

Dear PAHU Member:

I am writing you as President of the Pennsylvania Association of Health Underwriters to inform you of two key developments that occurred yesterday, November 22. First, the Corbett Administration announced that it would propose legislation regarding the establishment of Health Insurance Exchanges as an alternative for HHS imposing its Exchange on us in 2013. Legislation is being drafted and Legislative Chair Shelly Bloom, Exchange Working Group Chair Deb Wilkinson and our lobbyist Vince Phillips are mapping out a strategy.

The second and most important purpose of this memo is the announcement that late yesterday the National Association of Insurance Commissioners (NAIC) voted for a resolution saying that agent compensation should be divorced from the calculation of PPACA's Medical Loss Ratio (MLR) requirement. As you know, carriers have cut compensation and in some cases have imposed more of their administrative responsibilities on the broker leaving us with less compensation and an even greater workload. In addition to it being a bread and butter issue for the broker, it is also a customer service necessity for the consumer. When our capacity to function is reduced, our ability to help consumers is diminished.

ACTION ITEMS FOR YOU TO DO

1. Take a deep breath and know that we have passed a major hurdle.
2. Send a hard copy note to Pennsylvania Insurance Commissioner Michael Consedine thanking him for Pennsylvania's vote for the NAIC resolution. This is vital because he took some grief from our opponents during the process and he needs to be reminded that the broker community values his understanding of the need to pass the resolution. Hard copy US Mail takes longer to write and send but it is important. He has just been pummeled by emails and so a real letter is recommended as a more effective way of reaching him. In addition to thanking him, explain the consumer advocacy work you perform and if you have met him, remind him as to where you met. It does not have to be a long letter, say 2-3 paragraphs but a heartfelt letter like that goes a long way. His address is:

Hon. Michael Consedine
PA Insurance Commissioner
1326 Strawberry Square
Harrisburg, PA 17120

3. In addition to the work PAHU and its members undertook regarding the Commissioner's vote, please also drop an email to NAHU since they had 50 states to worry about while we only had one. Jessica Waltman took the point. Her email is jwaltman@nahu.org; CC Janet Trautwine jtrautwine@nahu.org

Bottom line is for you to make this a priority. We have a lot to be thankful for as brokers and we need to express our gratitude to where it is richly deserved. Happy Thanksgiving to you and your loved ones.

Sincerely,
Scott M. Mardis
PAHU President