



Chapter News

April 2009

## State Day on the Hill - Raleigh, NC

*Brook Seaford*

CAHU President Bob Frazer and I attended the NCAHU Day on the Hill in Raleigh March 3-4, where we met with individual legislators to update them on pending legislation involving the insurance industry, and to offer ongoing expertise and guidance related to our industry. Bob and I had an incredibly successful day, meeting with Rep. Ruth Sumuelson (R-Meck), Rep. Becky Carney (D-Meck), Rep. Ric Killian (R-Meck), Rep. Tricia Cotham (D-Meck), Sen. Eddie Goodall (R-Union) and Sen. Josh Stein (D-Wake). Each of our meetings was productive!

Specific issues we discussed were the impact of STOLI (Stranger Originated Life Insurance), tax deductibility of individual health insurance policies, association health plans and the treatment of co-pays for chiropractor services.

According to our lobbyist, Robert Paschal, the issue of STOLI is at a bit of a crossroads. The American Council of Life Insurers has determined that it does not have the financial resources to pursue this legislation without substantial help from the Department of Insurance. The DOI is focusing virtually all of its efforts at this time on the coastal insurance issues, and we should know something fairly soon whether or not the DOI will add STOLI to the list of issues it is promoting during this legislative session.

Senate Minority Leader Phil Berger and six other Republicans introduced S.B. 365 - Child Health Insurance Tax Credit which would allow an individual a tax credit equal to the premium costs the individual paid during the taxable year on qualified health coverage for a dependent for whom the individual was allowed to deduct a personal exemption. "Qualified health coverage" means coverage that equals or exceeds the minimum provisions of the basic health care plan of coverage under N.C.G.S. 58-50-125.

Rep. Goforth's Association Health Plans bill (HB 212) will be considered on Thursday in the session's inaugural House Committee on Insurance meeting. Our lobbyist, Robert Paschal, will be attending and will update us on its progress. NCAHU maintains that while association plans reduce the cost of health care initially, over the long term these costs increase and actually increase the costs of the group.

In other areas of interest:

Rep. Mark Hilton (R-Conover) introduced H.B. 397 - Conscience Protection/Contraceptive Coverage, which would amend the health benefit plan definitions of "outpatient contraceptive services" and "prescribed contraceptive drugs and/or devices" to declare that these services do not include those used to induce an abortion or devices that interfere with the development of an embryo after fertilization. No health insurer or employer would be required to provide prescription contraceptive coverage or outpatient contraceptive services coverage when the provision of the coverage is contrary to the religious beliefs or moral convictions of the insurer, employer or insured individual.

Senator Bill Purcell (D-Laurinburg) introduced S.B. 375 - Insurance/Cover Hearing Aids, which would require health benefit plans and the State Health Plan to cover the purchase and replacement of hearing aids up to \$2,500 per hearing aid every 36 months for covered individuals under the age of 22. This bill has been referred to Senate Commerce, and if it emerges from there, it will go on to Senate Appropriations.

Considering the budget constraints the General Assembly finds itself in this year, few of these issues will be of enormous impact, but maintaining a presence with these legislators is one of the most important roles we as CAHU members serve.

At the end of the month, several of us from the Charlotte chapter will attend the NAHU Capitol Conference where we will meet with our federal legislators. We will provide a detailed report after that very important trip.

### **Capitol Conference Washington, DC**

The 2009 NAHU Capitol Conference was a tremendous success. NCAHU had a healthy contingency in DC this year, totaling 54 representatives from the Tar Heel state! CAHU representatives were Bob Frazer, Brook Seaford, Kathleen Thomas, Wes Grigston, Jennifer Baucom, Alex Mercer, Nat Smith, Kay Schmitt and Ron Musto.

Obviously, the national debate regarding the administration's push for a public health care option was front and center in terms of conference priorities. As a result, we focused on NAHU's legislative priorities, which mostly focus on containing health care costs, improving quality, ensuring access to coverage and protecting private options for health care. We carried this message to our individual congressional appointments, which included almost all of North Carolina's representation, including both Sen. Richard Burr and Sen. Kay Hagan! For the Charlotte area, we met with Rep. Mel Watt, Rep. Sue Myrick and Rep. Larry Kissell.

In addition, several congressional members spoke to the entire group updating us on developments and key initiatives regarding the state of government affairs and the pending budget debate. For a full overview of the conference and related materials, check out [www.nahu.org/meetings/capitol/2009](http://www.nahu.org/meetings/capitol/2009).

On the state front, several bills impacting our industry are under consideration during this session. Among them is HB 2 - No Smoking in Public Places. This passed a third reading and will now be sent to the Senate. HB 212 - Health Insurance Pool Pilot Program (Buncombe Co. Association Health Plan initiative) passes this house 116-0 and will now be sent to Senate Commerce. SB 287 - State Health Plan/Good Health Initiatives, which would provide \$250m to the State Health Plan as well as make various benefit revisions to the Plan, passed in the Senate unanimously. Now it will go to the House Appropriations committee for discussion in the House.

SB 957- Special Enrollment Period/Group Health Insurance, which essentially offers small businesses, not covered by COBRA the same benefits currently under the Federal American Recovery & Reinvestment Act of 2009. This would create a special enrollment period for qualified beneficiaries who were involuntarily terminated between September 1 and now.

As mentioned before, the battle over providing a public option to "compete" with private insurers continues to rage. The risks associated with this strategy are significant, so I strongly encourage you to educate yourself on the details of this initiative and to review NAHU's position at [www.nahu.org](http://www.nahu.org). It is vital that we address these issues as an industry, as our voice is well-respected! The time is now!