

Legislative Report January 2011

1. MLR waiver/phase in:
 - a. We have submitted the information to Director Deal from the agents with a letter to ask him to send a letter asking for a waiver.
 - b. I have a CE committee meeting the state on Friday and will ask where we are.
 - c. I was disappointed with the number of agents who sent me letters to submit to the Director about their commissions. I did receive 15 but that seemed low to me since we all will be affected.

2. Day on the Hill:
 - a. The date is February 3, 2010. CE meeting in the afternoon with legislators and lobbyist. Dinner that evening at the Crystal Ballroom.
 - b. Asking all the agents in the state to sponsor their local representative even if they are not able to attend with the legislator. Letters will go out to both health and life underwriters this week.
 - c. Each of you should have received a letter explaining what we are doing and when. Please sponsor one of your legislators to come to the dinner, the cost is very low.

3. Capital Conference
 - a. Coming up February 14th -16th at the Hyatt Regency in Washington DC.
 - b. This should be a great time to be there since the issue of health care will be hot and heavy during that time. I hear that the republicans are asking for a repeal of the health care bill as one of their first pieces of legislation. It will probably get through the house and may get through the senate but is sure to be vetoed.
 - c. We have appointments with all our representatives except Labrador who is still setting up his office. I have talked to his scheduler and he has us on the list and will let me know as soon as he knows. I will follow up on him this week.

- d. We are still looking for someone from each of the locals to go with us. I found a hotel that is \$95 a night. There are still some good flight prices out there.

4. Exchanges

- a. Idaho is in the process of setting up an exchange committee appointed by the governor. We do not have a date of the start of the committee or when they will have their first meeting. Director Deal has indicated that there will be at least one representative from IAHU. We will have to wait and see.
- b. Jim, Scott and I have a meeting with the governor on the 21st of January. We should know more by then.
- c. The DOI and H&W have split the grant from the federal government and are working on the exchange implementation.
- d. We will keep you updated.

5. Health Care Task Force Meeting:

- a. Jim has been attending these meetings as the agenda dictates. In other words sometimes the agenda has little to do with us.
- b. When I get copies of the minutes from the staff, I will send them out to the legislative committee to be shared with the locals.

6. Obamacare.

- a. As many of you have already heard, a judge in Virginia has ruled the health care bill as unconstitutional. We are waiting to some degree for the judge in Florida to decide if the lawsuits with the other 28 states will progress. We feel that the case will wind up in the Supreme Court the only question is when.
- b. If the Supreme Court rules against the bill, a whole new set of procedures will come our way.

7. Commission changes:

- a. Blue Cross has announced that as of January 2011 the commissions for individual plans will go to 5% across the board. That will have a major impact on our agents.

- b. Pacific Source has not announced that as of the second quarter that their commissions will be reduced to \$10 for most of their plans. There is a bonus attached depending on the number of clients you have with them you can increase that upward to \$12-\$15 a member per month with no limit on the number in a family the agent will be paid for.
- c. We are waiting for word when Regence will make their announcement of commissions' adjustments and when they will take place.
- d. Needless to say, there will be a major impact this year to our agents.