

VIEWPOINT

VOLUME 2, ISSUE 7 JANUARY/FEBRUARY ISSUE

WHAT HAPPENS NOW? BY TOM SHORES

January 22, 2010

The halls of Congress are still shaking after Tuesday's special election upset victory of Massachusetts Republican Scott Brown over Democrat Martha Coakley in the race to fill the late Senator Ted Kennedy's seat. In addition to causing fear in vulnerable Democrats everywhere, the biggest impact the election has had is on the fate of the two comprehensive health reform bills passed by both the House and Senate late last year. With their super-majority in the Senate eliminated, congressional Democrats and the Obama administration have spent the week scrambling to figure out a way to move health reform forward.

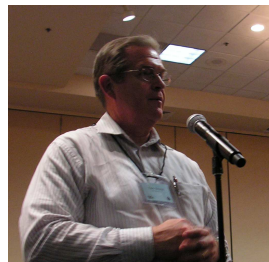
Initially there was talk about an attempt to rush an agreement through on a bill before Senator-elect Brown could be sworn in and seated in the Senate. However, that option has been effectively eliminated for a number of reasons:

The congressional Democrats are still far from coming to terms on the contentious parts of the two bills.

Even if an agreement were somehow quickly reached, the Congressional Budget

Office (CBO) would still need a week to 10 days to determine the cost of the bill to the federal government, along with a 72 hours notice-before a final vote.

Despite initial threats to delay certification of Senator-elect Brown until all absentee ballots from overseas were counted, which could take



several weeks, the margin of victory was so large (more than five percent) and the public pressure has been so great, Massachusetts officials have agreed to process the certification quickly.

Bowing to pressure from both the public and several of his moderate colleagues, Senate Majority Leader Reid publicly promised earlier this week to delay any further action on health reform until Senator-elect Brown is seated.

This leaves the Democrats with several different political options, all which have their problems. They include:

Attempting to quickly pass

the Senate-passed legislation through the House, thereby avoiding another Senate vote. While this was initially the option favored by congressional leadership and the Obama administration, it has become clear in the last few days that it isn't a politically viable one. House Speaker Nancy Pelosi (D-CA) announced yesterday that she does not have the 218 votes to do this, due to the political concerns of many in her caucus.

Getting the House to approve the Senate-passed bill, along with a separate pre-negotiated bill to "fix" all of the problems House members see in the current legislation. This idea is being touted by Families USA President Ron Pollack and others, but it could be very difficult to achieve. First of all, House and Senate Democrats would have to come to terms on the substantial differences between their two bills, which they have been unable to do thus far. Both bills would need to be scored, and then the "fix" bill would need to be virtually guaranteed to pass the Senate. That means Senate Majority Leader Reid (continued on 2)

INSIDE THIS ISSUE!

- What Happens Now? A legislative update from Tom Shores.
- NAHU Hard At Work For You!
- Chapter Updates
- President's Message

SYMPOSIUM UPDATE!

Speakers scheduled for the Awards Banquet and Health Symposium:

- Aubrey Cheney from NBC's *The Biggest Loser 7: Couples* is the featured speaker at the Awards Banquet
- Justin Foster, co-founder of Tricycle in Boise, will be a featured speaker on communicating through social networking.
- Ernie Sweat will discuss the updates on the Utah Health Exchange
- Molly Mettler, of Healthwise, will discuss how the baby boomers can help save health care.
- Scott Marker, author, will be discussing prospecting and sales



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WHAT HAPPENS NOW? CONTINUED

From Main . . .

would either need a 60th vote that he doesn't have or the budget reconciliation process would have to be used to pass the "fix" bill, which is problematic for reasons described below.

Attempting to pass legislation through the Senate using the budget reconciliation process, which would only require 51 votes. While lots of Democrats and pundits continue to throw around this option, it is one fraught with political perils. It would require that the bill go back to the Senate committees of jurisdiction to be reworked because only provisions directly related to the federal budget can be considered under these rules. This would effectively eliminate most of the insurance reforms, abortion language, language on undocumented immigrants and other key elements Democrats feel are essential for passage and it would limit the authorization of most provisions to just five years. Also, even though debate would be limited and just 51 votes would be needed for passage, any senator could challenge any provision at any time and send it to the parliamentarian for a ruling. Sixty votes are needed to override the ruling of the parliamentarian on any issue, which could lead to lengthy and embarrassing votes on the Senate floor that the Democrats could lose. Another obstacle is that a number of Democrats, including Senators Byrd, Baucus and Con-

rad, have been steadfastly and publicly opposed to the use of this option for months and Reid, who is the fight for his political life in 2010 at home in Nevada, publicly stated in December this option was off the table. For more detailed information on how the budget reconciliation rules work, check out this article by the Kaiser Health News.

Trying to "pick-off" a Senate Republican to serve as the 60th vote. This would probably be an impossible task for the Democratic leadership at this point. Potential targets like Senators Olympia Snowe and Susan Collins of Maine have stated in recent days they will not go at it alone, and Senator Reid insulted Senator Snowe in December by publicly stating that past negotiations with her had been a waste of time. In addition, the Massachusetts election has strengthened the GOP's hold on its members and their resolve for true bipartisan negotiations.

Negotiating a limited health insurance reform bill and/or pivoting to a jobs bill and trying to include some of the more popular health insurance reforms. This seems to be the option that many Democrats and the Obama administration are leaning toward at the moment. However, it does involve some admission of political defeat and loss of political capital. Plus, the Democratic leadership still will need to obtain 60 votes for Senate passage, as well as deal with the 2010

election and related concerns of politically vulnerable Democrats in both chambers. Also, there is some question as to whether or not members of the GOP would hand Obama and Democrats even a limited victory before the 2010 election.

At least in the House, taking up several smaller "rifle shot" health care bills that break the package into smaller, easier-to-digest and easier-to-sell chunks, which may be pursued along partisan or bipartisan lines. Republicans would be wary of engaging in this process unless they have an iron-clad agreement in public with House leadership that it would be truly bipartisan and both sides would have policy input on what gets considered. Otherwise, they are likely to see this as a partisan exercise that does not take into consideration a holistic approach to the problems in the health care system. In addition, these bills would still need to achieve the 60 vote standard to win passage in the Senate.

A final option would be scrapping the current bills and starting from scratch on health reform. In addition to the political blow to the administration, which has in recent days repeatedly reiterated that they don't want to lose complete momentum on health reform and has been reluctant to move back to the political center in the past, this course of action (continued on page 4)

NAHU'S AGGRESSIVE ADVOCACY CONTINUES: KEY IMPROVEMENTS FOR AGENTS & BROKERS

While NAHU and many other stakeholders continue to have concerns about the process taking place, we are hard at work on behalf of producers in meeting and communicating with key policymakers on areas we believe can affect positive improvements for our industry.

Our key lobbying priorities continue to be preserving the language in both bills that ensures producers are part of the equation in any new health system, mitigating the possible negative effects on our members from proposed federal Medical Loss Ratios and fighting for a state-based insurance exchange structure

(as opposed to a national exchange).

Among positive changes NAHU has helped secure to House and Senate-passed bills on behalf of our membership:

- There is specific recognition and provisions for the continued role of professional agents & brokers. We are specifically empowered to enroll qualified individuals and employers in any qualified plans.
- There is no government-run public health insurance plan.
- There is no early enrollment in Medicare.

- The Secretary of HHS will not set broker commissions in the state exchanges (the original Senate bill language contained this provision, and we were successful in removing this language).

As of now, there is no provision to change the compensation of agents and brokers, though interactions of Medical Loss Ratio requirements on health insurance carriers could affect this.

Any co-operatives will not have a financial advantage over private insurance providers.

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WHAT HAPPENS NOW? CONTINUED

From page 2 . . .

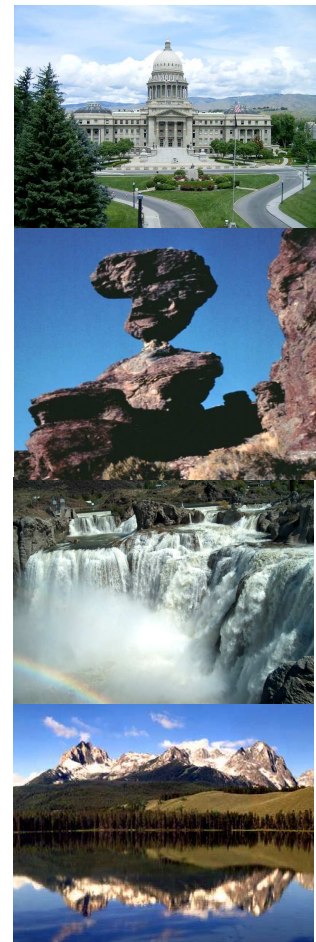
would certainly dampen core Democratic voter enthusiasm going into the 2010 election. If they really did go back to the drawing board and work openly with the GOP, the Democrats might win political points for bipartisanship. They also could turn more attention to jobs and the economy. But it would be unlikely that a new bill would be finished before the mid-term elections—neither side would want to give the other anything to tout—and bipartisan cooperation could certainly blow up, as it has many times in the past in Washington.

As the course for health re-

form shakes out over the next few days, NAHU will continue to work with our allies in the agent and broker, carrier and business communities. Our staff and members also continue to meet with lawmakers and congressional staff on our key issues relative to the two bills that are still technically on the table. Our plan is to keep advancing NAHU's American Solution policy agenda and the role and value of health insurance agents, brokers and consultants no matter what course of action Congress and the administration ultimately take on reform.

NAHU has issued a press statement calling for biparti-

san, responsible and affordable action on health reform that brings down the cost of medical care and makes needed improvements to our system. This week we are encouraging all of our members to call for responsible bipartisan reforms as well, by sending a message to their lawmakers through Operation Shout. Now is not the time to stop our grassroots activity—it's the time to ramp it up!



CONTEST

This months contest has a few parts to it:

NAHU History

1— What day was NAHU started and what happened two weeks later?

2— Who was the first “temporary” president of NAHU?

3— What is NAHU’s Mission Statement?

You **MUST** answer all of the questions to qualify!

UPCOMING EVENTS

2010 NAHU Capitol Conference

Day: March 8-10, 2010

Location: JW Marriott Hotel Washington, DC

IAHU Awards Banquet & Health Symposium

Day: April 14th & 15th, 2010

Location: Boise State University—Student Union Building

2010 NAHU Annual Convention & Exhibition

Day: June 27-30, 2010

Location: Hyatt Regency Chicago, IL

For more information on these events or other events please visit the NAHU or IAHU websites listed below:

[Www.nahu.org](http://www.nahu.org)

[Www.iahu.org](http://www.iahu.org)

PRESIDENT’S MESSAGE

Well, we did score one victory for the home team with Scott Brown being elected into congress.

However, the fight is far from over and we can’t let our guard down. Keep up those PAC donations, both HUPAC and the Idaho PAC. HUPAC contributed the maximum amount of \$5,000 to Scott Brown’s campaign, so here is a



prime example of what your monthly contributions go towards. Each and everyone of us who contributes to HUPAC did there job in this small victory; your voice was heard---Thank You.

It’s time to get your reservations in for the IAHU Awards Banquet and Health Symposium on April 14th and 15th. You can register online at www.iahu.org for both events. Remember, the earlier you register, the easier it makes it for the planning team for these events. Kristin Stewart, this year’s chairperson and her team have organized a great event. Please support IAHU and plan on attending.

Its also time for President Elects to begin putting together their board for the upcoming year, July 1st. If you are interested in becoming involved, talk with your chapters President Elect, President, or contact me directly. We need more members involved---take the challenge and give more back to our organization.

You have also received via email, a nomination form for the David Isern award; IAHU’s most prestigious honor. Take the time to review the criteria and nominate a member who deserves this award.

As I always ask of our members, get engaged with the association. Ask to be appointed to a committee or state or local board. It only works if you have members working together for a common cause. Members shouldn’t expect the same people to be the leaders year after year---get off your duff and help out!

Alright, here is everyone’s assignments for this month:

- Support both PACS
- Register for the Awards Banquet and Health Symposium
- Nominate a deserving candidate for the David Isern Award.
- Start the process of getting involved on the local or state level
- Have a great month—Spring is coming!!

CHAPTER’S

EASTERN IDAHO

2nd Annual EIAHU Bowling Tournament & Fundraiser for Idaho Foodbank on March 12, 2010 at 12:00. Starlite Lanes in Blackfoot, ID. Call Troy Goodwin (208-681-5281) for more information

Trent Sutton (President)
tsutton@semonsfinancial.com
or 208-238-1171

NORTH IDAHO

The next meeting is March 4th at The Resort. Dave Pankey from Regence is the featured speaker.

Dave Munger (President)
dhamunberins@roadrunner.com OR

SOUTHERN IDAHO

Board meetings are the 2nd Monday of each month. Chapter Membership meetings are the 3rd Thursday of every month at 11:30.

Andy Lyda (President)
aclyda@regence.com or
208-737-4117

TREASURE VALLEY

The next meeting is the combined with NAIFA Boise. Friday, February 19th at 7:15AM at Hillcrest.

H&W Overview—1 CE Credit

Cost is \$15 for a buffet breakfast. (Note: Save \$20 by signing up for the annual pre-pay for \$100).

Trent Nate (President)
tcnate@regence.com or
208-333-7814