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ACCESS TO HEALTH INSURANCE

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For governments, public and private sector employers and insurers looking for some good news about health care spending, [Hewitt Associates](#), an international human resources services company, reports that in 2007 U.S. companies enjoyed a nine-year low in health care cost rate increases with average increases 5.3 percent in 2007, a decrease from 7.9 percent last year. But the company is projecting an 8.7 percent average increase in 2008. "It's encouraging to see rate increases soften because it means that companies are making a concerted effort to manage health care costs. However, one of the primary ways employers have been accomplishing this is by passing a significant percentage of costs to employees, and we're seeing evidence that this strategy is prompting an increasing number of employees to forego necessary preventative care," said Jim Winkler, practice leader of Hewitt's Health Management Consulting Business. Hewitt gathered the data for its report from more than 1,800 health plans representing more than 400 employers and 18 million health plan participants.²

The latest federal statistics on health care spending project stable growth at an average of 6.9 percent for the years 2006-2016, according to the [Centers for Medicare & Medicaid Services](#) (CMS).³ CMS also expects growth rates for public and private health care spending to converge this year at 6.5 percent.

The Henry J. Kaiser Family Foundation's [2007 Employer Benefits Survey](#)⁴ is reporting good news on the cost of employer-sponsored health insurance. Based on interviews with 3,078 public and private employers from January-May 2007, the survey shows that premiums for employer-sponsored health insurance rose only an average of 6.1 percent during the period, less than the 7.7 percent reported in 2006. Unfortunately, this news was tempered by the fact that the increase was higher than the increase in workers' wages (3.7 percent) or the overall inflation rate (2.6 percent). "We're seeing some moderation in health-cost increases, but premiums for family coverage now top \$12,000 annually. Every year health insurance

¹ Susan Tiffany is a publishing specialist on the Thomson West HPTS staff.

² "Data reveals rate of increases for U.S. health care costs declines for fifth consecutive year," Hewitt Associates, Sept. 24, 2007. <http://www.hewittassociates.com/Intl/NA/en-US/AboutHewitt/Newsroom/PressReleaseDetail.aspx?cid=4358>.

³ "National health expenditure projections 2006-2016," January 2007. Report by Centers for Medicare & Medicaid Services is *available at*: <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/proj2006.pdf>.

⁴ "Employer health benefits 2007 annual survey," The Henry J. Kaiser Family Foundation, Sept. 11, 2007. See: <http://www.kff.org/insurance/7672/upload/Summary-of-Findings-EHBS-2007.pdf>.

becomes less affordable for families and businesses," said Drew Altman, Kaiser's president and CEO.⁵

In 2006, the nation experienced an increase in the percentage and number of its citizens without health insurance. The percentage of those without insurance increased from 15.3 percent in 2005 to 15.8 percent last year according to the U.S. Census Bureau's report on [Income, Poverty and Health Insurance Coverage](#).⁶ The number of uninsured Americans increased from 44.8 million to 47.0 million in 2006, while those with health insurance increased to 249.8 million in 2006 from 249.0 million the previous year. In 2006 the number of people covered by private health insurance (201.7 million) and the number of those participating in government health insurance plans (80.3 million) were not statistically different from 2005.

STATES MOVE FORWARD ON UNIVERSAL COVERAGE

Presidential candidates, health insurers, business and labor leaders, state and federal legislators have all been advocates for health insurance coverage for the millions of Americans who are uninsured. While too many plans have been proposed this year to go into detail, one proposal that has been fully implemented is **Massachusetts'** pioneering plan for coverage. The law, which went into effect July 1, requires all residents to have coverage, although reports coming out of the Bay State indicate the public has been slow to be compliant with the law.⁷ But residents have until Dec. 31 to acquire insurance before being penalized. Low-income residents (with incomes below the federal poverty level) will receive no-cost care, while those with incomes up to three times the poverty level can enroll in state-subsidized plans. Residents with incomes that are more than three times the poverty level can choose coverage from new, lower-cost private plans if coverage is not offered by their employer.⁸ Under the plan insurers must provide certain minimum benefits including prescription drug coverage.

In **California**, debate over [2007 CA A.B. 8](#) (NS) is at the heart of a battle between the legislature and Gov. Arnold Schwarzenegger (R). The bill was barely passed by the legislature on Sept. 10 when the governor announced his intention to veto it, citing financial burdens it would place on employers and lack of coverage for the 2.8 million of the state's 4.8 million uninsured residents.⁹ On Sept. 11, Gov. Schwarzenegger announced a special session of the legislature during which he hopes a bill more to his liking will be passed. In announcing the special session, the governor said, "Californians cannot wait for reform. Just a few hours ago a report was released that said health insurance premiums continue to take

⁵ "Health insurance premiums rise 6.1 percent in 2007," The Henry J. Kaiser Family Foundation, Sept. 11, 2007. See: <http://www.kff.org/insurance/ehbs091107nr.cfm>.

⁶ Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica Smith, "Income, poverty, and health insurance coverage in the United States: 2006," August 2007. Report by the U.S. Census Bureau is available at: <http://www.census.gov/prod/2007pubs/p60-233.pdf>.

⁷ "Massachusetts health insurance law takes effect," July 2, 2007. Kaiser Daily Health Policy Report is available at: http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=45965.

⁸ "Massachusetts health insurance law takes effect," July 2, 2007. Kaiser Daily Health Policy Report is available at: http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=45965.

⁹ Tom Chorneau, "Governor vows that he will veto health care bill," *San Francisco Chronicle*, Sept. 11, 2007. 2007 WLNR 17707320.

more money out of families' pocketbooks and employers' bottom lines at a rate faster than wage growth or inflation."¹⁰

Very few states so far this year have made as concerted an effort toward universal coverage than California and Massachusetts have. While legislators are quick to agree that coverage is needed, especially for children, and have been busy introducing dozens of bills, **Table 1** (see **Appendix**) shows that very few of these bills have sustained a life long enough to pass into a second chamber much less be enacted. Several states, however, have enacted laws that bring some solutions to the overall health insurance crisis, including **Indiana, Oregon, Washington** and **Missouri**. Bills in **Hawaii's** legislature have another opportunity for possible enactment but not until 2008. Five of them have been carried over to next year's legislative session (see **Table 1, Appendix**).

Michigan lawmakers have formalized their position to develop a health care system that will provide comprehensive health insurance coverage to all state residents with the introduction of [2007 MI H.C.R. 22](#) (NS). The bill was referred to the Senate Health Policy Committee on Aug. 22.

In **Pennsylvania** the Family and Business Healthcare Security Act, [2007 PA H.B. 1660](#) (NS), was sent to the House Health and Human Services Committee on July 3 – a bill that would establish a statewide comprehensive health care system called the Pennsylvania Health Care Plan. Eligibility includes all residents of the state, including full-time out-of-state students attending school in Pennsylvania, documented aliens, the homeless, and migrant workers and their families. Enrollment in the plan would be automatic. Benefits would include primary and secondary inpatient and outpatient care, emergency and rehabilitation services, and hospice, home health and long-term care.

California lawmakers re-referred [2007 CA S.B. 840](#) (NS), a bill that would establish the single payer California Healthcare System, to the Assembly's Appropriations Committee on July 10. The bill would create the California Healthcare Agency that would administer the system. All California residents would be eligible to participate in the plan that includes chronic disease management, inpatient and outpatient health facility services, diagnostic imaging, adult day care, durable medical equipment, and language interpretation and translation for health care services including sign language as covered benefits. The bill would also provide that a resident of the state with a household income at or below 200 percent of the FPL would be eligible for the type of benefits provided under Medi-Cal.

FEDERAL, STATE ACTIONS SEE INCREASES FOR SCHIP

The **U.S. Congress** drew battle lines last week with the Bush Administration over [2007 FD H.R. 976](#) (NS), the bill that would reauthorize the Children's Health Insurance Program (CHIP) through 2012. The bill, which passed the Senate on Sept. 27, would provide a \$35 billion expansion of the program over the next five years and would be funded by an increase in the federal excise tax rate on tobacco products. The bill would also block new rules imposed in August by the Department of Health and Human Services restricting enrollment of middle-class children in the program. The bill would also provide:

- Protection of existing health coverage for the 6.6 million children currently enrolled in SCHIP;
- Extension of coverage to 3.8 million uninsured, low-income children;

¹⁰ "Gov. Schwarzenegger calls special sessions to complete key reform measures," *US State News*, Sept. 11, 2007. 2007 WLNR 17774434.

- A limitation on matching rate for states that propose coverage for children with family income that exceeds 300 percent of the federal poverty level (FPL);
- Resources and incentives to the states to help them reach SCHIP eligible children, and
- A phase-out of coverage for non-pregnant childless adults.

President George Bush (R) has said he would veto any bill that exceeded his budget targets and increased eligibility levels. A statement released from the White House on Sept. 25 explained the President's position. "His reauthorization proposal . . . expands funding by 20 percent yet maintains a focus on covering children in poor families. Unfortunately the House of Representatives . . . passed SCHIP legislation that pushes many children who now have private coverage into a government-run system, part of the Democrats' incremental plan toward government-run health care for all Americans. The bill also moves SCHIP away from its original intent of covering poor children by providing insurance to kids in some families making as much as \$83,000 per year."¹¹ Until a reauthorization bill is enacted, SCHIP will be funded until mid-November by a stopgap domestic funding bill that was passed by the House on Sept. 26.¹²

Meanwhile, in **Montana** Gov. Brian Schweitzer (D) signed [2007 MT S.B. 22](#) (NS) that expands the eligibility of CHIP to include families with incomes up to 175 percent of the FPL. The new law became effective July 1, 2007.

Mental health, vision and dental benefits are now available to children in **Wyoming** through that state's Kid Care CHIP program. The new benefits package, which was proposed by a state benefits committee, includes nine additional days of inpatient mental health care, teeth cleaning that will not be counted against the \$1,000 maximum dental care benefit, and the option for beneficiaries to purchase contact lenses instead of glasses.¹³

Louisiana's LaCHIP has expanded enrollment to include 9,000 more uninsured children in the state under [2007 LA H.B. 542](#) (NS). The law creates the Louisiana Children and Youth Health Insurance Program for children who are otherwise ineligible for assistance under Medicaid or benefits from LaCHIP and whose family income is between 200 and 300 percent of the FPL. Children with a parent who becomes unemployed and loses health coverage or newborns with parents who do not have affordable private or employer-sponsored health insurance are also eligible for coverage. The law also provides funding for marketing and outreach efforts to locate and enroll eligible children.

The eligibility threshold for **Alaska's** Denali KidCare has expanded with the enactment of [2007 AK S.B. 27](#) (NS), which was signed by Gov. Sarah Palin (R) on July 9. Income limits are now set at 175 percent of the FPL by the new law that also includes coverage for pregnant women and the disabled.

Increasing family income eligibility for **California's** Children's Services program from 200 to 400 percent of the FPL is the goal of [2007 CA S.B. 137](#) (NS) that was sent to Gov. Arnold

¹¹ "President Bush looks forward to signing clean extension of State Children's Health Insurance Program," *US Federal News*, Sept. 25, 2007. 2007 WLNR 18841936.

¹² Robert Pear, "House passes a stopgap bill to pay for programs," *The New York Times*, Sept. 26, 2007. 2007 WLNR 18960292.

¹³ "Wyoming SCHIP beneficiaries receive additional mental health, vision, dental benefits, July 10, 2007. The Henry J. Kaiser Family Foundation Daily Health Policy Report is *available at*: http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=46119

Schwarzenegger (R) on Sept. 19. If enacted, medical care would also be provided to children with specific physical limitations or chronic health conditions.

Utah has begun accepting new applications for enrollment in its CHIP program, the first new applications since enrollment was frozen in September of last year due to lack of funds. Since the beginning of 2007, the state's Department of Health has received \$4 million from the legislature to provide coverage for 12,000 children.¹⁴

As they shopped for back-to-school supplies in August, parents in **Illinois** had the opportunity to learn about health insurance coverage for their children, and get them enrolled in the All Kids program prior to their first day of school. In an effort to reduce the number of uninsured children in the state, the office supply store Staples promoted All Kids through in-store marketing efforts by encouraging parents to add health insurance to their list of back-to-school needs. Throughout the early days of the new school year, representatives from All Kids were on-hand at school and community center health fairs to promote the program that offers comprehensive health insurance to all uninsured children, including immunizations, dental care and eye glasses¹⁵

Gov. Blagojevich has also announced that he will expand coverage of All Kids, without approval of the legislature, to include sick or ill young adults who are 19-21 years of age. According to a report in the *Chicago Tribune*, Blagojevich said "Because we couldn't get some legislators to support this, I'm acting unilaterally to expand health care." The expansion will cover 7,000 young adults at a cost to the state of \$20 million a year. The governor contends his action – changing eligibility for existing programs – doesn't require legislative approval.¹⁶

Like Illinois, **Florida** has increased funding and back-to-school marketing efforts to enroll more uninsured children in its KidCare program. The program currently has openings for 33,000 children, and during the opening week of school in August, the state sent 2.7 million application forms home with children. During the legislature's last session, it allocated \$1 million in grants to promote the program,¹⁷ and \$18 million to fund the additional 33,000 enrollees.¹⁸

Enrollment in Checkup, **Nevada's** SCHIP program, has increased nine percent this year over 2006 with 2,400 more children enrolled. The increase, said Charles Duarte, administrator of the Division of Health Care Financing and Policy, "means we are beginning to see some progress in outreach and coordination efforts to get more children enrolled." The program has been budgeted to provide care for 30,167 children per month during fiscal

¹⁴ "Utah SCHIP allows new enrollment," July 5, 2007. The Henry J. Kaiser Family Foundation Daily Health Policy Report is *available at*:
http://www.kaisernetwork.org/daily_reports/rep_index.cfm?DR_ID=46023.

¹⁵ "Gov. Blagojevich kicks off statewide back-to-school All Kids campaign," *US State News*, Sept. 4, 2007. 2007 WLNR 17286306.

¹⁶ "G-Rod outlines plans to expand health care," *Chicago Tribune*, Aug. 31, 2007. 2007 WLNR 17118661.

¹⁷ Kathleen Chapman, "KidCare looks for children to enroll," *Palm Beach (Florida) Post*, Aug. 20, 2007. 2007 WLNR 16210932.

¹⁸ Stephen D. Price, "State CFO Sink kicks off KidCare outreach campaign," *Tallahassee Democrat*, Aug. 9, 2007. <http://www.tallahassee.com/apps/pbcs.dll/article?AID=2007708090352>.

year 2008, and 31,081 children in fiscal '09. "It looks like we are going to easily meet our budget. In order to reach this population, we really have to do a lot of aggressive marketing," Duarte said.¹⁹

Connecticut Gov. Jodi Rell (R) signed [2007 CT S.B. 1484](#) (NS) on July 10, an act that requires presumptive eligibility for medical assistance in publicly-funded insurance plans be implemented for uninsured newborns born in Connecticut hospitals or in hospitals in bordering states provided that the child's parent resides in the state and authorizes enrollment in the program. Uninsured children born in Connecticut or in bordering states will be enrolled on an expedited basis in the HUSKY Plan, Part B as long as their parents reside in Connecticut and authorize enrollment. The commissioner of social services will pay premium costs that families would otherwise incur for the first two months of coverage to the managed care organization selected by the parent. Children who are eligible for benefits under the HUSKY Plan, Part A or B will have uninterrupted coverage for as long as their parents elect to enroll or re-enroll them in the plan. Other provisions of the new law include foreign language interpreter services to beneficiaries with limited English proficiency as a covered service under Medicaid. The commissioner will also extend outreach efforts within the Latino and African-American communities to increase enrollment in HUSKY Plan A and B among medically underserved children and adults.

More children in **Delaware** will be covered by health insurance thanks to an initiative by that state's Commissioner of Insurance Matthew Denn. The commissioner's goal to enroll 1,000 children in the Delaware Healthy Children Program will be achieved by working with Delaware's Department of Health and Social Services and Department of Education to target children who qualify for free lunches in schools and other families who are identified by schools as potential enrollees. The initiative will also utilize volunteers to canvass churches, community centers and neighborhoods to sign up families.²⁰

Hawaii Governor Linda Lingle (R) signed [2007 HI H.B. 1008](#) (NS) creating a three-year pilot program in which the Department of Human Services pays half the premiums for health care that is provided to uninsured children aged 31 days to 18 years and who are ineligible for other state or federal coverage. The law also gives children of families with incomes at or below 300 percent of the FPL free access to medical care by expanding the state's QUEST Net eligibility requirements.

STATES IMPROVE ACCESS TO PRIVATE AND PUBLIC HEALTH CARE

A new law in **Illinois** expands access to health insurance coverage to state residents. [2007 IL S.B. 21](#) (NS) prohibits insurers from denying emergency, or other medical, hospital or surgical expenses to patients whose injuries resulted from intoxication or use of a narcotic. This law becomes effective Jan. 1, 2008.

Georgia Gov. Sonny Perdue (R) has issued an executive order creating the Mental Health Service Delivery Commission that includes representatives from the executive, legislative and judicial branches of the state government, as well as from law enforcement, and mental

¹⁹ Annette Wells, "Enrollment in state health care program for children rises," *Las Vegas Review-Journal*, Aug. 30, 2007. 2007 WLNR 17032577.

²⁰ "Delaware to target uninsured children with health coverage signup initiative," *US State News*, July 16, 2007. 2007 WLNR 14570154.

health advocacy groups. The commission will be responsible for evaluating the role of health insurance benefits coverage for those suffering from mental illness and substance abuse.²¹

Donated cancer drugs and medical devices are now available to uninsured patients in **Colorado**. [2007 CO S.B. 231](#) (NS) amends the Cancer Drug Repository Program that allows health care facilities, medical clinics or pharmacies to participate in the program where uninsured or underinsured patients will receive donated cancer drugs or medical devices. Secondary priority for the donated drugs and devices will be patients who are enrolled in health care plans if uninsured cancer patients are not available. The law gives pharmacists the responsibility for determining the safety of the drugs and devices for redistribution.

In July the **Wisconsin** Senate passed and sent to the House the Healthy Wisconsin health care reform package that would bring sweeping reforms in health insurance to residents throughout the state including providing universal coverage, and could have a major impact on other states seeking to reform health care. The package, which is unlikely to become law this year given its scope, is part of the budget bill ([2007 WI S.B. 40](#) (NS)). It proposes reform that is partly controlled by the government and funded by a nine to 12 percent payroll tax and a four percent tax on wages. The proposal's emphasis on primary care would create an estimated savings of \$565 million during the plan's first year. Administrative savings could tote up to as much as \$121 million for hospitals and \$286 million for physicians. An estimated 276,000 uninsured residents would receive coverage under the package that also includes mental health parity, prescription drug coverage and preventative dental care for children.²²

Funding has become available in **Pennsylvania's** adultBasic Insurance Program to reduce by 35,000 the number of adults waiting for coverage in the plan, according to Gov. Ed Rendell (D). The plan's beneficiaries, uninsured adults between the ages of 19 and 64, pay a monthly premium of \$33.50 in return for preventative care, diagnosis and treatment of illnesses and injuries, emergency accident care, in-patient hospitalization, physician services, and out-patient services. This funding reduces the number of adults on the waiting list from 111,000 to 76,000. While adults are on the adultBasic wait list, they are eligible to buy health insurance for \$305 per month. AdultBasic is funded by Pennsylvania's share of the national tobacco settlement, general fund allocations and the Community Health Reinvestment Agreement.²³

The Health Care Reform Act ([2007 LA S.B. 1](#) (NS)) is now law in **Louisiana**. The act redesigns publicly-funded health care by creating a medical home system of care for the coordination of care for the low-income uninsured and Medicaid beneficiaries. Primary care providers will coordinate and facilitate preventative and comprehensive primary care, offer patients access to appropriate specialty care and inpatient services that are quality driven and cost effective. The new system also emphasizes patient and provider accountability. The act grew out of the state's need to address health services for the uninsured following Hurricanes Katrina and Rita in 2005. The New Orleans neighborhoods that were hardest hit

²¹ "Governor Perdue issues executive order to create mental health commission," *US State News*, Aug. 9, 2007. 2007 WLNR 15454373.

²² Guy Boulton, "Is Senate's health bill best for all? Plan for universal care launches statewide debate on reform," *Milwaukee Journal Sentinel*, July 22, 2007. 2007 WLNR 14002910.

²³ "Gov. Rendell offers adultBasic insurance coverage to 35,000 uninsured Pennsylvanians," *US State News*, Aug. 30, 2007. 2007 WLNR 17224366.

by the hurricanes will be the first to take advantage of a pilot program provided for in the act.

North Carolina Gov. Mike Easley (D) signed [2007 NC H.B. 265](#) (NS) on Aug. 31 that requires the state to provide health insurance coverage for patients who cannot afford or do not qualify for coverage through private insurance due to high risk illnesses. The law establishes a high-risk insurance pool that will be partially funded by subscriber premiums. The pool's administrators will determine standard risk rates by analyzing premium rates that are charged by private health insurers, then establish rates that are 150-200 percent of what a healthy individual with private insurance would pay.²⁴

FEDERAL GOVERNMENT ACTS ON HEALTH INSURANCE ACCESS

The HSA Improvement and Expansion Act ([2007 FD H.R. 3234](#) (NS)) would improve access to health care by increasing the annual contribution limit to health savings accounts (HSAs). Under the bill's provisions, spouses would be able to make catch-up contributions to the same HSA account as long as an individual and his spouse reached age 55 before the end of the taxable year and the spouse was not a beneficiary of an HSA at the end of the taxable year. Changes would apply to taxable years following Dec. 31, 2007. The bill was sent to the House Ways and Means Committee on July 31.

The answer to the complex problem of health insurance reform may lie in newly introduced federal legislation. Sen. Michael Enzi (D-WY) introduced [2007 FD S.B. 1783](#) (NS) in July, also known as the Ten Steps to Transform Health Care in America Act. Its provisions would:

- Eliminate unfair tax treatment of health insurance with an expansion of choices, coverage and control over health care options for all Americans;
- Increase affordable options for working families to purchase health insurance through a standard tax deduction;
- Ensure affordable insurance for low-income persons from a refundable, assignable tax-based subsidy;
- Provide cross-state pooling to reduce health care costs and increase accessibility for small business owners, unions, associations and their employees, members and families;
- Blend individual and group health insurance markets to extend portability protections of the Health Insurance Portability and Accountability Act to the individual market so that insurance security moves with an individual from job to job;
- Give individuals the choice to convert the value of Medicaid and SCHIP program benefits into private health insurance; and
- Increase access to primary care in rural areas by helping doctors and nurses pay for their education, and by giving seniors more options to receive care in their homes.²⁵

Two new federal bills would amend the nation's tax laws and make paying income taxes for most Americans easier to swallow. The Affordable Health Care for Americans Act ([2007 FD H.R. 3516](#) (NS)) would provide a 100 percent deduction for the health insurance costs paid by individuals, and the Health Insurance Tax Relief Act ([2007 FD H.R. 3515](#) (NS)) would give individual taxpayers refundable credits against their income tax for the purchase of

²⁴ Lynn Bonner, "State to cover riskiest illnesses: Legislature passes health insurance," *The News & Observer* (Raleigh, NC), Aug. 3, 2007. 2007 WLNR 14889247.

²⁵ "Enzi unveils ten steps to transform health care in America," Gov't Press Releases, July 13, 2007. 2007 WLNR 13369278.

private health insurance. Both bills are sponsored by Rep. John McHugh (R-N.Y.), and were referred to the House Ways and Means Committee on Sept. 10.

The Universal Health Coverage Act ([2007 FD S.B. 1899](#) (NS)) would make qualified health coverage available to every American, including legal aliens who have permanent residence status. The bill defines qualified health coverage as coverage under Medicaid, Medicare, veterans' medical care, the Federal employees health benefit program, SCHIP, Indian Health Service and private health plans. The secretary of health and human services, in consultation with the National Association of Insurance Commissioners, would be required to develop three types of low-cost health plans for each state and the District of Columbia that would be available on a guaranteed-issue basis for all individuals with incomes below 400 percent of the FPL. If the bill becomes law, it would take effect Jan. 1, 2009.

The Preexisting Condition Exclusion Patient Protection Act ([2007 FD H.R. 2833](#) (NS)) would require insurers to maintain health care coverage for patients with chronic illnesses by not imposing a preexisting condition exclusion. In introducing the bill, sponsor Rep. Joe Courtney (D-Conn.) said, ". . . all Americans deserve access to affordable health care coverage without discrimination as a result of any chronic or pre-existing condition. My legislation will protect individuals suffering from chronic illnesses from further abuse by the health care industry." Joining Courtney in introducing the bill was its cosponsor Rep. George Miller (D-Calif.), who said, "No American worker should worry about whether he or she will continue to receive coverage for chronic medical conditions when switching employers. This legislation would take us a big step in the right direction by increasing access to comprehensive health care for the 94 million Americans who suffer from a chronic illness." The bill was referred to the House Subcommittee on Health, Employment, Labor and Pensions on Sept. 11.²⁶

A proposed amendment of U.S. tax laws would allow long-term care insurance to be offered under cafeteria plans and flexible spending accounts (FSAs) thereby providing additional consumer protections for long-term care insurance. [2007 FD H.R. 3363](#) (NS) was introduced on Aug. 3 by Rep. Earl Pomeroy (D-N.D.) who said, "The Long-Term Care Affordability and Security Act takes an important step towards helping Americans prepare for a secure retirement." The bill's cosponsor Rep. Jim Ramstad (R-Minn.) said, "With millions of baby boomers on the verge of retirement, it is critical that Congress address the impending long-term care crisis." The Act, said Ramstad, "is a commonsense solution that will expand access to high-quality, long-term care services."²⁷

EMPLOYER-BASED INSURANCE DECLINES IN CALIFORNIA

A report by the UCLA Center for Health Policy Research shows a decrease in employer-based health insurance coverage in **California** for moderate- to low-income employees from 2001 to 2005. A strong economy did nothing to halt the decline that caused 6.5 million Californians to be uninsured for all or part of 2005. E. Richard Brown, director of the center, commented on the report's results in an article in the *Los Angeles Times*. "It seems very clear from our study that employment-based coverage, which is the foundation of our

²⁶ "Rep. Courtney joined by Rep. Miller in unveiling of legislation to protect Americans with chronic, preexisting medical conditions," *US Federal News*, July 19, 2007. 2007 WLNR 13854973.

²⁷ "Pomeroy, Ramstad, Schwartz, Hulshof introduce legislation to expand access to long term care insurance," *US Federal News*, Aug. 3, 2007. 2007 WLNR 17591454.

insurance for the nonelderly, is eroding out from under us.”²⁸ The report also found that while the percentage decrease of employers offering insurance went from 56.4 percent in '01 to 54.3 percent in '05, 678,000 fewer employees had health insurance. For workers with moderate- to low-incomes, the decline in insurance fell from 58 to 53 percent for a family of three with an annual income from \$38,000 to \$48,000. UCLA based the results of the survey from data compiled by its California Health Interview Surveys from 2001 and 2005.²⁹

STATES' CHIEF EXECS PROMOTE HEALTH PLANS

Universal health coverage and reducing the cost of the coverage is one of the priorities of “Partnership for Coverage” that is being rolled out in **New York** State's 2007-2008 budget. Key elements in the plan are raising the eligibility threshold of the Child Health Plus program to 400 percent of the FPL that will increase access to care for the state's 400,000 uninsured children. The plan will also streamline Medicaid enrollment so that those who are eligible will be able to more easily transition into the program and remain enrolled. Under the plan, the Health Commissioner and Insurance Superintendent will be responsible for developing a proposal to achieve universal health insurance, which must be presented to the governor by May 31, 2008. “Our ‘partnership for universal health coverage’ will be based on a building-block approach that ensures access to affordable, high quality medical care for every single New Yorker, reduces the overwhelming and unsustainable cost of healthcare incurred by the public and the state, and avoids the significant implementation problems that have plagued other state efforts in this area,” said Gov. Eliot Spitzer (D).³⁰

Arkansas Gov. Mike Beebe (D) spent his summer traveling the state to promote ARHealthNet, the state program that provides health insurance coverage for employees of small businesses. For a business to qualify for the program, it:

- Must have at least two full-time employees;
- Must agree to cover all eligible uninsured employees;
- Must have at least one enrolled employee who meets income qualifications (annual income of 200 percent or less of the FPL); and
- Must not have offered coverage to employees for at least 12 months.

The program costs each member approximately \$25 per month. It does not exclude coverage for pre-existing conditions, and there is no waiting period for enrollment. “While we work to find new ways to make health care more accessible to all Arkansans, we must also take advantage of the tools already in place,” said Gov. Beebe. ARHealthNet has been operating since December 2006.³¹

Tennessee Gov. Phil Bredesen (D) proclaimed August 5-11 CoverKids Week, a campaign to promote enrollment in CoverKids, the state's health insurance program for children. Kicking

²⁸ Mary Engel, “Study shows decline in state for job-based health insurance,” *Los Angeles Times*, July 11, 2007. 2007 WLNR 13139026.

²⁹ E. Richard Brown, Ninez Ponce, Shana Alex Lavarreda, “Job-based insurance declines for moderate- and low-income workers,” UCLA Center for Health Policy Research, July 2007. Available at: http://www.healthpolicy.ucla.edu/pubs/files/empbased_ins_PB_jul07.pdf.

³⁰ “Governor Spitzer and Lieutenant Governor Paterson direct health and insurance departments to develop a ‘Partnership for Coverage,’ New York’s plan for universal health coverage,” *US State News*, July 11, 2007. 2007 WLNR 13176852.

³¹ “Arkansas Gov. Beebe promotes affordable health care for small businesses,” *US State News*, July 9, 2007. 2007 WLNR 13008151.

off the week, the governor said, "We are working to close the health insurance coverage gap for thousands of Tennessee's uninsured children." During the week, CoverKids representatives were available at retail locations throughout the state to explain the benefits of the program and to sign up eligible families. The campaign period coincided with Tennessee's sales tax holiday when many families normally shop for back-to-school supplies. Approximately 127,000 children in Tennessee are uninsured.³²

Georgia Lt. Gov. Casey Cagle (R) has unveiled a proposal that would make health insurance coverage more affordable and accessible to all state residents, especially the poor. The proposal would establish clinics to serve the working poor, a clearinghouse for insurance products for individuals and small businesses, a Catastrophic Health Insurance plan, and a physician direct plan. In outlining the proposal, Lt. Gov. Cagle said, "There are many particular steps that we can take, but the bottom line is that meaningful health care reform can only take place when we put consumers back in charge of their health care and we find ways to provide basic services to those in need." Specifics of the plan include:

- Safety Net Clinics established with grants that would provide basic services, chronic disease treatment and prevention services, and immunizations;
- The Web-based Georgia Health Marketplace would provide marketing health insurance products to consumers;
- Small businesses qualifying for Georgia's HIP plan and residents qualifying for PeachCare would be able to enroll in the programs on the Marketplace;
- Residents could enroll on the Marketplace in the high deductible Catastrophic Health Insurance Plan that would be coupled with a health savings account; and
- A physician direct plan on the Marketplace would enable hospitals and physician groups to market directly to consumers.³³

RISE IN CIGARETTE TAXES FUND HEALTH CARE

In these difficult days for states attempting to balance budgets, many legislators and governors continue to look at increasing taxes on cigarettes as a way to increase funding for health insurance coverage for their uninsured residents. This year is no different than previous years in the number of states looking at this as a revenue stream. **Iowa** Governor Chet Culver (D) was one of the first governors to sign a bill this year approving an increase. [2007 IA S.B. 128](#) (NS) creates a health care trust fund that will be paid for by a \$1 per pack tax increase.

Oregon Governor Ted Kulongoski (D) attempted to use increased cigarette taxes to fund coverage for 117,000 uninsured children. The **Oregon** House passed his proposal ([2007 OR H.B. 2201](#) (NS)) but it never reached the Senate for consideration. Another measure, [2007 OR H.B. 2967](#) (NS), that would have increased the cigarette tax by 84.5 cents per pack to fund uninsured children under age 19 in the Healthy Kids Plan, fell one vote shy of passing the House.

Wisconsin Governor Jim Doyle (D) hopes to fund insurance for his state's 185,000-250,000 uninsured residents with a \$1.25 per pack increase through [2007 WI S.B. 40](#) (NS), which passed the Senate on June 26.

³² "Gov. Bredesen promotes CoverKids during sales tax holiday," *US Federal News*, Aug. 3, 2007. 2007 WLNR 14966277.

³³ Lt. Gov. Casey Cagle, "Prepared remarks at the Georgia Press Association Newsmakers Luncheon," Aug. 23, 2007. http://ltgov.georgia.gov/00/article/0.2086.2199618_37709452_89745471.00.html.

Table 2 in the **Appendix** updates the status of state and federal bills that have been introduced and enacted so far this year.

HSAs APPEAL EXPANDS NATIONWIDE

The growing popularity of health savings accounts has led 1.3 million more Americans to participate in the lower-premium, higher-deductible plans from January 2006 through this past January. The increase brings to 4.5 million the number of Americans now enrolled in HSAs according to a census of insurance provider members of [America's Health Insurance Plans](#) (AHIP).³⁴ The census notes that one-quarter of those purchasing HSAs in the individual market had previously been uninsured, and that nearly half of those in individual HSAs are age 40 years or older. AHIP's census also notes that more than 90 percent of employers that offer HSAs/high deductible health plans (HDHP) offer preventative care options before the deductible is satisfied. Fueling the attraction to HSAs, according to [Information Strategies, Inc.](#),³⁵ a New Jersey-based human resources consulting firm, are new IRS rules that raise the level of contributions that individuals and families can make to accounts. "Many people are just now learning about the changes effected in the closing days of the last Congress and they are taking advantage of the new higher savings limits and the greater flexibility in rules," said [JoAnn Laing](#),³⁶ president and CEO of Information Strategies. State actions so far this year reflect legislative hesitancy to enact new HSA laws. For an update on current state actions on health savings accounts, see **Table 3** in the **Appendix**.

ACHIEVING COVERAGE THROUGH FAIR SHARE LAWS

What efforts on behalf of millions of uninsured and underinsured working Americans have been expended by legislators this year? Will their efforts make a substantial difference in the lives of these workers? Tensions have escalated over the last few years between legislators and the business community with attempts to mandate that employers provide coverage for employees. **Maryland** nearly hit a home run for uninsured and underinsured workers with its Fair Share Health Care Fund Act ([2005 MD S.B. 790](#) (NS)), which became law in 2006. However, in January 2007, the Fourth Circuit Court of Appeals upheld a lower court ruling against implementation of the Maryland law that had been an attempt to force large employers like Wal-Mart into offering affordable coverage to employees.³⁷

Did the court's ruling against the Maryland law quash other state's enthusiasm for this kind of legislation? The facts would certainly seem to indicate that lawmakers nationwide are putting less faith in "fair share" legislation to improve coverage for uninsured and underinsured workers. During the first half of 2006, 25 bills were pending in nine states. By comparison, **Table 4** in the **Appendix** shows just how few bills have been introduced this year, the majority of which were dead by the end of many state's legislative sessions. On an encouraging note, however, Wal-Mart announced earlier this month that it will improve employee health coverage next year by reducing employee costs, increasing the number of

³⁴ "January 2007 Census shows 4.5 million people covered by HSA/high-deductible health plans," April 2007. Report by America's Health Insurance Plans' Center for Policy and Research is *available at*: http://www.ahipresearch.org/PDFs/FINAL%20AHIP_HSAReport.pdf.

³⁵ "HSAs will grow significantly in 2007 despite Congressional doubts," April 2007. Press release from Information Strategies, Inc., is *available at*: http://www.hsafinder.com/04-07_08.shtml.

³⁶ "HSAs will grow significantly in 2007 despite Congressional doubts," April 2007. Press release from Information Strategies, Inc., is *available at*: http://www.hsafinder.com/04-07_08.shtml.

³⁷ *Retail Industry Leaders Ass'n v. Fielder*, 475 F.3d 180 (4th Cir. 2007) (Md.).

employees covered by company health care, and offering employees less expensive prescription drugs.³⁸

IMPROVING ACCESS TO DENTAL CARE

A new dental clinic catering to the health and financial needs of patients over the age of 55 has opened in Seattle, **Washington**. Geriatric Dental Group (GDC) opened the nonprofit clinic in June that also caters to wheelchair-bound seniors. Funded by a \$225,000 grant from the Washington Dental Service Foundation, the clinic is able to offer more affordable care because its fees are 20-40 percent lower than private practices, according to a report in the *Seattle Post-Intelligencer*.³⁹ "We've talked about the drastic need for senior dental care here and we've set fees that allows the clinic to operate but gives patients affordable care," said Amy Linder, director of GDC. In addition, the clinic offers flexible payment plans. The clinic is staffed by three part-time dentists and has plans to expand staffing.

A \$160,000-\$200,000 grant from AmeriChoice, a subsidiary of UnitedHealth Group, to the University of **Maryland's** pediatric dentistry school will enhance services to Medicaid beneficiaries. The grant will cover the cost of a pediatric dentistry case manager who will help beneficiaries manage their treatments and appointments. It will also establish a pediatric dental fellowship and dentistry residency program, and offer continuing education courses in oral health for pediatric and family medicine residents and UnitedHealth Group Medicaid network physicians.⁴⁰

LEGISLATION SUPPORTS SMALL BUSINESSES

Looking to ease the financial burden of small businesses that provide health insurance coverage to employees, state and federal legislators have introduced several bills since the beginning of the year with options ranging from tax credits to rebates. Employees in **Rhode Island** can use pretax income to purchase health insurance according to the provisions of [2007 RI S.B. 448](#) (NS), which was signed by Gov. Donald Carcieri (R) on June 27. The law requires that on or before July 1, 2009, each employer in the state with annual average employment of more than 25 employees for six consecutive months must adopt and maintain a cafeteria plan through which employees and their families may buy health insurance.

New Hampshire Gov. John Lynch (D) signed [2007 NH S.B. 135](#) (NS) on June 20 that does not specifically address tax incentives or other ways to reduce the burden on small businesses, yet its passage benefits small companies as is implied by its stated intent to establish a "commission to study lowering costs for health insurance by small businesses." The commission will also be responsible for identifying approaches and products to reduce the rate of cost growth.

Small insurers in **Hawaii** that occupy less than 30 percent of the health insurance market can now provide the broadest health care coverage at the lowest possible rates by permitting different types of insurance to be combined into a single unified policy with the

³⁸ Michael Barbaro, "Health plan overhauled at Wal-Mart," *The New York Times*, Sept. 19, 2007. 2007 WLNR 18318195.

³⁹ Cherie Black, "Dental group makes vital services affordable," *Seattle Post-Intelligencer*, Aug. 2, 2007. 2007 WLNR 1488776.

⁴⁰ Karen Buckelew, "U of Maryland dental school to receive grant worth up to \$200,000," *The Daily Record* (Baltimore, M.D.), Aug. 9, 2007. 2007 WLNR 15523430.

enactment of [2007 HI S.B. 1803](#) (NS). The new law also encourages broader coverage of sole proprietors and other employer groups with only one employee.

REGULATORY ACTION

Several states have published final rules this year that spell out the “how to” of implementing new laws. These actions include the issuing of permanent rules (2007 WA Reg Text 85380 (NS)) by **Washington’s** Insurance Commissioner that follow the general format of the NAIC model regulation to allow for greater consistency in the implementation of coordination of benefit standards.

Tennessee’s Department of Finance and Administration has published public necessity rules (TN ADC 0620-5-1-.01–05)⁴¹ that require the CoverKids program to immediately begin providing medical services to eligible children and pregnant women utilizing federal funding in the operation of this program.

In **Utah**, the department of health has published notices of rule effective dates for UT ADC R382-10⁴². This rule establishes the eligibility requirements for coverage under CHIP. It is authorized by Title 26, Chapter 40.

Two permanent regulations were issued on June 29 by **Massachusetts’** Commonwealth Health Insurance Connector Agency. The first, 2007 MA Reg Text 78101 (NS), outlines the purpose of the changes to draft regulations 956 CMR 5.00 as published in the Massachusetts Register on May 4, 2007. The changes are to clarify the general criteria for the lowest threshold health insurance plan that an individual must purchase to satisfy the legal requirement that a Massachusetts resident have health insurance in order to avoid paying a fine to the Department of Revenue. Minimum creditable coverage is designed to provide individuals purchasing the coverage with access to some preventive health care as well as protection against severe financial losses as a result of serious illness.

The second **Massachusetts** regulation, 2007 MA Reg Text 78101 (NS), outlines the purpose of the changes to existing 956 CMR 3.00. The purpose is to adjust the qualification of enrollees whose annual income is at or below 100 percent of the FPL to enrollees whose annual income is at or below 150 percent of the FPL in order to conform to the new annual levels of premium contributions for the Commonwealth Care insurance program, and to establish the method by which the Commonwealth Health Insurance Connector Authority will set annual levels of premium contributions for the Commonwealth Care insurance program.

Final regulations (2007 VA Reg Text 86987 (NS)) have been issued in **Virginia** regarding revisions to rules because of the passage of an amendment to §§ 38.2-5902 and 38.2-5905 of the Code of Virginia relating to expedited appeals of final adverse decisions regarding health care coverage. The revisions include provisions for expedited consideration of appeals involving a terminal condition. The provisions include a requirement that the commissioner or his designee shall issue his written ruling affirming, modifying, or reversing the final adverse decision no later than one business day following the receipt of such recommendation.

⁴¹ 2007 TN REG TEXT 69067 (NS).

⁴² 2007 UT REG TEXT 73428 (NS).

Proposed regulations have been filed by **Connecticut's** Department of Social Services (2007 CT Reg Text 98031 (NS)) that if adopted would administer the HUSKY B program that expands the provision of child health assistance to uninsured children whose family income exceeds Medicaid eligibility limits. The proposed regulations contain eligibility and other program requirements for children to be enrolled in a managed care organization. The HUSKY B program offers coverage on both a subsidized and non-subsidized basis, depending on family income. The proposed regulations set forth the premium and copayment requirements and limitations for different income levels, specify the health benefits covered by the HUSKY B program, limitations on those benefits and specific services excluded from coverage. The proposed regulations also outline additional benefits available to children enrolled in HUSKY B with special physical health care needs who qualify for the HUSKY Plus Physical program.

Massachusetts' Division of Health Care, Finance and Policy issued emergency regulations (2007 MA Reg Text 89648 (NS)) that specify employers with 11 or more employees file information about group health plans and compliance with the requirement to adopt and maintain a Section 125 Cafeteria Plan under M.G.L c. 151F. In addition, any employee that is offered and declines to enroll in employer-sponsored insurance, or is offered and declines to purchase health insurance through the employer's Section 125 Cafeteria Plan, must sign an Employee HIRD Form.

The Insurance Department of **New York** issued emergency rulemakings on Aug. 22 (2007 NY Reg Text 94600 (NS)) that would create additional health insurance options for qualifying small employers and individuals by requiring health maintenance organizations (HMOs) and participating insurers to offer high deductible health plans in conjunction with the Healthy New York Program.⁴³

An executive order issued by **New York** Gov. Eliot Spitzer (D) establishes the Governor's Children's Cabinet that will be responsible for improving the health, education and safety of children in the Empire State. Specifically the order (2007 NY Reg Text 88855 (NS)) makes the cabinet responsible for overseeing the implementation and expansion of a plan to provide universal health insurance for children.

This Issue Brief contains information on introduced and pending legislation. Subscribers to Legislation To Watch can view the full text of these bills, along with related information and actions. If you do not have access to Legislation To Watch, or for information about other HPTS products or subscribing to Westlaw, please contact 1-800-WESTLAW (1-800-937-8529).

⁴³ 11 NYCRR 362-2.7, 8.

Appendix
Table 1: Universal Health Care Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 CA A.B. 8 (NS)	9-10-07 passed by Assembly and Senate	Would establish universal health coverage
2007 CA A.B. 10 (NS)	8-28-07 to Senate Rules Committee	Would express intent of legislature that all Californians have health insurance
2007 CA A.B. 53 (NS)	3-28-07 re-referred to Assembly Health Committee	Would express legislature's intent to enact universal coverage for all Californians
2007 CA S.B. 840 (NS)	7-10-07 to Assembly Appropriations Committee	Would establish California Universal Health Care Act
2007 CT H.B. 5543 (NS)	Died on adjournment 6-6-07	Would have ensured funding for universal care
2007 CT H.B. 5660 (NS)	Died on adjournment 6-6-07	Would have established universal coverage for children
2007 CT H.B. 6087 (NS)	Died on adjournment 6-6-07	Would have established a multi-payer health care system
2007 CT H.B. 6281 (NS)	Died on adjournment 6-6-07	Would have ensured funding for universal health coverage
2007 CT H.B. 6655 (NS)	2-22-07 House Insurance and Real Estate Committee recommended no action	Would have established universal coverage
2007 CT H.B. 6661 (NS)	2-22-07 House Insurance and Real Estate Committee recommended no action	Would have established universal coverage
2007 CT H.B. 6969 (NS)	Died on adjournment 6-6-07	Would have established universal coverage
2007 FD H.B. 15 (NS)	2-2-07 to House Health Subcommittee	Would create national health insurance system
2007 FD S.B. 95 (NS)	1-4-07 to Senate Finance Committee	Would ensure coverage for all the nation's children
2007 FD S.B. 334 (NS)	1-18-07 to Senate Finance Committee	Healthy Americans Act would provide guaranteed private health coverage for all Americans
2007 FD H.B. 1111 (NS)	6-5-07 to House Health, Employment, Labor and Pensions Subcommittee	Companion to Senate bill 95 (<i>see above</i>)
2007 FD S.B. 1899 (NS)	7-30-07 to Senate Finance Committee	Universal Health Coverage Act would establish qualified health coverage for all Americans
2007 HI H.B. 56 (NS)	8-27-07 carried over to 2008 regular session	Would establish Hawaii Health Commission to develop universal coverage plan
2007 HI S.B. 753 (NS)	8-27-07 carried over to 2008 regular session	Would fund task force for studying single-payer concept
2007 HI S.B. 1061 (NS)	8-27-07 carried over to 2008 regular session	Would establish agency to operate a single-payer system
2007 HI S.B. 1086 (NS)	8-27-07 carried over to 2008 regular session	Would establish an agency to operate a single-payer system

Appendix
Table 1: Universal Health Care Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 HI S.B. 1061 (NS)	8-27-07 carried over to 2008 regular session	Would establish an agency to operate single-payer health care insurance system
2007 IL S.B. 5 (NS)	5-31-07 placed on Senate calendar	Would create Health Care For All Act
2007 IN S.B. 503 (NS)	Signed by governor 5-10-07	Establishes Healthier Indiana Insurance Program
2007 IN H.B. 1680 (NS)	Died on adjournment 4-29-07	Would have created universal health care plan
2007 ME H.B. 790 (NS)	6-21-07 carried over to any regular or special session of 123 rd legislature	Would establish single-payer health care system
2007 MD H.B. 400 (NS)	Died on adjournment 4-9-07	Would have established a universal plan
2007 MI H.C.R. 22 (NS)	8-22-07 to Senate Health Policy Committee	Would express legislature's commitment to develop universal coverage
2007 MN S.F. 14 (NS)	Died on adjournment 5-21-07	Would have established a universal health care system
2007 MN S.F. 102 (NS)	Died on adjournment 5-21-07	Would have made provisions for a universal health care system
2007 MN H.B. 159 (NS)	Died on adjournment 5-21-07	Would have established working group to design a universal plan
2007 MN S.B. 383 (NS)	Died on adjournment 5-21-07	Companion to House bill 159 (<i>see above</i>)
2007 MN S.B. 460 (NS)	Died on adjournment 5-21-07	Would have created universal health board to provide universal coverage
2007 MN H.F. 479 (NS)	Died on adjournment 5-21-07	Companion to Senate bill 102 (<i>see above</i>)
2007 MN S.B. 1689 (NS)	Died on adjournment 5-21-07	Would have provided universal health care coverage
2007 MN H.F. 1856 (NS)	Died on adjournment 5-21-07	Companion to Senate bill 1689 (<i>see above</i>)
2007 MS H.B. 152 (NS)	Died in House Insurance Committee 1-30-07	Would have established a plan to provide health care to low-wage workers
2007 MO S.B. 122 (NS)	Died on adjournment 5-30-07	Would have established Missouri Universal Health Assurance Program
2007 MO H.B. 484 (NS)	Died on adjournment 5-30-07	Would have established Missouri Universal Health Insurance Act
2007 MO H.B. 818 (NS)	Signed by governor 6-1-07	Establishes Missouri Health Insurance Portability and Accessibility Act
2007 MT S.B. 498 (NS)	Died in House standing committee 4-27-07	Would have established study group for developing universal system and putting system in place
2007 MT L.D. 761 (NS)	Draft died in process 4-27-07	Would have requested interim study of single-payer health insurance system

Appendix
Table 1: Universal Health Care Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 NH H.B. 88 (NS)	4-26-07 Senate Commerce, Labor and Consumer Protection Committee voted to pass	Would establish committee to study single-payer health care
2007 NH H.B. 266 (NS)	Committee voted inexpedient to legislate 3-27-07	Would have established commission to study accessibility to affordable health care
2007 OH S.B. 168 (NS)	5-16-07 to Senate Health, Human Services and Aging Committee	Would establish universal coverage system for all employed Ohioans including homeless and migrant workers
2007 OR S.B. 329 (NS)	Signed by governor 6-28-07	Makes state health care system affordable and universal; establishes health trust board
2007 PA H.B. 1660 (NS)	7-3-07 to House Health and Human Services Committee	Would establish Pennsylvania Health Care Plan, a comprehensive health care system
2007 TX S.B. 1911 (NS)	Died on adjournment 5-28-07	Would have established governing body and universal health care system
2007 TX H.B. 2737 (NS)	Died on adjournment 5-28-07	Companion to Senate bill 1911 (<i>see above</i>)
2006 VA H.B. 3160 (NS)	2-1-07 tabled in House Commerce and Labor Committee	Would have established policies to protect the uninsured
2007 WA H.B. 1569 (NS)	Partially vetoed by governor 5-2-07	Reforms state's health care system, effective 7-22-07
2007 WA H.B. 1886 (NS)	Died on adjournment 4-22-07	Would have created the Washington Health Security Trust
2007 WA H.B. 2098 (NS)	Died on adjournment 4-22-07	Would have provided health care to all residents
2007 WA S.B. 5756 (NS)	Died on adjournment 4-22-07	Companion to House bill 1886 (<i>see above</i>)
2007 WA S.B. 5930 (NS)	Partially vetoed by governor 5-2-07	Establishes initiatives that improve access to health care; effective 7-22-07; companion to House bill 2098 (<i>see above</i>)

Appendix
Table 2: Cigarette Tax Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 AR H.B. 1739 (NS)	Died on adjournment 5-1-07	Would have funded public health programs with increased cigarette sales tax
2007 CT H.B. 5766 (NS)	Died on adjournment 6-6-07	Would have expanded public health care programs through tobacco settlement funds and tobacco tax
2007 FD S.C.R. 21 (NS)	Message on Senate action sent to House 5-17-07	Cigarette tax increase would help fund SCHIP expansion in reauthorization of program
2007 IA S.B. 128 (NS)	Signed by governor 3-15-07	Creates health care trust fund; funded by increase in cigarette tax
2007 IN H.B. 1008 (NS)	Died on adjournment 4-29-07	Would have imposed 54 cents per pack increase in cigarette tax to fund expansion of CHIP eligibility
2007 IN H.B. 1678 (NS)	Signed by governor 5-10-07	Imposes 44 cents per pack tax increase
2007 ME H.B. 790 (NS)	6-21-07 carried over to any regular or special session of 123 rd legislature	Tax increase would benefit Small Business Hardship Fund and Maine Health Care Trust Fund
2007 MD H.B. 754 (NS)	Died on adjournment 4-9-07	Would have established funding for Child and Working Families Health Care Act of 2007 through cigarette tax increase
2007 MS H.B. 335 (NS)	Died in House Insurance Committee 2-21-07	Revenues from tax increase would have benefited Medicaid
2007 MS H.B. 474 (NS)	Died in House Insurance Committee 2-21-07	Tax increase would have benefited Medicaid program
2007 OR H.B. 2201 (NS)	Died on adjournment 6-28-07	Would have created Oregon Healthy Kids Program funded by tax increase
2007 OR H.B. 2967 (NS)	Died on adjournment 6-12-07	Cigarette tax increase would have funded insurance coverage for uninsured children under age 19
2007 SC H.B. 3567 (NS)	Died on adjournment 6-29-07	Would have imposed 30 cents per pack tax increase to fund coverage for uninsured children
2007 TN S.B. 406 (NS)	3-20-07 action deferred to next calendar	Tax increase would benefit health care assistance account
2007 TN H.B. 1071 (NS)	6-6-07 action deferred in House Ways and Means, and Budget and Finance Subcommittee	Companion to Senate bill 406 (<i>see above</i>)
2007 TN H.B. 1399 (NS)	Died on adjournment 6-12-07	Would have established Health Care Assistance Act of 2007 funded by cigarette tax
2007 TN S.B. 1504 (NS)	Died on adjournment 6-12-07	Companion to House bill 1399 (<i>see above</i>)
2007 WI S.B. 40 (NS)	7-17-07 to House-Senate conference committee	Would establish Health Care Quality Fund paid for by cigarette sales tax

Appendix
Table 3: Health Savings Account Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 CA A.B. 245 (NS)	5-21-07 final hearing by Assembly Revenue and Taxation Committee	Would allow federal tax deduction for contribution to HSA
2007 FD H.R. 2639 (NS)	6-11-07 to House Energy and Commerce, and Ways and Means Committees	Would lower contributory age to HSAs to 50 years old
2007 FL S.B. 1422 (NS)	Died in conference committee 5-4-07	Would have specified amount of employer contribution to employee health savings accounts for FY 2007-08
2007 FL S.B. 2802 (NS)	Signed by governor 5-24-07	Substitute for Senate bill 1422 (<i>see above</i>)
2007 GA S.R. 139 (NS)	Signed by governor 5-18-07	Urges U.S. Congress to raise allowable deductions for HSAs
2007 GA H.B. 242 (NS)	Vetoed by governor 5-30-07	Would have allowed for tax exemption on contributions made for HDHPs established and used with HSAs
2007 IL H.B. 510 (NS)	3-23-07 re-referred to House Rules Committee	Would allow residents of Illinois or employers to make contributions to HSAs
2007 IL H.B. 580 (NS)	3-23-07 re-referred to House Rules Committee	Would create Health Savings Account Act
2007 IL H.B. 581 (NS)	3-23-07 re-referred to House Rules Committee	Would amend Illinois Income Tax Act; would have provided deductions for contributions to HSAs established under Medicare Prescription Drug, Improvement and Modernization Act of 2003
2007 KS H.R. 6009-7 (NS)	Signed by governor 3-30-07	Requires state chartered banks be educated about use of HSAs
2007 MO S.B. 274 (NS)	Died on adjournment 5-30-07	Would have allowed HMOs to offer HDHPs only in combination with HSAs
2007 MO S.B. 379 (NS)	Died on adjournment 5-30-07	Would have given qualified workers in the state the option of establishing an HSA
2007 MT S.B. 519 (NS)	Died in Senate standing committee 4-27-07	Would have required department of administration to offer HSAs to state employees
2007 NV S.B. 528 (NS)	No further action taken 6-5-07	Would have provided incremental reduction in excise taxes payable by financial institutions and other employers that contribute to HSAs for their employees
2007 NY A.B. 3880 (NS)	1-29-07 to Assembly Insurance Committee	Would allow establishment of HSAs in New York state
2007 OH H.B. 24 (NS)	4-24-07 to Senate Ways and Means and Economic Development Committee	Would authorize municipalities to allow individuals to deduct contributions to HSAs
2007 OK H.B. 1928 (NS)	Signed by governor 5-25-07	Requires HSAs be made available to eligible state and education employees; increases annual contribution level

Appendix
Table 3: Health Savings Account Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Provisions
2007 PA H.B. 121 (NS)	1-31-07 to House Finance Committee	Would provide small business tax credit for contributions to employee HSAs
2007 TX S.B. 10 (NS)	Signed by governor 6-14-07	Establishes HSA pilot program for adult Medicaid beneficiaries
2007 WV H.B. 3244 (NS)	Died on adjournment 3-10-07	Would have allowed creation of HSAs for prevailing wage employees

Appendix
Table 4: Fair Share Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Number of Employees	Non-Profit Threshold	For-Profit Threshold	Penalties
2007 MI S.B. 87 (NS)	1-25-07 to Senate Commerce and Tourism Committee	10,000	6%	8%	\$250/day late filing; \$250,000 non-payment
2007 MN H.B. 39 (NS)	Died on adjournment 5-21-07	10,000	8%	10%	\$1,000/day late filing; \$500,000 non-payment
2007 MN H.B. 177 (NS)	Died on adjournment 5-21-07	10,000	8%	10%	\$1,000/day late filing; \$500,000 non-payment
2007 MS S.B. 2433 (NS)	Died in Senate Insurance Committee 1-30-07	10,000	6%	8%	\$500
2007 NH H.B. 579 (NS)	3-6-07 committee voted inexpedient to legislate	1,500	8.5%	10.5%	N/A
2007 NY H.B. 165 (NS)	1-3-07 to Assembly Labor Committee	10,000	6%	8%	\$250/day late filing; \$250,000 non-payment

Appendix
Table 4: Fair Share Legislation
October 2007

Source: Health Policy Tracking Service, a service of Thomson West

Bill	Status	Number of Employees	Non-Profit Threshold	For-Profit Threshold	Penalties
2007 NY S.B. 3409 (NS)	3-5-07 to Senate Labor Committee	Food retailers with at least 500 employees & 10,000 sq. ft. of selling area for food	N/A	N/A	Equal to amount of shortfall of minimum expenditures of coverage & \$15/employee per day for duration of violation
2007 OH H.B. 75 (NS)	3-6-07 to House Insurance Committee	1,000	8%	8%	\$250/day late filing
2007 RI H.B. 5331 (NS)	3-21-07 held for further study House Labor Committee	1,000	N/A	N/A	\$250/day late filing
2007 RI S.B. 631 (NS)	3-14-07 held for further study Senate Health and Human Services Committee	11	N/A	N/A	N/A