

LEG REG REVIEW

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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.

BAKER TO INTRODUCE EXCHANGE LEGISLATION

Rep. Matt Baker (R-Bradford) is planning to introduce Health Insurance Exchange shortly after the New Year. It establishes a regulatory framework within the PA Insurance Department to meet the requirements of the Patient Protection Affordable Care Act (PPACA). It falls more in line with the Utah Model where the Exchange acts as a facilitator to help people find coverage in the private sector. Those seeking an Exchange insurance product would be required to utilize a licensed insurance producer and Navigator responsibilities would be limited to distributing general information but not advising regarding the particular aspects of the Exchange unless there would be an insurance license. Baker chairs the House Health Committee. PAHU strongly favors the Baker approach and is launching a grass roots campaign during the legislative recess to help gain sponsors for the legislation. The Corbett Administration is still working on its own Exchange proposal with language expected by mid-January.

NFIP GETS ANOTHER LIFELINE

The National Flood Insurance Program (NFIP) received a short-term extension of its authority to offer flood insurance due to the signing of the FY 2012 Omnibus Appropriations bill by President Obama on December 23. The program is functional through May 31, 2012 and Congress will again have to address the issue then.

CHANGES FOR THE NEW YEAR

- Teen driving means more supervised driving (from 50 to 65 hours) including nighttime driving (10 hours) and driving in adverse weather conditions (5 hours). Except for family members, there is a new restriction on the number of passengers.
- No more texting behind the wheel.
- Under Unemployment Compensation legislation, a claimant must actively search for work in order to be eligible for benefits. For benefit years beginning on or after January 1, receipt of severance pay will cut into a person's UC benefits.
- Mileage rates for 2012 per IRS Notice 2012-1 are 55.5 cents per mile for business miles driven, 23 cents per mile for moving or medical purposes and 14 cents per mile may be counted for miles driven in service of charitable organizations.
- On January 1, the PA Turnpike is penalizing those preferring to pay with cash instead of EZ Pass. Cash customers will pay ten percent more. The Turnpike doesn't like cash?

REGULATORY UPDATE

- The comment period has expired for the PA Banking Department's proposed regulation on continuing education under the Debt Management Services Act. This CE is required for all credit counselors, supervisors, and managers. Text of the rule is found in the PA Bulletin December 3, 2011. (www.pabulletin.com)
- Torus National Title Insurance Company has filed an application to acquire First Sealord Surety, a PA casualty insurance company.
- The Title Insurance Rating Bureau has filed a request for the Insurance Department to approve an overall 7.0% increase which will take effect March 1, 2012.

AN OPEN LETTER FROM PHILLIPS ASSOCIATES

Dear Professional Colleague:

PHILLIPS ASSOCIATES began on April 1, 1999. In October 2002, we expanded our services to agencies and these have been expanded several times since then. My letter to you is simply to ask that you take advantage of what my firm has to offer. Please also check some of these services out at our web site www.vphillipsassoc.com or call me at 717/346-1063. My email is xenobun@aol.com.

Continuing Education

There are over 70 PHILLIPS ASSOCIATES courses approved by the PA Insurance Department to help your producers and CSRs meet their Continuing Education requirements. Why not have us teach your people in-house? They (and you) will save time and money AND they won't be away from the office!.

Speaking to Groups

Dozens of speeches and CE presentations are given each year to organizations such as various I Days, NAIW or NAIFA chapters, etc. on a range of topics from Insurance Legislative Updates to the Patient Protection Affordable Care Act (PPACA), the massive federal health care law (125 talks in 2011). Many presentations are also approved for one and two-credits of CE. Many nonprofit speeches are given pro bono or in trade. PHILLIPS ASSOCIATES has also been a CE resource for insurance companies as part of their agent meetings.

PRODUCER PLUS and Agency Services

These are available on a subscription basis and offer many benefits including in-house CE, access to legal counsel specializing in insurance, and assistance in the regulatory realm. These are limited to twenty agencies per year to make sure that subscribers receive as much individual attention that they need.

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A free member service if you are a member of the Pennsylvania Association of Health Underwriters or Manufacturers Association of South Central PA and available by subscription for \$100 per year otherwise.

Lobbying and Advocacy

NOT meant to take away from any association's lobbying value to its members, PHILLIPS ASSOCIATES has done some "boutique" advocacy for special needs or tightly focused projects.

I look forward to hearing from you as to how my firm can be a resource to yours. Best wishes for the New Year.

Vince

Vince Phillips