

## GAHU Newsletter

Legislative Report - December 6, 2010

New Faces – We saw an unprecedented turnover in the Georgia General Assembly with State-wide office holders. Comparing officials elected on a state-wide basis in 2008, with the exception of the Lt. Governor and four of the five PSC members, every State-wide office holder in 2010 was elected to that post for the first time including, Governor-elect Nathan Deal, Attorney General-elect Sam Olens and Insurance Commissioner-elect Ralph Hudgens. In the Georgia General Assembly we have seen a tremendous change in office holders. Out of 56 Senators 13 are new and out of 180 House members 37 are new (over a 20% change). In addition, we have seen one Senator switch from the Democrat Party to the Republican Party (Tim Golden of Valdosta) and six Democrats switch to the Republican Party in the House (Ellis Black, Amy Carter, Gerald Greene, Bob Hanner, Alan Powell, and Doug McKillip).

We have also seen a change in the leadership with the election of Larry O’Neal from Bonaire who was elected the Majority Leader in the House and Stacey Abrams from Atlanta who was elected to the Minority Leader in that body. In the Senate, Cecil Staton of Macon was elected Majority Whip, Greg Goggans of Douglas was elected Majority Secretary and David Shafer of Duluth was elected Vice-Chair of the Republican Caucus.

The rest of the leadership stayed in place from last Session.

MLR (Minimum Loss Ratio) Waiver – The GAHU Board is working with NAHU to provide documentation to the Georgia Department of Insurance. The DOI is in the process of applying for a waiver with the Department of Health and Human Resources for a waiver until 2014. We are also coordinating with the various insurance carriers on the waiver and issues related to the waiver. We are hoping to find out more information on the outcome in the near future and we anticipate that the waiver application will be made sometime in the next 30 days.

Exchanges – Rick Bailey has been appointed the representative for GAHU on issues related to Insurance Exchanges. He has been attended a series of meetings along with a number of volunteers from GAHU sponsored by the Governor’s office and in conjunction with the Georgia Department of Community Health and Georgia State. The final meeting will be December 15<sup>th</sup> with a report to be provided to Governor-elect Nathan Deal and the Georgia General Assembly. We have been working closely with the leadership in both chambers on this issues including, Insurance Chairman John Meadows. Russ Childers is heading up a legislative committee that will be reviewing and drafting sample legislation to create an exchange in Georgia. We have been coordinating our efforts with the Georgia Association of Health Plans, the DOI, and other interested parties.

2011 Session- The 2011 Legislative session will convene on January 10, 2011. We expect broad-based health insurance reform legislation to be introduced. This will include such issues as rental network disclosure and expanding Georgia’s prompt pay statute. The results of the Exchange workgroups will

help dictate the direction the Legislature takes on the issue of Exchanges. This will be a big part of the 2011 session as we begin to see the new national health care reform law is implemented at the state level. Tort reform is expected to come up again and we will watch as new tort reform measures are explored. The budget is going to be a big issue all around. The 2012 budget will be even tighter than 2011 and therefore be a cloud over the entire session. It will be interesting to see what direction the new leadership will take on the above issues and what new issues may arise.

PAC Update – In 2010 the GAHU Political Action Committee had its most successful year. We raised and gave away over \$30,000. We were able to target key legislators that are critical to the process in the upcoming Session of the Georgia General Assembly and we were able to support policy makers that have a proven track record of working with our industry including Governor-elect (funded through the NAHU PAC). There will be opportunities throughout the year to get more involved with the PAC and contribute further to our Legislative victories.