SPARKS Club Clinics is gearing up to begin a grueling two-week marathon at nine locations in PA, MD, and DE starting September 10th in Kennett Square. Its theme is "Do All Roads Lead to E&O?" Clinics are approved in all three states for four credits and advance cost is \$30.00 inclusive. SPARKS, an association of Mutual Insurance Companies' field marketing representatives, has convened these Clinics for over sixty years. Details and registration info is found at www.sparksclub.com.