

Legislative Report 10-7-2010

1. Obama Healthcare took its first steps on 9-23-10.
 - a. No lifetime maximums.
 - b. No wellness co-pays-carrier has to cover 100% of basic preventative care.
 - c. Dependents under 26 can stay on parents plan.
 - d. Children under 19 must be guaranteed issue without pre-existing conditions.
2. Federal High Risk plan started July 1, 2010.
 - a. DOI tells us that they have had reported 6000 applicants with 60 receiving offers for coverage.
3. We are working with Director Deal to get a phase in waiver for the MLR's to allow insurance companies to phase in the MLR's. We have meetings today with Dave Self president of the Idaho Insurance Carriers.
4. Political events.
 - a. Mike Crapo in Boise on the 20th of October at the Marriott Courtyard in Meridian. On 15th in Idaho Falls at the Hilton Garden. Both events are at noon with a \$25 price for lunch.
 - b. We have scheduled an event for Raul Labrador for October 15th at Louis in Meridian for lunch. The price for lunch is \$25.
 - c. We have sent out flyers for both and collecting RSVP's for the events.
5. The constitutional challenge started with opening arguments yesterday in a Florida court. The hope is the arguments will result in a hold on the plans implementation until the law suit can be heard. I don't think that will happen.
6. We have approached Director Deal about applying for a phase in waiver for the MLR's until 2014.
 - a. We have spoken to one company and they said that they are still trying to decide if that would be in their best interest, but would probably support the director if he applied for the phase in waiver.
 - b. We are approaching the other carriers to see if we can gain their support. If we can the director has committed to us that he would support and encourage the Governor to send in the phase in waiver request.
 - c. We are also discussing the idea with business group to gain their support also. We figure that with their support, the carries and the governor would be encouraged to help us.
 - d. There is a real fear that as of January 1, 2011 commissions will be impacted. Some carriers are saying that the will be eliminated others say that they will be reduced. Since the carriers are still waiting for final guidelines, they will not be able to decide until the guidelines are completed.
7. The DOI did receive the \$1 million that asked for to help put the process of the exchanges together. Most of the money will go to Health & Welfare to get their computer system adjusted to work with the subsidies that will be required under the law.
8. The federal judge in Florida started hearing this week on the constitutionality of the health care law. He has said that he hopes to make a decision about whether or not there is merit for the case and if so whether or not to push it directly to the Supreme Court. More to come.

9. NAIC has come out with their recommendations, they still need to be voted on but that should happen in their October meeting. The HHS will have to decide what if any part of the recommendations that they will use.
 - a. 35 of the members of the NAIC recently went to the White House and requested that the MLR's be phased in until 2014. To my knowledge there has been no decision thus far from HHS.
10. I was on a conference call on Tuesday with the national leg committee and they all fell silent when I explained that commissions may go away for Idaho producers next year. National has been working on the MLR's from the stand point of making them a pass through; they were surprised to find that some carriers are discussing eliminating the commission.
11. The good news is there is a lot of opportunity to touch bases with our current clients to expand the services that we offer them. If we meet their needs with other products, we will be here when the carriers finally decide what they are going to do.