

In This Issue

[Upcoming WAHU Events](#)

[Emergency Rule Implemented on Continuation and ARRA](#)

[SnapShots from DC](#)

Emergency Rule Implemented on Continuation and ARRA

Upcoming Events

Tuesday, October 13, 2009

Long Term Care Course

Course Information Seating is limited!

Hosted by NAIFA - WAHU Members receive NAIFA Member Rate! The course will run from 8:00 a.m. to 4:30 p.m.

Course Details
October 13, 2009
American Family Insurance Regional Office
W236 N1402 Busse Rd,
Waukesha, WI 53188
[Register Today!](#)

Tuesday, October 13, 2009

WAHU Leadership & Strategic Planning Session

10:00 - 4:00 pm
Wintergreen Resort
Wisconsin Dells, WI
[More Information](#)

Wednesday, December 2, 2009

Southeastern Holiday Chapter Meeting

1:30 - 6:30 pm
3 Credits of Ethics CE!
Miller Park
Milwaukee, WI
Registration available
October 20, 2009

Through the American Recovery and Reinvestment Act of 2009 (ARRA), and as authorized in a state stimulus package that was recently passed, an Emergency Rule was issued by the OCI that requires insurers to continue health insurance coverage for employees and their families in those situations where the employer went out of business or otherwise discontinued their group health coverage. This applies to small and large group.

This right to continuation is for only those individuals who are eligible for the federal 65% premium subsidy available under ARRA. ARRA provides a nine-month subsidy for 65% of continuation health insurance premiums for these same employees who lost their jobs between September 1, 2008, and December 31, 2009. The subsidy is administered through a payroll tax credit. Income limitations do apply, with the subsidies phasing out for those with annual incomes over \$125,000 (single) or \$250,000 (married). The rule would require insurers to look back to June of 2009 and reach out to those affected employees to make the offer of coverage. Insurers could charge 100% of premium, thus requiring the affected employees to pay the additional 35% of the premium with the Government picking up 65% of premium. Likely, only those employees who had actual claims greater than the 35% share will elect to continue so loss ratios are certainly a major concern.

To find out more about the Emergency Rule, [click here](#)

SnapShots from DC

1) Older People Pay More Under SFC: According to USA Today "Older Americans who buy health insurance on their own could pay nearly 50% more in premiums under the Senate Finance Committee bill compared with other versions pending in Congress, an independent study says. Americans between 55 and 64 could be charged an average of \$8,650 a year for insurance under the Finance Committee bill compared with \$5,930 under a separate bill approved in July by the Senate health committee, according to a report by the Urban Institute and the Robert Wood Johnson Foundation. The discrepancy would not affect people who get insurance from Medicare or through work. It would apply to older Americans who buy coverage in the individual market or who are

Wednesday,
December 9, 2009
South Central
Holiday Chapter
Meeting
1:00 - 6:00 pm
The Madison Club
Madison, WI
Registration available
October 20, 2009

Quick Links

[Upcoming
Fundraisers](#)
provided by Wispolitics

[About WAHU](#)
[WAHU Photo Gallery](#)



Thank you to [Our 2009
Corporate Sponsors](#)

currently uninsured - about 6 million people between 55 and 64, Kaiser Family Foundation data show." The article includes this from AHIP: "Robert Zirkelbach, a spokesman for America's Health Insurance Plans said that individuals under 35 who are less likely to use insurance could wind up subsidizing coverage for everyone else if lawmakers favor older people."

[Link: http://www.usatoday.com/news/washington/2009-10-08-healthcare_N.htm](http://www.usatoday.com/news/washington/2009-10-08-healthcare_N.htm)

2) Pelosi Not Supportive of SFC: The Hill reports that Speaker Pelosi doesn't like the SFC savings saying they come on the back of the middle-class. More from the article "The remark, confirmed by several of those in attendance, demonstrated that Pelosi is increasingly siding with the liberal members of her caucus on strategy. Leaders of the Congressional Progressive Caucus have consistently pushed the bill to the left in order to improve the bargaining position it will have in conference with the more centrist Senate when it hammers out a final version. That strategy has infuriated centrists, particularly Blue Dog Democrats, who don't want to take politically risky votes on provisions likely to be bargained away in the final hours. They feel Pelosi and other leaders have ignored their suggestions. 'This isn't about achieving bargaining power in conference,' said Rep. Stephanie Herseth Sandlin (D-S.D.), a Blue Dog leader. 'We should be coming together to see what can be achieved.'" [Link: http://thehill.com/homenews/house/62361-pelosi-criticizes-baucus-health-bill](http://thehill.com/homenews/house/62361-pelosi-criticizes-baucus-health-bill)

3) The 80-% Rule: David Brooks argues that reform is likely to pass giving it an 80% chance so he writes "If you asked me to compare the Baucus approach with the Wyden approach, the answer is easy. But if you asked me to compare it with the status quo, the answer is hard. The Baucus bill contains hidden bombs that could lead to a rigid bureaucratic system that still doesn't address the fundamental problems. On the other hand, it contains hidden experiments that could lead to new models that might spread across the system.

4) If I were in Congress, I'd figure there's an 80 percent chance of something like this passing anyway. I might as well get engaged as a provisional supporter to fight to make it better, or at least to fight off the coming onslaught to make it worse." [Link: http://www.nytimes.com/2009/10/09/opinion/09brooks.html?hp](http://www.nytimes.com/2009/10/09/opinion/09brooks.html?hp)

5) Snowe Treatment: The LA Times does a profile piece on Senator Snowe. From the article "As the lone congressional Republican working to support President Obama's healthcare overhaul, no one will be more closely watched when the Senate Finance Committee votes next week on a bill aimed at curbing costs, improving coverage and making insurance more attainable for those without. Many in her party are appalled that the Maine senator would even think of helping Obama. Her support might make it easier for moderate and conservative Democrats to go along. More significantly, Snowe could hold the crucial 60th vote that divided Democrats may need to overcome a GOP filibuster, which would kill the president's top domestic priority. But her position -- standing apart from most fellow Republicans, sitting squarely in the sights of interest groups attacking from both sides -- is a

familiar, if not particularly pleasant, one for Snowe. She often broke with President George W. Bush and Republican colleagues on tax cuts, abortion, stem cell research and Alaskan oil drilling." Link:
[Link: http://www.latimes.com/news/nationworld/nation/la-na-snowe9-2009oct09,0,184142.story](http://www.latimes.com/news/nationworld/nation/la-na-snowe9-2009oct09,0,184142.story)

6) Courting Women for Support: The AP reports "In speeches, news conferences and even an all-female talk-in on the Senate floor Thursday, Democrats have been pounding away daily on the message that their ideas - along the lines of what President Barack Obama has called for - are especially good for women. The campaign reflects a concern among Democrats that women, who typically make most of a family's health care decisions, are not yet on board with the sweeping changes Obama and his congressional allies are advocating. That's despite the fact that women have historically been more concerned about health care, and more likely to support changes, than men." http://news.yahoo.com/s/ap/20091009/ap_on_go_co/us_health_care_targeting_women

7) Speed Bumps Ahead: The AP reports that the challenge for Democrats is to reconcile all of the various bills and pass a bill by Christmas that doesn't run afoul of President Obama's promises. From the article "Numerous controversies are ahead for Democrats struggling to pass legislation over intense and possibly unanimous Republican opposition. The biggest involves allowing the government to sell insurance in competition with private industry, a step favored by liberals and opposed by many moderates in the party. And House Democrats have yet to draft a bill that clearly meets Obama's objectives." Link:
<http://www.chron.com/disp/story.mpl/ap/washington/6659579.html>

8) Full Steam Ahead: The Wall Street Journal reports that the momentum is picking up for reform legislation. According to this article "The White House-backed drive for a health-care bill picked up steam Thursday, propelled by a favorable report on its price tag and positive comments by some key players. But big hurdles remained, including disagreements among Democrats on how to finance the legislation. Sen. Charles Schumer (D., N.Y.) revived a push for a public health-insurance plan to compete with private insurers, proposing a federal plan that states could opt out of." Link:
http://online.wsj.com/article/SB125501381237273575.html?mod=WSJ_hpp_MIDDLETopStories

9) Fiscal Circus: The Wall Street Journal editorial page attacks the SFC bill in light of the CBO score card. The page argues "The political and media classes are proving they'll believe anything, as they are now pronouncing that this never-before-seen miracle is a "green light" for ObamaCare. (What isn't these days?) The irony is that the CBO's guesstimate exposes the fraudulence and fiscal sleight-of-hand underlying this whole exercise. Anyone who reads beyond the top-line numbers will find that the bill creates massive new spending commitments that will inevitably explode over time, and that this is "paid for" with huge tax increases plus phantom spending cuts that will never happen in practice. Then there are the many budget gimmicks.

Take the "failsafe budgeting mechanism" that would require automatic cuts in exchange spending if it increases the deficit. CBO expects 15% reductions in exchange subsidies each year from 2015 to 2018, even though the exchanges don't open until 2014. That kind of re-gifting should have been laughed out of the committee room, but the ruse helps to move future spending off the current budget "score." Meanwhile, the bill piles on new taxes, albeit on health-care businesses so the costs are hidden from customers. Insurance companies offering policies that cost more than \$8,000 for individuals and \$21,000 for families will pay \$201 billion per a 40% excise tax, which will be passed down to all policy holders in higher premiums. Another \$180 billion will hit the likes of drug and device makers, including \$29 billion because companies won't be allowed to deduct these "fees" from their corporate income taxes. Then there's the \$4 billion in penalty payments on those who don't buy insurance because all of ObamaCare's other new taxes and mandates have made it more expensive."

10) Reform for Small Businesses: Senator Landrieu pens an OpEd in the WSJ arguing small businesses need reform.