

LEG REG REVIEW 2007, Thirty 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 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.

AN INTERESTING WEEK COMING UP... AN INTERESTING WEEK JUST CONCLUDED

These weeks are some of the busiest and most interesting times seen in the General Assembly. Consider:

- *House Republicans will bring in former Governor Thornburgh this coming week to present the case for tort reform including legislation to repeal JOINT AND SEVERAL LIABILITY. The Fair Share Act was passed by the General Assembly twice before only to be struck down by the courts the first time and vetoed by Governor Rendell the second.*
- *This week, Pennsylvania Association of Health Underwriters will convene its third Day on the Hill this month, with members coming from southeast PA to present private sector alternatives to Rendell's Cover All Pennsylvanians. One item of interest from last week was that PAHU's Day on the Hill coincided with NAIFA-PA's Day on the Hill. Both groups discussed Cover All Pennsylvanians. NAIFA-PA also discussed a proposal to tax financial services (they are opposed) and viaticals.*
- *The House Transportation Committee met last week to discuss banning use of hand-held cell phones in automobiles. HB 1827 (Shapiro-D-Montgomery) would ban hand-held cell phones being used while driving. HB 1506 (DePasquale -D-York) bans text messaging while driving. Two other bills dealing with driving distractions were also discussed.*
- *Senate State Government Committee held a hearing on Senate Bill 9 (Scarnati-R-Warren) that would deny state benefits such as Medicaid to illegal immigrants 18 years of age and older. Testifying for was the Manufacturers Association of South Central PA. Opposing the bill was Department of Public Welfare Secretary Richman who claimed that not a single illegal alien in PA was receiving taxpayer public assistance. (No, that is not a misprint.)*
- *At a press conference, NFIB presented a study saying that 100,000 Pennsylvania jobs would be lost if the payroll tax envisioned in Cover All Pennsylvanians were adopted.*
- *Other hearings of interest are agricultural labor supply with a joint October 23 hearing of the Senate Agriculture & Rural Affairs and the Senate Labor & Industry Committee...October 23 also has a Senate Communications & Technology hearing on privacy bills SB 149 (Tomlinson-R-Bucks) on use of Social security numbers and SB 390 (Corman-R-Centre) a prohibition on "phishing".*

SENATE COMMITTEE TO DISCUSS BLUES WITH ARIO

The Senate Banking & Insurance Committee plans a hearing October 23 to meet with Insurance Commissioner-designee Joel Ario to discuss the proposed merger between Independence Blue Cross and Highmark. Mr. Ario is expected to be asked questions about the Department's review process of a merger of this magnitude. Committee Chairman Don White (R-Indiana) has been an outspoken critic of the merger, saying that he fears a loss of consumer choice for health insurance after the two merge to become the Nation's third-largest health insurer. A second hearing on the merger is scheduled for Tuesday October 30.

HOUSE PASSES SCHIP RESOLUTION

On October 17, the Pennsylvania House passed a resolution 124-71 urging Congress to override President Bush's veto of the SCHIP re-authorization. HR 447 sponsored by Rep. Eugene DePasquale (D-York) was originally worded to "condemn" the President but was softened through amendment to simply urge an override. President Bush vetoed SCHIP because he said it would have expanded income eligibility for CHIP to have taxpayers subsidize insurance for the upper middle class and lead to "crowd-out" and a growth in public sector run health insurance programs. (Echoes of the Cover All Kids debate from last year.) HR 447 was also amended to ask that the Federal Government complete an audit on certain DPW programs. In March 2007, the House and Senate passed separate resolutions (HR 104 and SB 40) asking that Congress pass re-authorization legislation.

UPCOMING

- The PHC4 Purchasers' Meeting is set for November 14 at Harrisburg Area Community College. One of the speakers, Commissioner-designee Joel Ario, will discuss Oregon's experience with achieving health cost transparency. New Hampshire's experience will also be discussed. Details: www.phc4.org. There is a cost of \$30 to attend.
- "Sex, Drugs, and Alcohol" is the theme of Lehigh Valley's I Day November 1. Sponsored by NAIW, details are available from Michele Grace 610/657-3392
- Patient Safety Authority will meet November 13 in Harrisburg. Details: 717/346-0469
- On October 29, the House Education Committee will hold a hearing on the proposed consolidation of school district employee benefit programs into one state-controlled program.

MANDATED BENEFIT COMMENTS SOUGHT

The PA Health Cost Care Containment Council (PHC4) announced in the October 20 PA Bulletin (www.pabulletin.com) that it will accept public comments until November 19, 2007 on mandated benefit proposals referred to it by Senate Banking & Insurance Chairman Don White (R-Indiana). These proposed mandated benefits are:

- Diagnosis and treatment of spectrum autism disorders per House Bill 1150
- Coverage for colorectal cancer screening per House Bill 146
- A prohibition under the Unfair Insurance Practices Act of insurance companies requiring subscribers to use mail-order pharmacies per Senate Bill 260

RUMOR DEPARTMENT

- The Insurance Department debunked a rumor that insurance producers must pay a fee to review their CE transcript (www.sircon.com). Producer Services head Jack Yanosky says there has been no change in that free service although some producers may have mistakenly ordered a license history which supplies transcript and other information at a cost..
- Accident and Health Bureau Director Yen Lucas is rumored to be leaving that post.

COMMITTEE WORK

House Bill 534 (Rohrer-R-Berks) was taken off the House calendar and re-referred to Appropriations Committee October 15. It amends insurance law requiring insurer payment of clean claims within 45 days to include a stipulation that where a clean claim is paid in the form of a negotiable instrument and removed directly to the insured, the negotiable payment shall be made jointly to the insured and the health care provider... Senate Bill 778 (Armstrong-R-Lancaster) moved through the Senate Public Health & Welfare Committee October 17. It permits long-term care facilities to re-package drugs received from the Veterans' Administration... Three Workers Compensation bills (HB 292, 763, 1025) expanding WC coverage to additional groups were referred from the House calendar to the Appropriations Committee.