



Ohio Association of Health Underwriters Legislative Update October 16, 2007

Prepared by John T. McGough

SCHOOL EMPLOYEES HEALTH CARE BOARD ESTABLISHES BEST PRACTICES TIMETABLE

At its October 12, 2007 meeting the School Employees Health Care Board (the Board) established a timetable to develop value based best practices (VBBP) for health purchasing as follows:

1. November/December 2007 – Obtain expert opinion and opinion of stakeholders on VBBP
2. January 2008 – Collate opinions and categorize
3. February 2008 – Weight and prioritize and distribute for response
4. March 2008 - Regional meetings to obtain responses
5. April 2008 – Revision and final approval
6. May 2008 – Public release and distribution to school districts

The value based purchasing concept has been developed by the National Business Coalition on Health (NBCH). NBCH is comprised over 70 business and health coalitions and believes that the goal of controlling health care costs and improving the quality and efficiency of health care services can only be realized if private employers join with stakeholders, particularly public employers and the Medicare and Medicaid programs, to pursue a strategy of value based purchasing. OAHU member Jan Walker will represent OAHU's interests on this matter as she serves on the Board's Best Practices Subcommittee.

RECENTLY INTRODUCED LEGISLATION

H. B. 335 – Prostate/Colorectal/Cervical/Ovarian Cancer Screening Exams

On October 2, 2007, Representative Michael DeBose introduced H.B. 335 to require health insurers and plans, including the state's Medicaid program, to provide benefits for prostate, colorectal, cervical and ovarian cancer screening examinations. The bill has been referred to the House Insurance Committee.

H.B. 294 – Post-Traumatic Stress Disorder Mandate

On August 9, 2007 Representative Ted Celeste (D- Grandview Heights) introduced H.B. 294 to prohibit HICs and insurers from excluding coverage for the diagnosis and treatment of post-traumatic stress disorder. The bill has been referred to the House Infrastructure, Homeland Security & Veterans Affairs Committee.

H.B. 291 – Any Willing Pharmacy Mandate

Representative Tom Patton (R-Strongsville) introduced H.B. 291 on July 26, 2007. The bill states that no HIC or insurer contract that includes coverage for prescription drug services shall exclude a nonparticipating pharmacy that is willing to meet the terms and conditions of the pharmacy program of the HIC or insurer. The bill received sponsor testimony in the House Insurance Committee on October 16, 2007.

H.B. 268 & S.B. 186 – Cancer Clinical Trials Coverage

On June 19, 2007 and June 13, 2007 Representative Joyce Beatty (D-Columbus) and Senator Steve Stivers (R-Columbus) introduced H.B. 268 and S.B. 186, respectively. These companion bills would prohibit insurers, public employee benefit plans, and multiple employer welfare arrangements from excluding coverage for routine patient care administered as part of a cancer clinical trial. H.B. 268 has been referred to the House Insurance Committee and S.B. 186 has been referred to the Senate Insurance, Commerce & Labor Committee. S.B. 186 is scheduled for its second committee hearing on October 17, 2007.

H.B. 251 – Prescription Contraceptive Mandate

On May 30, 2007 Representatives Jon Peterson (R-Delaware) and Tyrone Yates (D-Cincinnati) introduced H.B.251 which prohibits HICs and insurers from: (1) limiting or excluding coverage for prescription contraceptive drugs or devices if the contract provides coverage for other prescription drugs or devices, and (2) limiting or excluding coverage for physician-directed outpatient services that are related to the provision of such drugs or devices, if the contract provides coverage for other outpatient services rendered by a provider. The bill has been referred to the House Health Committee.

H.B. 249 – Increase Medicaid Reimbursement of Medical Transportation Services

Representative Ross McGregor (R- Springfield) introduced H.B. 249 on May 30, 2007 to establish a procedure to increase the Medicaid program's reimbursement rate for medical transportation services. The bill received sponsor testimony in the House Finance & Appropriations Committee on October 16, 2007.

H.B. 236 – Establish Family Health Plus Component of Medicaid Program

On May 29, 2007 Representative Sandra Williams (D-Cleveland) introduced H.B. 236 to require the Director of Job and Family Services to seek a federal Medicaid waiver to establish the Family Health Plus component of the Medicaid program, and imposes an assessment on hospitals to help fund the program. The program establishes criteria to allow individuals 18 – 64 whose income or resources exceed the Medicaid program's eligibility requirements to qualify for health care coverage under the

Medicaid Family Plus component. The bill has been referred to the House Healthcare Access & Affordability Committee.

H.B. 170 – Autism Mandate

On April 24, 2007, Representatives Ted Celeste (D-Grandview Heights) and Jon Peterson (R-Delaware) introduced H.B. 170 to prohibit health insurers from excluding coverage for autism. The bill received sponsor testimony in the House Insurance Committee on October 16, 2007.

H.B. 186 & S.B. 168 – Single Payer Health Care

On April 25, 2007 and May 15, 2007, Representative Michael Skindell (D-Lakewood) and Senator Dale Miller (D-Cleveland) introduced H.B. 186 and S.B. 168, respectively, to provide universal health care coverage for all Ohioans. These companion bills are essentially the SPAN Ohio government run health care proposal. H.B. 186 has been referred to the House Healthcare Access & Affordability Committee and S.B. 168 has been referred to the Senate Health, Human Services & Aging Committee.

OTHER PENDING LEGISLATION

H.B. 125 & S.B. 127 – Physician Contracting/Credentialing

On March 22, 2007, Representative Matt Huffman (R-Lima) and Senator Kevin Coughlin (R-Cuyahoga Falls) introduced H.B. 125 and S.B. 127, respectively. The bills would establish certain uniform contract provision between health care providers and third party payers, establish standardized credentialing and require third party payers to provide health care providers specified information concerning enrollees. On October 9, 2007, H.B. 125 passed out of the House Civil & Commercial Law Committee and later that same day also passed the House. H.B. 125 has been referred to the Senate Judiciary-Civil Justice Committee. S.B. 127 has also been referred to the Judiciary-Civil Justice Committee.

H.B. 6 – SCHIP Expansion

Representative Jimmy Stewart (R-Albany) introduced H.B. 6 on February 20, 2007. The bill increases the income eligibility limit for the Children's Health Insurance Program Part II to 300% of the federal poverty guidelines. The bill has been referred to the House Finance & Appropriations Committee. Provisions of this bill have been included in Governor Strickland's budget bill (H.B. 119).

S.B. 4 & H.B. 106 – Medicaid Buy In

On February 20, 2007, Senator Steve Stivers (R-Columbus) introduced S.B. 4. The bill establishes the Medicaid Buy-In for Workers with Disabilities Program which would allow eligible individuals with family income up to 250% of the federal poverty guideline to participate in the program. Provisions of this bill have been included in Governor Strickland's budget (H.B. 119). Also on March 13th Representative Jon Peterson (R-Delaware) introduced H.B. 106 which is the House companion bill version of S.B. 4. H.B. 106 has been referred to the House Finance & Appropriations Committee.

H.B. 99 & S.B. 114 – Epilepsy Drugs

On March 6, 2007, Representative Michelle Schneider (R-Madeira) introduced H.B. 99 and on March 13, 2007, Senator Kevin Coughlin (R-Cuyahoga Falls) introduced S.B. 114, respectively, regarding

substitution of drugs intended to treat epilepsy. H.B. 99 had its fourth hearing in the House Health Committee on October 16, 2007. S.B. 114 is pending in the Senate Health, Human Services & Aging Committee.

S.B. 115 – Dependent Age

On March 13, 2007, Senator Steve Stivers (R-Columbus) introduced S.B. 115 to require health insurers to provide coverage for unmarried dependent children until the age of thirty. To qualify, the child must be a resident of Ohio or a full-time student at a public or private institution of higher learning and cannot be employed by an employer that offers the child any health benefit plan. The bill received its second hearing in the Senate Insurance, Commerce & Labor Committee on April 18, 2007.

S.B. 104 – Assignment of Benefits

Senator Larry Mumper (R-Marion) introduced S.B. 104 on March 8, 2007. The bill would require insurers and other third-party payers to accept and honor assignment-of-benefit agreements entered into between plan beneficiaries and treating health care providers. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

H.B. 98, H.B. 137 & S.B. 99 – Diabetes Mandate

On March 6, 2007 Representative Michelle Schneider (R-Madeira) and Senator Randy Gardner (R-Bowling Green) introduced H.B. 98 & S.B. 99, respectively, to require health insurance policies and contracts to provide benefits for equipment, supplies and medication for the diagnosis, treatment, and management of diabetes and for diabetes self-management education. H.B. 98 received sponsor testimony in the House Health Committee on March 21, 2007 and S.B. 99 received sponsor testimony in the Senate Insurance, Commerce & Labor Committee on October 10, 2007. On March 28, 2007, Representative Schneider introduced H.B. 137 which is the same as H.B. 98 with the exception that it adds Representative Beatty as a co-lead sponsor with Representative Schneider. H.B. 137 has been referred to the House Health Committee.

S.B. 54 – Coverage Exclusions

On February 20, 2007, Senator Patricia Clancy (R-Cincinnati) introduced S.B. 54 to prohibit a health insurer from limiting or excluding coverage for injuries occurring as a consequence of an insured's use of alcohol or other drugs or both. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

S.B. 138 – Medicaid Coverage of Services

On April 5, 2007, Senator Tim Schaffer (R-Lancaster) introduced S.B. 138 to require the Medicaid program to include coverage for occupational therapy services provided by a licensed occupational therapist. The bill has been referred to the House Finance & Appropriations Committee.

H.B. 164 – Federally Qualified Health Centers

On April 18, 2007, Representative Ross McGregor introduced H.B. 164 to promote the establishment of federal health centers, to include federally qualified health center look-alikes in the medical malpractice premium assistance program, and to create a pilot program to place federally qualified health centers in two hospital emergency departments. The bill was scheduled for a possible vote in the House Health Committee on June 20, 2007.

S.B. 120 – Hospital ERs

On March 20, 2007, Senator David Goodman (R-Columbus) introduced S.B. 120 to require hospitals to operate emergency departments and maintain Medicaid and Medicare agreements subject to certain exemptions from those requirements. The bill received its fourth hearing in the Senate Health, Human Services & Aging Committee on June 20, 2007 and was scheduled for a possible vote.

H.B. 24 – Municipal Tax Deductions

On February 20, 2007, Representative Jeff Wagner (R-Sycamore) introduced H.B. 24 to authorize municipalities to allow self-employed taxpayers to take a municipal income tax deduction for amounts paid for medical care insurance and to authorize municipalities to allow individuals to deduct amounts paid into health savings accounts. The bill passed out of the House on April 17, 2007 and is pending in the Senate Ways & Means & Economic Development Committee.

H.B. 75 – Minimum Employer Coverage

On February 27, 2007, Representative Bob Hagan (D-Youngstown) introduced H.B. 75. The bill would require employers that employ 1,000 or more employees in the state and who in the preceding calendar year did not incur total health insurance costs of at least 8% of the total amount of wages paid to employees, shall remit 8% of the total amount of wages paid by the employer to employees in the state to the Director of Job and Family Services. All monies received shall be used for the exclusive purpose of supplementing the State's share of Medicaid costs. The bill has been referred to the House Insurance Committee.

H.B. 86 – Prohibit Coverage of Nontherapeutic Abortions

Representative Lynn Wachtmann (R-Napoleon) introduced H.B. 86 on February 28, 2007 to prohibit the state offering, sponsoring, or endorsing a health insurance policy that covers nontherapeutic abortion. The bill received its first hearing in the House Health Committee on March 14, 2007.

S.B. 13 – Placeholder on Healthcare

Senator Shirley Smith (D-Cleveland) introduced S.B. 13 on February 20, 2007. The bill formally states the intention of the 127th General Assembly to deliberate on how to improve the provision of, and payment for, health care services in Ohio in a manner that promotes Ohio's economic development and to revise the laws of the state to achieve improvements in these matters. The bill has been referred to the Senate Health, Human Services & Aging Committee.

S.B. 47 – Ohio Income Tax Deductions

On February 20, 2007, Senator Tim Schaffer (R-Lancaster) introduced S.B. 47 to authorize the deduction for unreimbursed medical expenses that exceed 3% of the taxpayer's federal adjusted gross income in computing Ohio income tax. The bill received its first hearing in the Senate Ways, Means & Economic Development Committee on March 14, 2007.

H.B. 116 – HSAs to Public Employees

On March 20, 2007, Representative Lou Blessing (R-Cincinnati) introduced H.B. 116 to require employers to make health savings accounts available to public employees. The bill has received two hearings in the House State Government Committee.