

LEG REG REVIEW

2009, 29th Issue September 8

LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm located near the State Capitol. It contains news on the legislative and regulatory scene in Pennsylvania that may be of interest to the Insurance and Business Communities. It is a free member benefit for those who are members of the Pennsylvania Association of Health Underwriters (PAHU) or Manufacturers Association of South Central PA (MASCOPA). 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 name and e-mail address if you wish to be removed from this list.

OBAMA SET TO RESTORE HEALTH MOMENTUM

President Obama hopes to restore momentum for his initiatives on health care reform with a speech to a joint session of Congress this week. As the town meetings showed, much of the public is up in arms about a massive federal intrusion into health care just as other Obama advocates are attempting to turn the issue into an us versus the insurance companies struggle. Some resources that you might find helpful in analyzing the issue are found at www.pahu.org. Among these resources are:

- Comparison of House and Senate bills
- Study of Cost Shifting
- Impact on Pennsylvania, and more

FLOOD MANUAL CHANGES

The National Flood Insurance Program (NFIP) Manual has a number of changes about which insurance producers need be aware. http://fema.nfipnextgen.com/manual/FloodInsuranceManual_Producers_Oct2009.txt
Effective October 1, some of the changes involve:

- Changes in premium
- Increasing pre-FIRM deductible
- Elimination of the \$500 deductible
- Basic limit increases from \$50,000 to \$60,000 for single family and from \$150,000 to \$175,000 for other
- Increases in content basic to \$25,000 residential and \$150,000 commercial

NFIP's reauthorization or continuance of the current authorization is one of Congress' issues as it returns to Washington this week.

SPARKS BEGINS NEXT WEEK

With a theme 'Something Old, Something New' the SPARKS Club Clinics begin September 14 in Kennett Square. The four-credit Clinics include material on Condo Insurance, Insurance Fraud, Farm Insurance, and Green Insurance Issues with Ethics being presented in Kennett Square to help Delaware insurance agents meet their state CE requirement for the same. The two-week series includes Clinics in Kennett Square, Lancaster (9/15), Altoona (9/16), Pittsburgh/Cranberry Township (9/17), Bethlehem (9/21), Williamsport (9/22), Pittston (9/23), Hagerstown, MD (9/24) and Dover, DE (9/25). Details: www.sparkscclub.com

IMPORTANT NOTICE RE SPEARKS IN PITTSBURGH!

The location for the September 17 SPARKS Clinic has changed from the Marriott to the Sheraton Hotel located near the juncture of I-79 and the PA Turnpike.

NAIFA-PA ANNOUNCED OCTOBER EVENTS

Several Sales Days mark NAIFA-PA's calendar for the fall. The events feature motivational and sales speakers. Schedule is: October 8 – Pittsburgh; October 14 – Greater Philadelphia; October 26 – Lancaster; October 27 – Allentown. Details: www.naifa-pa.org

REGULATORY UPDATE

- The Insurance Department issued a Notice reminding medical malpractice insurers that the Department requires 2008 information to be submitted by October 15, 2009. Some of the information required includes premium volume and claims paid as well as aggregate financial information re the amount of reserves. Details: Bojan Zorkic 717/787-6968
- The Federal Trade Commission (FTC) issued a new rule banning the use of robo-calls but exempted such calls coming from non-profit or political organizations or those that are informational such as a safety message. Details: Mitchell Katz 202/326-2161
- Federal versus State regulation of insurance is the subject of a new white paper produced by the national PIA. The paper was written by Mark Boozell, former Director of the Illinois Insurance Department. Details: www.pianet.com

SECRETARY WOLFF RESIGNS

PA Agriculture Secretary Dennis Wolff has resigned from the Cabinet of Governor Ed Rendell effective September 12. A practicing farmer from Columbia County, Wolff has led PA dairy farmers through a difficult period and, more germane to the insurance industry, has been an emphatic advocate for Crop Insurance and for maintaining the Crop Insurance Premium Subsidy Program now being threatened by the Budget impasse. Succeeding him is another Crop Insurance advocate, Russell Redding. Redding has held Agriculture posts in both Ridge and Rendell Administrations. He is credited for spurring the creation of a new generation of Crop Insurance, breaking away from the traditional mold of multi-peril insurance to one which looks at bottom line income as a tool to measure loss (Adjusted Gross Revenue Crop Insurance). He will require Senate confirmation.

LEGISLATIVE DEVELOPMENTS

Even though visible progress is hard to come by, there are some legislative developments worth noting:

- The Senate passed HB 222 to make individuals convicted of identity theft responsible for restitution for all reasonable expenses incurred by injured parties.
- Philadelphia pensions are the subject of HB 1828, which increases the city sales tax by one percent and defers some pension payments. The outcome of this legislation is uncertain since Pittsburgh is stressing that any pension relief affecting Philadelphia needs to include them too.

GOVERNOR'S SAFETY CONFERENCE to Take Place OCTOBER 19-20

Hershey, PA is again the locale for the Governor's Occupational Safety & Health Conference. The October 19-20, 2009 conference addresses employee issues (employee stress) to compliance areas (OSHA Lock Out program) to safety success through the certified workers' safety committees to performance of older workers. The keynote address will be presented by motivational speaker Bruce Wilkinson. Also presenting is Acting Assistant Secretary of Labor for OSHA Jordan Barab. Insurance attendees can receive eleven CE credits for the two-day event. Details: Kathleen Dupin, Bureau of Workers' Compensation 717/783-5421