

LEG REG REVIEW

2009, Forth 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 name and e-mail if you wish to no longer receive it.

INSURANCE COMMITTEE TO MEET

The PA House Insurance Committee meets this coming week to consider two health insurance bills, House Bill 84 (DeLuca-D-Allegheny) and House Bill 85 (DeLuca). The first prohibits insurers from paying claims for 'preventable serious adverse events'. The second mandates insurer payment for clinical cancer trials. Both were issues considered in the last legislative session.

DEPARTMENT CITES UNINSURED INCREASE

On January 29, the Insurance Department issued statistics compiled by Market Decisions LLC to say that over one million Pennsylvanians are not insured. According to the study, this represents 8.2% of the population and is centered in the 19-44 age group. Specifics:

- 62% of the 19-64 age group uninsured are working
- Percent of private sector insured Pennsylvanians from all age groups dropped to 62% from 66% in 2004 BUT in the below age 65 group the percentage of insureds actually increased to 70 percent.
- State programs enrollment has grown to 18% (from 2004's 14%)
- CHIP enrollment does not include 40 percent of eligibles

Details of the survey are found at www.insurance.state.pa.us or from Roseanne Placey 717/787-3289

POLITICAL NOTES

- U.S. Senator Arlen Specter was one of 35 Senators to vote against the nomination of Treasury Secretary Tim Geithner in Washington because of Geithner's \$34,000 "honest mistake" in not paying his federal taxes over several years. He will oversee the IRS' collection efforts from presumably "non-honest" mistakes in his new job. Pennsylvania's other Senator Bob Casey voted for the nomination.
- Former U.S. Representative Pat Toomey reportedly announced that he may consider the Governor's race.

BUDGET GOES FROM BLEAK TO BLEAKER

The latest budget shortfall of \$1.3 billion announced by Governor Rendell last week pales when compared to House Appropriations Committee chair Dwight Evans' projection of a \$5.6 billion dollar deficit for Fiscal Year 2009 beginning July 1. The Governor will present his Budget address to the General Assembly February 4, one day later than normal because of the Super Bowl.

MEDICAID WASTE ATTACKED

Auditor General Jack Wagner issued an audit citing the Department of Public Welfare for not properly screening eligibility for welfare recipients. The report claimed \$3 million of improper payments, a charge that DPW hotly denied.

CONFIRMATION NEWS...George Cornelius, former executive at a chemical firm, Arkema, Inc., was named Acting Secretary of the PA Department of Community & Economic Development (DCEd)...Senate Public Health & Welfare Committee meets this week to consider A. Everette James as Secretary of Health.

COMMITTEES ANNOUNCED IN HOUSE

After a dispute where Republicans accused the Democratic majority with reducing the ratio of Republicans on committees to 14 Democrats versus 10 Republicans, the new ratios were formally announced by the House Committee on Committees. The party ratio change particularly hurts the GOP on the Labor Relations Committee because two Republicans, Scott Perry and Nick Micarelli, have been called to active military duty. On that committee, the partisan working ratio is 14 Democrats and eight Republicans. Labor Relations handles Workers' Compensation legislation. Make-up of the House Insurance Committee follows with * denoting a new member:

<u>Democrats</u>	<u>Republicans</u>
Tony DeLuca (Allegheny), chairman	Nick Micozzie (Delaware), chairman
Dan Frankel (Allegheny)	Scott Boyd (Lancaster)
Brendan Boyle (Phila.) *	Gary Day (Lehigh)*
James Casorio (Westmoreland)	Robert Godshall (Montgomery)
Dom Costa (Allegheny)*	Tom Killion (Delaware)
Florindo Fabrizio (Erie)	Bob Mensch (Montgomery)
Nick Kotik (Allegheny)	Marguerite Quinn (Bucks)
Kathy Manderino (Phila.)	Brad Roae (Crawford)
Eddie Day Pashinski (Luzerne)	Curt Schroder (Chester)
Harry Readshaw (Allegheny)*	Mike Vereb (Montgomery)
Josh Shapiro (Montgomery)	
Matthew Smith (Allegheny)*	
Rick Taylor (Montgomery)	
Don Walko (Allegheny)	

NO LONGER on the Insurance committee are Democrats Tony Melio (Bucks), Ron Buxton (Dauphin), Jennifer Mann (Lehigh), Mike Gerber (Montgomery). Republican former members are Glen Grell (Cumberland), John Evans (Erie), and Tina Pickett (Bradford). This appears to be the first time since the early 1990s that the Insurance Committee has had NO representation from central or south central Pennsylvania.

COMMITTEE WORK

- The House Transportation Committee will take up HB 67 (Markosek-D-Westmoreland) to prohibit texting while driving
- The Senate Public Health & Welfare Committee holds a hearing February 10 on the drug and alcohol funding and service delivery system.

FINANCIAL CONFERENCE PLANNED

Sponsored by the PA Office of Financial Education, a conference on financial literacy is scheduled for May 13 in Harrisburg for community organizations, business groups, social service providers, HR professionals, and financial institutions. A pre-conference on fundamentals of retirement education is also being held. Details: Rose Stoner 717/783-2498.