

Ohio Association of Health Underwriters
Legislative Update
January 19, 2010
Prepared by John T. McGough

**BOTH CANDIDATES FOR GOVERNOR
ANNOUNCE THEIR RUNNING MATES**

The 2010 race for Governor has started with both announced candidates picking their Lt. Governor running mate. Democrat Governor Ted Strickland today announced that his running mate will be Yvette McGee Brown from Columbus. Ms. Brown is a former Franklin County Domestic Relations and Juvenile Court Judge and currently is the President of the Center for Child and Family Advocacy at Nationwide Children's Hospital. The Republican challenger is former Republican Congressman John Kasich from the Columbus area. His running mate is current State Auditor Mary Taylor who is a former state legislator from Green near Akron. While it's early, current polling shows this race very close.

2010 is a major election year with virtually all statewide offices on the ballot. Also, 17 of the 33 seats in the Ohio Senate and all 99 of the House seats are up for election. This election is of particular importance because whichever party wins at least 2 of the races for Governor, Secretary of State, and Auditor will gain control of the state Controlling Board. The Controlling Board is charged with drawing Ohio's legislative district lines every 10 years after the Census is completed. History has shown that whichever party draws the lines greatly increases their chances of winning a majority of seats in the Ohio Legislature.

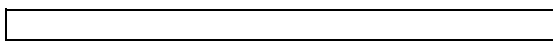
ODI UNVEILS SAMPLE OPEN ENROLLMENT PREMIUM RATES

In an effort to provide a sampling of premium rates for the Basic and Standard Plans under the new open enrollment program, the Ohio Department of Insurance has prepared a summary of the rates for various ages for Franklin County (Columbus area). Below is the chart.



Sample Open Enrollment Premium Rates January 2010

| Company | Basic Coverage for a non-smoker residing in Franklin county | | | | | |
|---|---|--------|--------|--------|--------|--------|
| | Male | | | Female | | |
| | Age 25 | Age 40 | Age 55 | Age 25 | Age 40 | Age 55 |
| Aetna Life Insurance Company | 172 | 275 | 553 | 256 | 386 | 524 |
| American Medical Security Life Insurance | 269 | 449 | 852 | 350 | 525 | 781 |
| American National Life Insurance Company | 174 | 304 | 820 | 246 | 408 | 741 |
| American Republic Insurance Company | 285 | 403 | 870 | 390 | 674 | 941 |
| Celtic Insurance Company | 251 | 443 | 870 | 280 | 524 | 860 |
| Community Insurance Company (Anthem) | 220 | 376 | 847 | 319 | 555 | 876 |
| Coventry Health and Life Insurance | 424 | 424 | 424 | 424 | 424 | 424 |
| Freedom Life Ins Co of America | 303 | 433 | 872 | 337 | 560 | 874 |
| Golden Rule Insurance Company | 270 | 429 | 954 | 325 | 505 | 879 |
| Health Plan of the Upper Ohio Valley, The | 414 | 414 | 414 | 414 | 414 | 414 |
| Humana Insurance Company | 234 | 333 | 756 | 299 | 479 | 774 |
| John Alden Life Insurance Company | 387 | 536 | 1,074 | 431 | 697 | 1,084 |
| Kaiser Foundation Hlth Plan of Oh | 385 | 594 | 740 | 404 | 614 | 745 |
| Madison Natl Life Ins Co Inc | 188 | 210 | 523 | 243 | 265 | 455 |
| McKinley Life Insurance Company | 92 | 156 | 315 | 122 | 216 | 336 |
| Medical Mutual of Ohio | 237 | 401 | 767 | 306 | 539 | 800 |
| Mennonite Mutual Aid Association | 230 | 374 | 703 | 329 | 506 | 763 |
| National Foundation Life Insurance Company | 225 | 359 | 688 | 241 | 457 | 1,169 |
| Mid-West National Life Insurance Company of | 176 | 272 | 620 | 239 | 380 | 628 |
| Pekin Life Insurance Company | 217 | 328 | 664 | 306 | 498 | 725 |
| Reserve National Insurance Company | 305 | 427 | 821 | 427 | 556 | 777 |
| Standard Life and Accident Insurance | 230 | 403 | 1,089 | 324 | 542 | 985 |
| Summa Insurance Company Inc | 258 | 446 | 1,032 | 373 | 666 | 1,073 |
| Time Ins Co | 387 | 536 | 1,074 | 431 | 697 | 1,084 |
| World Insurance Company | 285 | 403 | 870 | 390 | 674 | 941 |



| Company |
|--|
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| National Foundation Life Insurance Company |
| Mid-West National Life Insurance Company of |
| Pekin Life Insurance Company |
| Reserve National Insurance Company |
| Standard Life and Accident Insurance Company |
| Summa Insurance Company Inc |
| Time Ins Co |
| World Insurance Company |

Sample Open Enrollment Premium Rates (cont.) January 2010

| Standard Coverage for a non-smoker residing in Franklin county | | | | | |
|--|--------|--------|--------|--------|--------|
| Male | | | Female | | |
| Age 25 | Age 40 | Age 55 | Age 25 | Age 40 | Age 55 |
| 234 | 375 | 752 | 349 | 525 | 713 |
| 414 | 690 | 1,312 | 538 | 808 | 1,201 |
| 292 | 512 | 1,381 | 414 | 687 | 1,247 |
| 434 | 624 | 1,326 | 612 | 1,040 | 1,433 |
| 402 | 708 | 1,396 | 446 | 843 | 1,383 |
| 298 | 510 | 1,147 | 432 | 752 | 1,187 |
| 541 | 541 | 541 | 541 | 541 | 541 |
| 544 | 776 | 1,564 | 605 | 1,004 | 1,568 |
| 372 | 591 | 1,315 | 508 | 790 | 1,376 |
| 492 | 492 | 492 | 492 | 492 | 492 |
| 322 | 459 | 1,036 | 1,065 | 914 | 1,066 |
| 508 | 672 | 1,283 | 575 | 871 | 1,258 |
| 472 | 728 | 908 | 496 | 753 | 915 |
| 288 | 323 | 803 | 374 | 407 | 700 |
| 161 | 271 | 548 | 213 | 375 | 586 |
| 317 | 537 | 1,027 | 614 | 1,083 | 1,606 |
| 361 | 586 | 1,102 | 1,109 | 865 | 1,196 |
| 387 | 627 | 1,218 | 416 | 804 | 2,081 |
| 276 | 427 | 972 | 374 | 595 | 983 |
| 330 | 500 | 1,012 | 467 | 759 | 1,105 |
| 541 | 764 | 1,453 | 757 | 995 | 1,375 |
| 387 | 679 | 1,833 | 546 | 912 | 1,658 |
| 403 | 699 | 1,616 | 2,014 | 2,398 | 1,680 |
| 508 | 672 | 1,283 | 575 | 871 | 1,258 |
| 434 | 624 | 1,326 | 612 | 1,040 | 1,433 |

***Plan has reached its required annual quota for open enrollment.** Insurers must accept a certain percentage of FEIs and non-FEIs each calendar year for coverage under the federal HIPAA guidelines and Ohio Open Enrollment statute. However, when an insurer has met its quota, the insurer is not required to accept any additional applications until the insurer falls below its quota. If you have questions, please call a health analyst at the Ohio Department of Insurance: **1-800-686-1526**.

Enacted Legislation

S.B. 89 (Morano) – Advanced Practice Nurses Prescriptive Authority

On April 1, 2009 Senator Sue Morano (D-Lorain) introduced S.B. 89 to authorize out-of-state advanced practice nurses with prescriptive authority to obtain prescriptive authority in Ohio without completing an externship if they meet certain criteria. The bill was signed into law by Governor Strickland on December 28, 2009 and becomes effective in 90 days.

Recently Introduced Legislation

H.B. 384 (Bolon)

On December 1, 2009 Representative Linda Bolon (D-Columbiana) introduced H.B. 384 to use the compendia adopted by the U.S. Department of Health & Human Services under 42 USC 1395x (t)(2), as amended, or in medical literature that meets certain criteria to determine whether an insurer may limit or exclude coverage for off-label drug usage. The bill has received one hearing in the House Insurance Committee.

S.B. 210 (Coughlin & Kearney) and H.B. 373 (Carney & Wachtmann)

On November 17, 2009 Senators Kevin Coughlin and Eric Kearney introduced S.B. 210 and Representatives John Carney and Lynn Wachtmann introduced H.B. 373 to establish nutritional standards for certain foods and beverages sold in public and chartered nonpublic schools; to require students to have periodic body mass index measurements; to require daily physical activity for students and to make other changes regarding physical education; and to establish the Health Choices for Health Children Council. S.B. 210 has received two hearings in the Senate Health, Human Services & Aging Committee and H.B. 373 has received two hearings in the House Health Committee.

S.B. 200 (Morano)

Senator Sue Moran (D-Lorain) introduced S.B. 200 on November 10, 2009 to authorize certified registered nurse anesthetists to issue prescriptions for the administration of drugs during certain phases of patient care. The bill is scheduled to have sponsor testimony on December 15th in the Senate Health, Human Services & Aging Committee.

HCR 32 (Hagan)

On November 12, 2009 Representative Bob Hagan (D-Youngstown) introduced HCR 32 to request all members of the General Assembly to support the public option as part of national health care reform.

H.B. 357 (Carney)

On November 10, 2009 Representative John Patrick Carney (D-Columbus) introduced H.B. 357 regarding the Intrastate Mutual Aid Compact and the authority of certain EMS personnel to dispense drugs during an emergency that affects the public health; the authority of the governor to declare the existence of a health exigency; and information and guidelines issued by the Department of health concerning health exigencies; and to declare an emergency. The bill has received four hearings in the House Health Committee.

H.B. 332 (D. Stewart) – Contraception Coverage

On October 27, 2009 Representative Dan Stewart (D-Columbus) introduced H.B. 332 to prohibit health insurers and public employee benefit plans from limiting or excluding coverage for prescription contraceptive drugs and devices and outpatient services related to the provision of such drugs and devices. The bill has received one hearing in the House Health Care Access & Affordability Committee.

H.B. 331 (Hagan) & S.B. 205 (Hughes & Turner) – Medicaid Employer Information

On October 27, 2009 Representative Bob Hagan (D-Youngstown) introduced H.B. 331 and on November 12, 2009 Senators Jim Hughes (R-Columbus) and Nina Turner (D-Cleveland) introduced S.B. 205 to require applicant's for CHIP, Medicaid, Ohio Work's First and the Supplemental Nutrition Assistance Program to provide information about their employers and to require quarterly reports identifying the employers. H.B. 331 has received three hearings in the House State Government Committee and S.B. 205 has been referred to the Senate Insurance, Commerce & Labor Committee.

H.B. 310 (Garland & Driehaus) – Prostheses Coverage

Representatives Nancy Garland (D-New Albany) and Denise Driehaus (D-Cincinnati) introduced H.B. 310 on October 13, 2009 to require health insurers to provide coverage for prostheses benefits that are at least equal to the benefits provided under the Medicare program. The bill had its fifth hearing in the House Health Committee on December 9, 2009.

H.B. 300 (Dyer & Hottinger) – Insurance Agent Licensure

On October 6, 2009 Representatives Steve Dyer (D-Uniontown) and Jay Hottinger (R-Newark) introduced H.B. 300 to bring Ohio law into compliance with national standards established by the National Association of Insurance Commissioners (NAIC) to provide uniformity in agent licensure and oversight. 46 other states have already adopted these standards. The bill was proposed after input from the Insurance Agent Education Advisory Council. The bill passed out of the House on December 1, 2009 and has received one hearing in the Senate Insurance, Commerce & Labor Committee.

Active Pending Legislation

H.B. 8 (Celeste & Garland) – Autism Mandate

On December 8, 2009 the Ohio House of Representatives passed H.B. 8 (Autism coverage mandate). H.B. 8 passed the House by a vote of 57-39. An amendment by Representative Kevin Bacon (R-Columbus) was included in the bill that does the following;

- (1) \$36,000 annual cap per enrollee.
- (2) Insurer can review plan of treatment every 6 months.
- (3) Reimbursement is limited to someone licensed, certified or regulated by the state or someone working under their guidance.
- (4) Delayed effective date until Jan. 1, 2011.

The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

H.B. 81 (Boyd & Gardner) – Diabetes Mandate

On December 8, 2009 the Ohio House passed H.B. 81 by a vote of 58-38. The bill mandates coverage for diabetes supplies, equipment and education. An amendment by Representative Randy Gardner (R-Bowling Green) that sets up a small business health care affordability task force was included in the bill. The amendment included provisions of Rep. Gardner's H.B. 256. The task force is to look at tax incentives for businesses and incentives for businesses to offer wellness and disease prevention programs. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

H.B. 185 (DeGeeter & Book) – Material Amendments to Contracts

On May 19, 2009 Representatives Tim DeGeeter (D-Parma) and Todd Book (D-Portsmouth) introduced H.B. 185 to specify that a material amendment to a health care contract does not become part of the contract unless agreed upon by both parties. The bill passed out of the House on October 21st and has received one hearing in the Senate Insurance, Commerce & Labor Committee.

H.B. 216 (Carney)

On June 6, 2009 Representative John Carney introduced H.B. 216 relating to the regulation of professional employer organizations (PEOs). There was language in the introduced version of the bill that would have authorized PEOs to treat “shared employees” from multiple employers as one employer for purposes of offering health insurance. The bill, which is pending in the House Commerce & Labor Committee, has been amended to remove this language.

H.B. 122 & S.B. 98 (Boyd & T. Patton) – Physician Designations Protections

On April 4 and April 8, 2009, Representative Barbara Boyd (D-Cleveland Heights) and Senator Tom Patton (R-Strongsville), introduced H.B. 122 and S.B. 98, respectively, to place various requirements on health insurers that operate a system for physician designations including what must be considered in the evaluations, disclosure requirements, appeal rights and legal remedies against an insurer if a provider is adversely affected by a violation of the requirements. H.B. 122 passed the out of the House Health Committee on October 14th. S.B. 98 received sponsor testimony on October 27th in the Senate Insurance, Commerce & Labor Committee.

H.B. 146 (Hagan) – Authorize Counties to Participate in State Employee Plan

On April 22, 2009 Representative Bob Hagan (D-Youngstown) introduced H.B. 146 to authorize county officers and employees to participate in the state employee health insurance plan sponsored by the Ohio Department of Administrative Services. The bill has received one hearing in the House Insurance Committee.

Cancer Related Legislation

S.B. 138 (R. Miller) – Cancer Medications

On June 16, 2009 Senator Ray Miller introduced S.B. 138 to require health insurers that provide coverage for cancer chemotherapy treatment to provide coverage for certain prescribed, orally administered anti-cancer medications on a basis no less favorable than intravenously administered or injected cancer medications that are covered under the health insurance policy. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

S.B. 133 (Gillmor) H.B. 237 (Newcomb) – (Cancer Medications)

On June 10, 2009 and June 23, 2009 Senator Karen Gillmor (R-Tiffin) and Representative Deborah Newcomb (D-Conneaut) introduced S.B. 133 and H.B. 237, respectively, which would do the following:

- (1) Prohibit health insurance contracts that provide coverage for cancer chemotherapy treatment from providing coverage for a prescribed, orally administered cancer medication on a less favorable basis than coverage for intravenously administered or injected cancer medications.
- (2) Prohibit health insurance contracts that provide coverage for non-self-injectable medications, medications that must be compounded immediately prior to administration, or both, from doing either of the following:
 - a. Requiring an enrollee to take possession of such a medication from a pharmacy that is a retail seller, or
 - b. Giving an enrollee the option of having such a medication delivered directly to the enrollee by mail or any means of commercial shipment.

S.B. 133 has been referred to the Senate Insurance, Commerce & Labor Committee and H.B. 237 has been referred to the House Healthcare Access & Affordability Committee.

H.B. 134, H.B. 135, & H.B. 136 (DeBose) – Mandatory Offering – Cancer Screenings

On April 16, 2009 Representative Michael DeBose (D-Cleveland) introduced three bills relating to various cancer screenings. All three bills would require that insurers offer to provide, as a supplemental health care service, benefits for the expenses of examinations and laboratory test for certain cancers. The offering must be to “any nonsymptomatic individual” and the examinations and tests offered must be in accordance with the most recently published American Cancer Society Guidelines. H.B. 134 relates to prostate, colorectal, ovarian and cervical cancer screenings; H.B. 135 relates to prostate cancer screenings; and H.B. 136, which also has Representative Lorraine Fende (D-Willowick) as a principal sponsor, relates to ovarian cancers screenings. All three bills have received sponsor testimony in the House Healthcare Access & Affordability Committee.

H.B. 51 (Miller) – Breast Cancer

Representative Eugene Miller (D-Cleveland) introduced H.B. 51 on February 26, 2009 to create the Triple Negative Breast Cancer Commission. The commission would promote the study of this cancer which is defined as “the subtype of breast cancer characterized by cells that lack receptors for the hormones estrogen and progesterone and the protein receptor known as the human epidermal growth factor receptor2, or HER2, and therefore cannot be treated with breast cancer drugs that target these receptors, including such drugs as tamoxifen and trastuzumab”. The bill has been referred to the House Health Committee.

H.B. 56 (Miller) – Colorectal Cancer Screenings

On March 3, 2009 Representative Eugene Miller (D-Cleveland) introduced H.B. 56 to require health insurers to provide benefits for colorectal exams and laboratory tests for cancer in accordance with the most recent published guidelines of the American Cancer Society. The bill received its second hearing in the House Insurance Committee on May 20th.

S.B. 64 – (Coughlin) - Colorectal Cancer Screenings

Senator Kevin Coughlin (R-Cuyahoga Falls) introduced S. B. 64 on March 4, 2009 to require health insurers to cover colorectal cancer screenings. The bill, which is the same as S.B. 278 which passed the Senate last session, specifies the specific colorectal cancer screenings which insurers must cover. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

Other Pending Legislation

H.B. 198 (Lehner & Ujvagi) – Medical Home Demonstration Project

On June 2, 2009 Representatives Peggy Lehner (R-Kettering) and Peter Ujvagi (D-Toledo) introduced H.B. 198 to establish the Medical Home Model Demonstration Project and to provide for Choose Ohio First Scholarships to be awarded to medical students who agree to practice primary care in Ohio. The legislation contemplates the demonstration project being conducted in Montgomery and Lucas Counties. The bill has received three hearings in the House Healthcare Access & Affordability Committee.

H.J.R. 3 (Maag & Sears) – Health Care Constitutional Amendment

On August 26, 2009 Representatives Ron Maag (R-Lebanon) and Barbara Sears (R-Sylvania) introduced House Joint Resolution 3 to amend Ohio’s Constitution to prohibit a law or rule from compelling a person, employer, or health care provider to participate in a health care system. The bill has received sponsor testimony in the House Insurance Committee.

S.B. 159 (R. Miller) – Health Insurer Prohibition

Senator Ray Miller (D-Columbus) introduced S.B. 159 on August 6, 2009 to prohibit health insurers from denying payment for a service during or after the performance of the service if the insurer provided prior authorization for the service. The bill has been referred to the Senate Insurance, Commerce, & Labor Committee.

H.B. 256 (Gardner) – Small Business Health Care

On July 23, 2009 Representative Randy Gardner (R-Bowling Green) introduced H.B. 256 to create the Small Business Health Care Affordability Task Force to look at tax incentives for businesses, incentives for businesses to offer health wellness and disease prevention programs, what other states are doing in this area, and consider federal legislation regarding the provision of health insurance by small businesses and then report its findings and any recommendations to the Speaker and Minority Leader of the House, the president and Minority leader of the Senate and governor not later than six months following its initial organizational meeting. The Task Force is comprised of three House and three Senate members and up to five additional members who represent small business employers or employees or who are otherwise relevant to the duties of the Task Force. The bill, which is pending in the House Insurance Committee, was amended into H.B. 8 (autism coverage) on the House floor.

S.B. 154 (Patton) – Pharmacy Benefit Manager Prohibition

On July 8, 2009 Senator Tom Patton (R-Strongsville) introduced S.B. 154 to prohibit a pharmacy benefit manager that has a relationship (ownership or under their control) with a retail pharmacy from using that relationship to the competitive disadvantage of other retail pharmacies, including allowing coverage of covered drugs dispensed by that retail pharmacy but not by other retail pharmacies. The bill has received one hearing in the Senate Insurance, Commerce & Labor Committee.

H.B. 240 (Sears) – Medicaid Program

On June 23, 2009 Representative Barbara Sears (R-Sylvania) introduced H.B. 240 to require ODJFS to do the following things: (1) Issue a report on its efforts to minimize waste, fraud and abuse, (2) Create an alternative care management program, (3) create a disease management component of Medicaid and (4) impose a surety bond requirement on certain Medicaid providers. In addition, the bill requires local Medicaid agencies to report their costs associated with operating the Medicaid program. The bill has been referred to the House Health Committee.

S. B. 136 (R. Miler) - Telemedicine

On June 16, 2009 Senator Ray Miller (D-Columbus) introduced H.B. 136 to require health insurers and the Medicaid program to provide coverage for telemedicine services in the same manner that coverage is provided for face-to-face consultations. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

S.B. 137 (R. Miller) – Prompt Pay

Senator Ray Miller (D-Columbus) introduced S.B. 137 on June 16, 2009 to specify that Ohio's prompt pay law applies to Medicaid Managed Care Plans. The bill has been referred to the Senate Health, Human Services & Aging Committee.

H.B. 125 (Williams) – Establish Family Health Plus Component of Medicaid Program

On April 8, 2009 Representative Sandra Williams (D-Cleveland) introduced H.B. 125 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. 159 (Skindell & Hagan) – Establish Government-run Health Insurance System

Representatives Michael Skindell (D-Lakewood) Bob Hagan (D-Youngstown) jointly introduced H.B. 159 to establish a single-payer health care system for Ohio. The bill has received sponsor testimony in the House Healthcare Access & Affordability Committee.

S.B. 15 (D. Miller) – Enhanced Mental Health Parity

On February 10, 2009 Senator Dale Miller (D-Cleveland) introduced S.B. 15, the “enhanced mental health parity” legislation that mandates coverage for the diagnosis and treatment of all mental illnesses and substance abuse and drug addictions. It has been referred to the Senate Health, Human Services & Aging Committee.

S.B. 25 (Schaffer) – Deductibility of Medical Expenses

On February 10, 2009 Senator Tim Schaffer (R-Lancaster) introduced S.B. 25 to authorize the deduction of unreimbursed medical expenses to the extent the expenses exceed 1% of federal adjusted gross income. The current standard is unreimbursed expenses that exceed 7.5%. The bill received sponsor testimony in Senate Ways & Means & Economic Development Committee on February 18th.

S.B. 34 (D. Miller) – Group Health Insurance

Senator Dale Miller (D-Cleveland) introduced S.B. 34 on February 10, 2009 to require the Ohio Department of Administrative Services to create a health insurance program that allows municipalities, small employers and nonprofit corporations or associations to purchase for their employees the same policies provided to state employees. The bill has been referred to the Senate Insurance, Commerce & Labor Committee.

S.J.R. 2 (Coughlin) – Health Care Resolution

On February 24, 2009 Senator Kevin Coughlin (R-Cuyahoga Falls) introduced Senate Joint Resolution 2 to enact Section 43 of Article II of the Ohio Constitution to provide rights to people to enter into private contracts with health care providers for health care services and to purchase private health care coverage. The resolution has been referred to the Senate Insurance, Commerce & Labor Committee.