

LEG REG REVIEW

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LEG REG REVIEW is a periodic newsletter produced by PHILLIPS ASSOCIATES, a professional lobbying and consultant firm located near the State Capitol. It contains news on Pennsylvania legislation and regulations impacting the Insurance and Business Communities. Subscriptions are \$100 per year and further information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 FAX 717/232-7005 or e-mail at xenobun@aol.com.

UPMC FILES MOTIONS AGAINST PA ATTORNEY GENERAL

Following up on Attorney General Josh Shapiro's lawsuit early in February, UPMC filed its own lawsuit in Commonwealth Court February 21 against the Attorney General, asserting that Shapiro exceeded his legal authority by trying to dictate terms for UPMC and Highmark to do business together. According to news reports, (Pittsburgh Post-Gazette, KDKA-TV, AP etc.) part of the UPMC complaint is that federal anti-trust law was violated by the Attorney General's lawsuit. *NOTE: LEG-REG Review was unable to gain access to the actual text of UPMC complaint because the Commonwealth Court does not allow Internet access to court documents such as this unless the request comes from an attorney directly tied to the case. A fall-back would be to have the Commonwealth Court to charge a per-copy fee for a walk-in. (Source: Commonwealth Court 717-255-1650.) A call to UPMC was not returned by the time of writing this article and as of 5:30 p.m. February 25, there was no notice on their website.*

VENUE MEDICAL MALPRACTICE RULE PUT OFF

In response to pressure generated by the PA Coalition for Civil Justice Reform, health care providers, and legislators, notably with Senate passage of Senate Resolution 20 sponsored by Judiciary Committee Majority Chair Lisa Baker (R-Luzerne/Pike/Susquehanna/Wayne/Wyoming), the PA Supreme Court put a review of Rule 1006 (a.1.) also known as the Venue Rule, on hold. SR 20 directs the Legislative Budget & Finance Committee to research the medical malpractice market in PA after a 2003 requirement went into effect dictating that lawsuits must be tried in the county in which the alleged incident occurred. Also, on January 30, the House Republican Policy Committee held a hearing on the issue and received testimony from the Insurance Federation of PA, PA Medical Society and other health care provider groups.

Supporters of the current Venue Rule said that a Supreme Court's Civil Procedural Rule Committee recommendation to rescind the Rule would set the clock back to a return to higher Medical Malpractice Insurance premiums and a corresponding reduction in the supply of doctors available to meet patient needs.

BALANCE BILLING DISCUSSED AT HOUSE HEARING

The House Insurance Committee held two hearings to study the issue of balance billing also known as 'surprise billing'. This practice stems from the fact that hospitals will utilize independent contractors for specialty work such as anesthesiology who are not in an insurer's network. The patient receives this care believing that it would be covered because the hospital is in-network. The 'surprise' comes in that the non-network bill is considerably higher. Testimony was presented by Hospital & Healthsystem Association of PA (HAP), health care providers, and insurance companies. Insurance Committee Chair Rep. Tina Pickett (R-Bradford) and Senator Judy Schwank (D-Berks) will be introducing legislation addressing this issue.

COMING UP...

- On February 28, the House Democratic Policy Committee will meet in Wilkes-Barre to receive testimony on "Affordable Health Care".
- The House Labor & Industry Committee will hold a March 6 hearing on Workers' Compensation Prescription Issues in Harrisburg.
- On March 13, the PA House Health Committee will convene a hearing on Pharmacy Benefit Managers in Harrisburg.

ELECTION NOTE: Those planning to vote in the two House special elections March 12 in Lackawanna County and in Philadelphia should note that March 5 is the last day applications for absentee ballot may be received by the county boards of elections. All absentee ballots (except for military ballots) must be received by the elections boards by March 8.

ALTMAN CAUTIONS CONGRESS ON SHORT-TERM PLANS

PA Insurance Commissioner Jessica Altman testified before the U.S. House Energy & Commerce Committee about potential harms she sees coming from the Trump Administrations changes to short-term limited duration health insurance. She said that the plans are not an affordable alternative to comprehensive insurance because the limited plans have limited coverage. In her testimony, the Commissioner stated that “Consumers may experience an up-front savings in premiums but (their) affordability will likely prove to be illusory: those who need health care will run up against exclusions and limitations on coverage that, while making the purchase price more affordable, will do so only as a trade-off for benefit coverage and provider access.” She referenced complaints from insurance consumers because of the short-term policies’ fine print.

Altman also stated that short-term, limited duration plans neither cover pre-existing conditions nor provide essential health benefits like substance abuse disorder treatment as well as maternity care, prescriptions, mental health care, preventive (first-dollar) care and many other benefits found in comprehensive plans.

A link to Commissioner Altman’s testimony follows:

<https://www.insurance.pa.gov/Documents/Press%20and%20Communications/Testimonies%2c%20Remarks%2c%20Speeches/2019/Testimony-Altman-ACA%20Leg%20Hearing-021319.pdf>

REGULATORY UPDATES

- On February 16, the PA Insurance Department released the list of ten companies which have submitted Student Health Insurance Plans for review: Aetna; AmeriHealth; Commercial Casualty; Highmark; Keystone; National Guardian; QCC Insurance Company; Sirius America; UnitedHealthcare; and UPMC. Questions: Tracie Gray at tgray@pa.gov.
- A Workers’ Compensation Special Schedule ‘W’ Data Call has been issued by the Department. Carriers must use the PA Compensation Rating Bureau (www.pcrb.com) Financial Data Reporting Application. April 15 is the deadline for submitting this data. Details: Bojan Zorkie 717-787-6968
- March 1 is the deadline for Medical Malpractice Insurance carriers to submit the Act 13 of 2002-mandated Data Call to the PA Insurance Department. Questions: Dennis Sloand 717-214-1927; desloand@pa.gov.

IN PASSING...Former Delaware County Senator Ted Ericksen passed away at age 80.

I-DAY DETAILS ANNOUNCED

Two Pennsylvania Insurance Days (or I-Days) released information concerning their respective events. On April 9, the Philadelphia I-Day will take place. It is sponsored by the Insurance Society of Philadelphia and the CPCU Society. Details: Leah McGonigle 856-380-6889; www.phillyiday.org.

The Pittsburgh I-Day follows on May 16. Details: Insurance Club of Pittsburgh 412-489-5626; icp@insclubpgh.com