



**Ohio Association of Health Underwriters
Legislative Update
April 17, 2008**

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OHIO 2008 ELECTION

While the Ohio General Assembly will be in session during much of the first half of 2008, the focus for the second half of the year will be on the 2008 elections. This is due to the fact that 2008 is a Presidential election year and the election for all 99 Ohio House seats and 16 of the 33 Ohio Senate seats. There is a good chance that Ohio will again be one of the most heavily contested states for the Presidency and there is expected to be several competitive State House and Senate races. The current Republican House majority is 53-46 and the current Republican majority in the Ohio Senate is 21-12.

Many Statehouse insiders believe that control of the Ohio House is up for grabs given that the Democrats only need to pick up four seats to take control. It is anticipated that candidates on both sides will be well funded.

In the Ohio Senate, the Republicans are likely to maintain a strong majority. In this regard, there are six current Republican House members who won Republican primaries in an attempt to move to the Senate. They are: Representatives Bob Gibbs (Lakeville), Jim Hughes (Columbus), current House Speaker Jon Husted (Kettering), Tom Patton (Strongsville), Mark Wagoner (Toledo), and Chris Widener (Springfield). In addition, former Republican State Senator Karen Gillmor is seeking to return to her 26th Senate District seat.

ENACTED LEGISLATION

H.B. 125 – Physician Contracting/Credentialing

On March 22, 2007, Representative Matt Huffman (R-Lima) introduced H.B. 125. The bill establishes certain uniform contract provisions between health care providers and third party payers, establishes standardized credentialing and requires binding arbitration concerning the contract rights conferred by certain provisions of the bill. On October 9, 2007, H.B. 125 passed the House and on March 11, 2008 passed the Senate. Governor Strickland has signed the bill into law. Its effective date is June 25, 2008.

PENDING LEGISLATION

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 passed the Senate on January 15, 2008, and passed out of the House Insurance Committee on April 8, 2008. The bill will now go to the House floor for a vote.

S.B. 301 - Direct Billing of Pathology Services

On March 4, 2008 Senator Bill Seitz introduced S.B. 301 regarding billing for anatomic pathology services. The bill would prohibit a physician from billing for anatomic pathology services unless the services are personally rendered by the physician or rendered under the direct supervision of the physician. The bill has received two hearings in the Senate Health, Human Services & Aging Committee.

S.B. 278 – Colorectal Cancer

On January 23, 2008, Senator Kevin Coughlin (R-Cuyahoga Falls) introduced S.B. 278 to require health insurers, including the state's Medicaid program, to provide benefits for colorectal examinations. The bill has received three hearings in the Senate Health, Human Services & Aging Committee.

H.B. 355 – Medicaid Fraud

On October 18, 2007, Representative Jim Hughes (R-Columbus) introduced H.B. 355 which would authorize the recovery of damages and civil penalties for defrauding the state of money, property or services in relation to the Medicaid program, and to authorize private persons to bring civil actions to remedy the frauds. The bill has received nine hearings in the House Civil & Commercial Law 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 its most recent hearing in the House Insurance Committee on April 8, 2008.

H. B. 495 – College Student Health Insurance

On March 5, 2008 Representative Diana Fessler (R-New Carlisle) introduced H.B. 495 to prohibit state institutions of higher education from requiring a student to purchase the institution's health insurance plan as long as the student provides written proof that the student is covered by another health insurance policy, regardless of the amount of coverage or the amount of deductible prescribed in the policy. The bill has been referred to the House Insurance Committee.

S.B. 251 – Pilot Accessing to Health Grant Program

On November 8, 2007, Senator Kevin Coughlin (R-Cuyahoga Falls) introduced S.B. 251 to create the Pilot Accessing to Health grant program. The Ohio Department of Health would award grants to regional programs operated for the purpose of providing access to health care coverage or health care services to persons who otherwise would not have access to the coverage or services. The bill authorizes \$5 million per year for FY 2008-2009.

Two types of programs are eligible to apply for the grant. One is a program that makes health care coverage available to the employees of participating small employers by serving as a consumer of health care coverage and having the premiums or other costs for the coverage shared by the employers, employees and the program. The program may allow an employer to participate if the employer has not more than 100 employees on average in a 12 month period and has not made employer-sponsored health care coverage available to its employees for at least 12 months. The second is a voluntarily care network program that solicits, maintains, and makes available to participants a list of health care providers that agree to provide a percentage of their services according to a sliding fee scale or at no charge to persons who have low incomes and do not have health care coverage. The program may make the list available to any person who has an annual family income not exceeding 200% of the Federal Poverty Level. The bill specifically prohibits insurers and HICs from receiving grants. The bill is pending in the Senate Finance and Financial Institutions Committee.

H.B. 384 & S.B. 298 – Mental Health Parity (Including Substance Abuse and Drug Addiction)

On November 7, 2007 and February 26, 2008, Representative Ted Celeste (D-Columbus) and Senator Dale Miller (D-Cleveland) introduced H.B. 384 and S.B. 298, respectively, to prohibit discrimination in health care policies, contracts and agreements in the coverage provided for the diagnosis and treatment of mental illnesses and substance abuse and addiction conditions. This legislation would expand the current mental health parity law to include all mental illnesses, not just biologically-based mental illnesses, and add substance abuse and drug addiction. H.B. 384 has received three hearings in the House Insurance Committee and S.B. 298 has been referred to the Senate Insurance, Commerce & Labor Committee.

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

On October 2, 2007, Representative Michael DeBose (D-Cleveland) 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 had sponsor testimony in the House Insurance Committee on April 1, 2008.

H.B. 294 & S.B. 297 – Post-Traumatic Stress Disorder Mandate

On August 9, 2007 and February 26, 2008 Representative Ted Celeste (D- Grandview Heights) and Senator Dale Miller (D-Cleveland) introduced H.B. 294 and S.B. 297, respectively, to prohibit HICs and insurers from excluding coverage for the diagnosis and treatment of post-traumatic stress disorder. H.B. 294 received sponsor testimony in the House Insurance Committee on January 23, 2008 and S.B. 297 had sponsor testimony in the Senate Insurance, Commerce & Labor Committee on April 2, 2008.

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 has received three hearings in the House Insurance Committee.

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 is pending in the House Finance & Appropriations Committee.

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. 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.

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 is pending in the House Health Committee and S.B. 114 received its fourth hearing in the Senate Health, Human Services & Aging Committee on April 16, 2008.

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 fifth hearing in the Senate Insurance, Commerce & Labor Committee on April 16, 2008.

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.