

LEG REG REVIEW 2010, 17th Issue June 14

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 (MASCPA). 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.

FUNERAL ARRANGEMENTS ANNOUNCED FOR TYRONE WATFORD

Please note these funeral arrangements made for Phillips Associates partner Tyrone Watford who passed away suddenly on Friday June 4 after complications arising from routine surgery: Saturday June 19 at Winfield Funeral Home, 704 North Front Street, Steelton, PA (717/939-3342) with visitation at ten o'clock a.m. and the memorial service to follow at 11:00 a.m. I have been contacted by some wishing to honor his life through a donation. For those wishing to make a donation in Tyrone's memory, he believed very strongly in the PA Forest Fire Museum Association. Please use this address and I will forward: PAFFMA c/o Vince Phillips, 26 North 9th St. Lemoyne, PA 17042.

Regards, Vince

HOUSE, SENATE COMMITTEES MOVE LEGISLATION

Last week both House and Senate committees governing insurance moved legislation.

- **House Insurance Committee on June 8**

- *Approved by the committee was **HB 2522** (DeLuca-D-Allegheny) re improper referrals by health providers where there is a financial conflict of interest*
- *Passed over was **HB 2521** (DeLuca) provides for more billing transparency and defines unprofessional conduct for health care providers that order but do not supervise or perform a component of anatomic pathology who fail to disclose certain information on its bills*
- *Also passed over was **HB 2106** (Taylor-D-Montgomery) creates the PA Health Information Exchange (not to be confused with the Exchanges coming in 2014 as part of the new health care law) to promote electronic data exchanges between health care providers.*

- **Senate Banking & Insurance Committee on June 8**

The Senate Banking & Insurance Committee approved five bills: **SB 1181** regarding civil immunity from liability for certain persons in the insurance industry, for example working to combat insurance fraud – it was amended to make language consistent with House Bill 2154 ; **SB 1222** prohibiting insurers from charging fees for non-covered dental insurance services; **SB 1334** provides for service contracts as being distinct from the business of insurance; **HB 838** regarding payment to pharmacists; and **HB 1251** establishes a process for appealing an long-term care insurer's determination when the benefit trigger is not met, and was amended to include a provision extending mini-COBRA to 15 months from the current nine.

FEDERAL NOTE

PA Representative Paul Kanjorski (D-Luzerne), a House Financial Services subcommittee chairman, was named by the House as a conferee on the massive financial regulatory reform legislation being considered by Congress. He is the only Pennsylvanian on the conference committee. Please phone 570/825-6511 if you wish to share an opinion with him on this legislation.

NEW HOUSE MEMBERS SWORN IN

The House has three new members per the primary election to fill vacant seats. Newcomers are Representatives **Marcy Toepel from Montgomery County** filling Senator Bob Mensch's seat (He was elected Senator to fill the term of former Senator Rob Wonderling), **Marcia Hahn from Northampton County** for former Rep. Craig Dally, elected to local office, and **Adam Ravenstahl from Allegheny County**, elected to fill former Rep. Dan Walko's seat (also elected to local office). There is still one vacancy in the Delaware County seat held by Rep. Mario Civera. Civera was elected to the Delaware County Council. Toepel and Hahn are Republicans and Ravenstahl is a Democrat. The party ratio remains unchanged.

LEGISLATIVE UPDATE on CELL PHONES/TEXTING

Before the Memorial Day recess, the Senate amended House Bill 67 (Markosek-D-Westmoreland) re use of cell phones and texting in moving vehicles. The original version was tougher in that it treated texting/phoning while driving as a primary offense. Now, as a secondary offense, a driver could only be charged if there was another violation such as speeding. Junior drivers would still be prohibited from phoning/texting while driving and junior licensees could only have one passenger under 18 for the first six months and three under 18 thereafter.

REGULATORY UPDATES

- The PA Insurance Department and the Rendell Administration have accused the nine largest health insurers of questionable rationale for significant rate increases and for "cleaning the books" in advance of the 2014 transition to a prohibition on medical underwriting. PA is applying for a \$1 million Federal grant to beef up the Department's rate review abilities.
- A regulatory push is under way to better identify when insurers are in a precarious financial condition. The regulation was posted in the June 5 [PA Bulletin](#) and is open for public comment. (www.pabulletin.com)
- Notice 2010-3 was issued June 11 by the Insurance Department stating that insurers will NOT be required to contribute to the PA Workers' Compensation Security Fund because it is adequately funded.

PHC4 ISSUES NEW REPORT

The PA Health Cost Care Containment Council (PHC4) released a report June 10 on four chronic and costly conditions, diabetes, asthma, chronic obstructive pulmonary disease, and heart failure. [Chronic Health Conditions in Pennsylvania](#) includes detailed information on hospitalization rates, readmissions, and Medicare payments. Details; 717/232-6787 or www.phc4.org

PEOPLE

- Secretary of the Commonwealth Pedro Cortes is the latest Rendell Cabinet member to announce his resignation. Basil Merenda will be Acting Secretary at the Department of State.
- Mutual Inspection Bureau (MIB) President and CEO Debbie Standon has tendered her resignation effective August 31. In addition to her positive stewardship of the MIB for the past 2.5 years, she has also been very supportive to SPARKS, the mutual insurance company field reps' association which puts on Clinics in PA, MD and DE in September.

ARE YOU CONFUSED ABOUT THE NEW FEDERAL HEALTH REFORM LAW? Vince Phillips has made dozens of presentations to business and insurance groups on the new law and its implementation timetable as it relates to Pennsylvania. If interested in such a program please contact Vince Phillips via Joan Troutman at 717/732-7255 jtrout2792@aol.com.