

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON SELECT HEALTH CARE

Call to Order: By **CHAIRMAN ORR**, on January 17, 1995, at 3:07 P.M.

ROLL CALL

Members Present:

Rep. Scott J. Orr, Chairman (R)
Rep. Carley Tuss, Vice Chairman (D)
Rep. Beverly Barnhart (D)
Rep. John Johnson (D)
Rep. Royal C. Johnson (R)
Rep. Betty Lou Kasten (R)
Rep. Thomas E. Nelson (R)
Rep. Bruce T. Simon (R)
Rep. Richard D. Simpkins (R)
Rep. Liz Smith (R)
Rep. Carolyn M. Squires (D)

Staff Present: David Niss, Legislative Council
Susan Fox, Legislative Council
Vivian Reeves, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing: HB 155
Executive Action: None.

CHAIRMAN SCOTT ORR welcomed the guests and testifiers and opened the hearing on HB 155.

REP. LIZ SMITH stated that she is encouraged by this large crowd. "I think it acknowledges the fact that we definitely have real concerns and have real needs for the people in Montana." She stated that she truly feels that the intent of the 1993 legislative session was not to "strangle small businesses. The intent with all honesty was to address the needs of Montanans."

HEARING ON HB 155Opening Statement by Sponsor:

REP. LIZ SMITH, House District 56, Deer Lodge, is the sponsor of the bill. Her comments may be seen in EXHIBIT 1.

Proponents' Testimony:

Don Allen, Montana Medical Benefits Plan, is in support of HB 155. HB 155 would repeal the Small Employer Health Insurance Availability Act which was passed as an amendment to SB 285 in the 1993 session. "The irony of using the word 'Availability' as part of the title is highlighted even more by the disclaimer language contained in the bill in subsection 2 of section 23 of SB 285 which states "it is both not intended to provide a comprehensive solution to the problem of affordability of health care or health insurance." This is ironic since the Act, as it is being implemented, does not adequately address either of the issues.

The Montana Medical Benefits Plan (MMBP) would improve the Small Employer market on December 1, 1994, prior to the December 7 deadline for notifying the Insurance Commissioner of the intentioned market of size (3-25) group. All of their small groups had been transferred to the Montana Medical Benefit Trust which is fully insured and controlled by federal guidelines only, not the state's Insurance Commissioner. "Regardless of what the legislature does with this legislation, it will not impact MMBP's business." For those who have been involved in the center of this debate, we believe that "it is essential in trying to bring about true health insurance reform as part of good health care reform," which is a serious problem with this legislation, especially with pending negative impacts on small employers and their employees who are the ones it supposedly was to help.

"Those who supported passage of this legislation in 1993 say the intent was to spread the cost, but we do not believe that this is the case with this legislation and the way it's being implemented. This is even more true as we really have a chance to examine the rules and what impacts they will have on small employers and the market itself. As a result of the way the law was written, we believe there is a large disproportionate share of the cost that will fall on the small employers and their employees."

Mr. Allen commented on cherry-picking and underwriting. All insurance companies, including Blue Cross & Blue Shield, and others that do business in the state participating in the Small Employer Health Availability Act, all underwrite. "It is important to understand that what it does is use underwriting to determine cost instead of eligibility." He asked the legislature to repeal SB 285.

Greg Van Horssen, State Farm Insurance Companies in Montana, spoke in support of HB 155. His comments may be seen in EXHIBIT 2.

Rob Hunter, Health Benefits and Managed Care Consultant spoke in support of HB 155 for two fundamental reasons. The amendment both in its final form and initial conception is bad public policy. Also, there is a much better plan that will be submitted to the legislature. He commented on the "poor conception of the amendment." The model form in the amendment does not address affordability and it is inflationary. "For every increment of inflation there is a decrement in accessibility." He discussed affordability and the Cost Containment Committee. He stated that if this amendment is not repealed, small businesses will not have reasonable access to the reform plan." **Mr. Hunter's** outlined comments may be seen in EXHIBIT 3.

The opponents to that alternative reform would be in favor of allowing their plan to compete with plans offered under guaranteed issue and community adjusted rating. "I would not expect that advocates of the amendment would welcome that competition." If a competitive environment existed there would probably be a dramatic shift from the Guaranteed Issue Community Adjusted Plans to the Medical Savings Account Plans because of recognition of value. It would be a very short period of time before it was determined which of those plans was inflationary and which was deflationary, which one did and did not address the issue of the uninsured, and which one penalizes good health and which one rewards good health.

Ron Kunik, founded the Montana Medical Benefits Plan (MMBP) in 1989, and an insurance agent since 1981, and has been a small business owner. He stated that "Montana Medical was founded on the principal of creating affordable low cost with great benefits insurance." He is very concerned that insurance agents cannot get coverage for some people. "I want that cured as much as anyone in this room," but the amendment under SB 285 "will drive the cost up and we will have a number of people that will drop insurance." There have been identical comparisons between Montana Medical Benefit's current rates and John Alden's Insurance; their rates are 30 to 135 per cent higher than MMBP's. "This is not affordable health insurance. I want MMBP to be part of this reform. The reason we took the step that we took is because our primary" goal is to protect the current and future policyholders.

Ed Grogan, Montana Medical Benefit Plan, stated that he was in support of HB 155.

Shirley Rasmussen, uninsurable, small business individual, citizen, Stevensville, Montana, spoke in support of HB 155 and "total repeal" of SB 285. "If my premiums increase because of this SB 285, we drop all coverage. You already have a law on your books concerning preexisting conditions. They tell me with

that law, that if I simply go and buy my insurance first before seeing the doctor, they have to cover me. They have to take me because of that law. Guess what I going to do? I'm not going to pay insurance all these years. When I get sick, I'll go see my agent. I'll buy my policy. Then I'll go see the doctor. And that's what all of Montanans are going to do." **Ms. Rasmussen's** comments are available in EXHIBIT 4.

Dean Randash, NAPA Auto Parts, small business owner spoke in support of HB 155. His comments may be seen in EXHIBIT 5.

Dr. Paul Gorsuch, PhD, HEAL Montana/Project '94, Physician, Great Falls, Montana, opposes the section of SB 285, the Small Employer Availability Act. Project HEAL cited studies which indicated that rates would rise approximately 38 per cent, there would be fewer insurers selling this product in Montana, and "ultimately it would harm more people than it would benefit." EXHIBIT 6, PART A, SIDES 1 AND 2 details the information and data used to come to that conclusion on Guaranteed Issue.

Dr. Gorsuch stated that there are certain provisions of the Act that Project HEAL supports such as renewability, portability, and the changes that **REP. TOM NELSON** is proposing: the rates benefits, eligibility. However, Project HEAL does not support the "heart of this bill" which is Guaranteed Issue.

"There are two things about which all of the participants can agree regarding Guaranteed Issue" are:

1. healthy people don't need Guaranteed Issue. There is no problem with insuring the healthy or the average risk. Guaranteed Issue is intended for people with above average or high risk. This is a relatively small proportion of the population.
2. Guaranteed Issue will not diminish insurance cost or the rate of increase of insurance cost, but it will increase insurance cost.

Dr. Gorsuch stated that Project HEAL's "view of the problem that was intended to be solved by this bill was that there's basically too many individuals without insurance." EXHIBIT 6, PART A, SIDE 1 lists the uninsured individuals, the cause, national survey, Montana survey, and proposed solution.

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Dr. Gorsuch noted that Guaranteed Issue is "always linked with some type of rate restrictions on the insurance industry, some form of modified community rating. Sometimes it's linked with pure community rating like in the disastrous example of New York. It's almost always linked with a predefined benefit package."

It's almost always linked with a reinsurance pool. "Despite these variations on the central theme, if you look at the studies on Guaranteed Issue, there are some common results." For studies of Guaranteed Issue see EXHIBIT 6, PART A, SIDE 1. Connecticut, New Jersey, New York and Ohio have variations on the theme of Guaranteed Issue. The Health Benefits Letter #29 discusses Guaranteed Issue in Connecticut EXHIBIT 6, PART B. **Dr. Gorsuch** stated that literature on Guaranteed Issue in New Jersey, New York and Ohio can be provided upon request. **Dr. Gorsuch** stated that Project HEAL's view of the literature is that Guaranteed Issue has not worked in those states as they have intended.

Dr. Gorsuch said that "making insurance more costly is not going to solve the problem, that is the problem, and it will only exacerbate the current situation. It will help a very small percentage; about 95 per cent of us will be hurt." **Dr. Gorsuch** urges the legislature "to repeal this portion of the bill before it does tremendous harm to the people that it is intended to benefit."

Arlette Randash, Eagle Forum, spoke in favor of HB 155. **Ms. Randash** said, "I submit that it is necessary to pass HB 155 to reassume control of health insurance legislation." **Ms. Randash** spoke against SB 285 because it provides full payment of abortion on demand. Her comments may be seen in EXHIBIT 7.

Joe Olinghouse, Health Insurance Agent, Hamilton, Montana, asked to repeal SB 285 because the Standard Plan provides for full payment of abortion on demand, contraception and sex therapy. "Health insurance policies were meant to help pay for expenses for medically necessary treatment." His comments may be seen in EXHIBIT 8. The cover letter and the April 17, 1994 petition includes 144 signatures protesting the coverage of abortion on demand on any insurance plan EXHIBIT 8, PART B.

Doug Anders, Insurance Agent, works primarily in the Health Insurance market, independent agent for 18 years, Kalispell, Montana, said, "I am definitely in favor of reform. I believe it should be fair though and that it should be shared by all Montanans and benefit all Montanans." **Mr. Anders** provided a two page letter (EXHIBIT 9, PART A) and informational packet with sheets of actual quotes from different companies. EXHIBIT 9, PART B

Tim Whalen, Montana Right to Life Association spoke in support of HB 155. His comments may be seen in EXHIBIT 10, PART A. The electronic polling data is provided in EXHIBIT 10, PART B.

Written testimony by Duane "Pete" Petersen in support of HB 155.
EXHIBIT 21

Written testimony by Bonnie Schriock in support of HB 155.
EXHIBIT 22

Opponents' Testimony:

Mark O'Keefe, State Auditor, Montana Insurance and Securities Commissioner, opposes HB 155. His comments may be seen in EXHIBIT 11.

Melody Ferreira, works for a small group employer. Her comments may be seen in EXHIBIT 12.

Kate Cholewa, on behalf of the Montana Womens Lobby, supports the measures that provide the greatest accessibility, affordability and availability of health care and health care insurance. The Montana Women's Lobby opposes HB 155.

Peter Blouke, Director of Department of Social and Rehabilitative Services (SRS), speaking, also, on behalf of GOVERNOR RACICOT, expressed that **GOVERNOR RACICOT** believes that there is other legislation that will be coming before the Select Health Care Committee that can address many of the issues "without completely eliminating or repealing the Small Group Health Insurance Reform. Many of the provisions that are currently in the bill, **GOVERNOR RACICOT** supports. We will be working with other people who have concerns about the Insurance Reform" and will bring it before the Select Health Care Committee.

Sam Hubbard, representing the Montana Health Care Authority, stated that "part of the Health Care Authority's charge was to incorporate health insurance market reforms into two alternative Comprehensive Universal Access Plans that were required by SB 285." When the Market-Based Sequential Alternative Plan was developed, the Authority continued to keep the importance of health insurance reforms foremost in mind. The Authority conducted an aggressive set of public participation activities, including open board meetings, ten town meetings around the state of Montana, electronic surveys, public hearings at all five health planning regions established by SB 285, and a scientific telephone survey. Their findings show that the strength of the public support for insurance market reforms was "uppermost in the public's mind." The principals particularly important in the public testimony and input that the Authority received included:

- Guaranteed Issue, which received the most support
- Portability of coverage between jobs
- Limitations on preexisting condition exclusions

The Authority looked extensively at the Small Group Availability Act included in SB 285 when designing the third alternative. The Montana Health Care Authority concluded that there are some modifications necessary to improve the Small Group Availability Act. However, "rather than repealing that section of SB 285, the Authority would prefer to work within the existing framework

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and with legislation expected to be introduced and dealt with by the Select Health Care Committee. The Montana Health Care Authority encourages the Select Health Care Committee "to not move forward with HB 155, but to work instead with an alternative and retaining the Small Group Reform."

Charles Butler, representing Blue Cross & Blue Shield, provided information from the National Underwriter and BCBS that shows 37 states, including Montana, that have passed similar legislation. EXHIBIT 13, PART A **Mr. Butler's** testimony may be seen in EXHIBIT 13, PART B. **Mr. Butler** states that BCBS has "not, as of today, adjusted out premiums eight per cent or any per cent as a result of Guaranteed Issue. We're going to wait and see what the impact is." He encouraged that HB 155 be defeated.

Steve Turkiewicz, Executive Vice President of Montana Auto Dealers Association Insurance Trust, serves as Secretary to the MADA Insurance Trust, opposes HB 155. His comments may be seen in EXHIBIT 14.

Tom Hopgood, on behalf of the Health Insurance Association of America (HIAA), which is a trade association composed of approximately 300 commercial health insurance companies. He stated that he does not represent BCBS. The HIAA participated in the formulation of the Small Group Act.

{Tape: 2; Side: 1; Approx. Counter: ; Comments: speaking is Tom Hopgood, HIAA.}

Mr. Hopgood stated that the 1993 legislature did four things with SB 285. They are:

1. SB 285 guaranteed that Small Group Employers could get health insurance. This is approximately 70 per cent of the market in the state of Montana.
2. SB 285 guaranteed that insurance companies couldn't cancel a policy if someone got sick.
3. SB 285 guaranteed "that you could take your health insurance with you if you changed jobs.
4. SB 285 imposed premium restrictions.

Mr. Hopgood stated at the last legislative session and is repeating again that "the Small Group Reform Act does not cut costs. It says so expressly in the act." He stated that the legislators need to address the cost of health care.

SENATOR EVE FRANKLIN, Senate District 1, Great Falls, Montana, spoke as an opponent to HB 155. She stated that she was the chief sponsor of SB 285 and it included the Small Group Insurance measure. **SENATOR FRANKLIN** submitted EXHIBIT 15.

Gene Bern, Insurance Agent, Health Benefit Plan Committee, Member of Montana Life Underwriters and Health Insurance Chairman, Cogswell Agency, Great Falls, Montana, stated his opposition to

HB 155. Small Group Reform focuses on the three basic principles: Guarantee Issue, Limiting Preexisting Condition Portability. "In addition to those three basic principles, reform law has provisions to prevent small insurers from having to accept risks beyond their financial capacity. It provides a high-risk pool."

Don Judge, AFL-CIO, stated that the AFL-CIO participated in health care reform process in this country. He stated that one of the leading issues he continues to hear is that health care reform needs to address portability, accessibility, affordability, and guaranteed issue. **Mr. Judge** urged the committee to reject HB 155. EXHIBITS 16, PART A, PART B, PART C

Larry Petty, insurance agent for 23 years, Helena, Montana, stated that he is an opponent to HB 155. His comments may be seen in EXHIBIT 17. He urged the legislators to work with SB 285 to benefit the consumers.

Ed Caplis, Executive Director of the Montana Senior Citizens Association (MSCA), which over 6,000 members throughout the state of Montana. He stated the Small Group Reform was one of the most important parts of SB 285. As a small employer, **Mr. Caplis**, urged the legislature to reject HB 155.

Tom Ebzery, Attorney, representing the Yellowstone Community Health Plan (YCHP), Billings, Montana, opposed HB 155. His written testimony may be seen in EXHIBIT 18.

Larry Akey, Montana Association of Life Underwriters, and authorized to speak on this issue on the behalf of the Independent Insurance Agents in the state of Montana, opposed HB 155. **Mr. Akey** portrayed that by voting for HB 155 the healthy people in Montana would have low insurance rates, but when they get sick their insurance policies would be cancelled and their premiums rate would skyrocket.

John Flink, Montana Hospital Association, opposed HB 155 and suggested addressing the problems encountered with SB 285. His comments may be seen in EXHIBIT 19.

David Hemion, representing the Mental Health Association of Montana, opposed HB 155.

Chris Imhoff, representing the Montana League of Women Voters opposed HB 155. Her comments may be seen in EXHIBIT 20.

Steven Shapiro, Montana Nurses Association, opposed HB 155.

Questions From Committee Members and Responses:

REP. BRUCE SIMON ascertained that Blue Cross & Blue Shield (BCBS) sells both in the small and large group market. **REP. SIMON** asked

if small employers have more unhealthy people than large employers.

Mr. Butler responded that he honestly does not know the answer to that question.

REP. SIMON explained that it doesn't seem likely that there would be a large preponderance of unhealthy people in small groups which would drive the rates up higher than it would for large groups.

Mr. Butler agreed in the premise of the theory **REP. SIMON** described. He remarked that most large employers waive the illness and preexisting conditions.

REP. SIMON asked **Commissioner O'Keefe** to explain the provision in the Small Employer's Act concerning the modified community rating of nine groups with limited indexes and within each group exist compressed rate limits.

Commissioner O'Keefe explained that essentially a modified community rating with a compressed premium base allows the industry and marketplace to offer the same premiums for similar dollars, because the lowest rate band will be a lot closer to the highest rate band of the sicker people. However, there is some underwriting that goes on within those rate bands. An individual is classified by a company into one of those bands and then the amount of premium that can be increased is "capped" by that particular class, so that rates remain stabler and the public is not subject to huge premium increases because of experiences of other employees over the past year.

REP. SIMON stated that he wanted to get it on the record that we have in the Small Employer Group Reform a mechanism to compress rates so that the people who have health problems have the opportunity to be included in health care policies.

Commissioner O'Keefe expressed to the Select Health Care Committee that there are situations in Montana under certain carriers that because of a health situation within a group, the rates have gone up literally thousands of per cent over a year. The Commissioner stated that his office is currently in litigation with a carrier who is charging an individual \$4000 a month for coverage. This individual has no option but to pay that premium because he cannot get coverage anywhere else.

REP. SIMON asked **Mr. Grogan** if it's the policy of the Montana Medical Benefit Plan to write coverage for everyone in the group, or are some people excluded from coverage?

Mr. Grogan simply stated that the MMBP uses underwriting. Each individual is underwritten.

REP. SIMON interpreted, "you cover them all."

Mr. Grogan explained that if there is an individual who does not follow the underwriting guidelines they will be declined coverage.

REP. LIZ SMITH requested that **Commissioner O'Keefe** address the possibility of abuse in regards to the Guaranteed Issue.

Commissioner O'Keefe commented that one of the concerns of "putting together the rules" was consumer abuse of insurers in Montana. To ensure that does not happen, rules were written in such a way that the 12-month preexisting condition exclusion was very clear in terms of what consumers could and could not do. **Commissioner O'Keefe** expounded on the 12-month preexisting condition.

{Tape: 2; Side: 2; Approx. Counter: ; Comments: Part of abuse of 12-month preexisting condition was lost due to changing sides of tape..}

REP. TOM NELSON asked that of the 31 companies that have applied to participate in the Small Group marketplace, six have been approved.

Commissioner O'Keefe corrected that seven have been approved.

REP. NELSON inquired how long before most, if not all, of the 31 companies will be approved.

Commissioner O'Keefe stated that the 31 companies have been prioritized to get them into the market. "It's just a matter of how quickly they get their paperwork" turned in. He estimated that by July 1995, the vast majority of those companies will be in the market.

REP. NELSON conveyed that in the case of a Small Employer Group that was in effect prior to December 7 and an exclusion writer was put into the health policy, if that exclusion writer remains or is it removed after one year?

Commissioner O'Keefe stated that he understands that a list of standard exclusions was used during the "rule making process" and that those exclusions were included. There was "agreement about the exclusions in Small Group policy as exclusions that could still be applied to Small Group policies."

Commissioner O'Keefe deferred to **Carol Grell** who stated that health writers are not allowed on new insurance of Small Group policies.

REP. NELSON questioned about old issues.

Carol Grell answered that old issues refers to current law.

REP. NELSON requested a clarification on abortion in the Standard Plan.

Commissioner O'Keefe expounded that it goes back to the discussions with the Health Benefit Plan Committee in terms of what a Standard Plan should include. A preventative health package was developed for pregnancy-related services which did include abortion. Thus, in the Standard Plan abortion is covered as a benefit. In the other Basic Plans abortion is not a mandated benefit. However, whether or not abortion is a covered benefit in the plan, insurance companies generally provide abortion coverage. It is an economic decision to provide abortion. Abortion is less expensive than live birth services. An issue that the Select Committee on Health Care may want to address is how the overall market will be affected if abortion is deleted from the Standard and Basic Plans.

REP. NELSON asked if the Underwritten Plan has to have more benefits than the Standard Plan.

Commissioner O'Keefe answered no.

CHAIRMAN ORR announced that there were no more questions and asked for the closing statement.

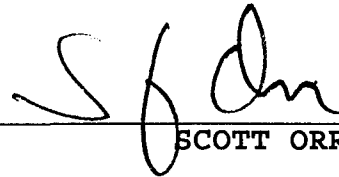
Closing by Sponsor:

REP. SMITH stated in closing that, "hopefully, we will be more informed in making good decisions for Montana." She complimented the movement toward resolving the uninsured and the Guaranteed Issue. She stated her concern that Portability was not addressed more; Montana is quite unique with its seasonal workers and rural lifestyles. She stated that, "government needs to be in support of the people and a service to the people;" not oppressive. She emphasized that she is not opposed to looking at something that can be offered to the people. **REP. SMITH** stated that she is a Hospice Nurse; she volunteers her service in their own homes where they are in control and they are making their choices. She implored the Select Committee on Health Care to allow the people to have choices. **REP. SMITH** referred back to EXHIBIT 13-PART A and reminded the Committee not to be narrow-visioned in the movement of direction and remain flexible and avoid the mistakes that other states have made. She stated that the intent was good when SB 285 was approved, however she urges that SB 285 be repealed in its entirety. She thanked the Select Health Care Committee and all those attending the hearing on HB 155.

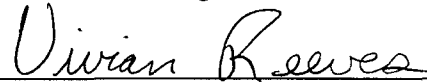
CHAIRMAN ORR thanked **REP. SMITH** and all those who testified on HB 155.

ADJOURNMENT

Adjournment: 6:05 P.M.



SCOTT ORR, CHAIRMAN



VIVIAN REEVES, Secretary

SO/vr

HOUSE OF REPRESENTATIVES

Select Committee on Health Care

ROLL CALL

DATE Jan. 17, 1995

NAME	PRESENT	ABSENT	EXCUSED
Rep. Scott Orr, Chairman	✓		
Rep. Carley Tuss, Vice Chairman	✓		
Rep. Beverly Barnhart	✓		
Rep. John Johnson	✓		
Rep. Royal Johnson	✓		
Rep. Betty Lou Kasten	✓		
Rep. Tom Nelson	✓		
Rep. Bruce Simon	✓		
Rep. Dick Simpkins	✓		
Rep. Liz Smith	✓		
Rep. Carolyn Squires	✓		

EXHIBIT 1
DATE Jan. 17, 1995
HB 155

Arguments for H.B. 155 by Representative Liz Smith: The Amendment discriminates against the employees of small (3-25) business!

According to the health care authorities table on "CHARACTERISTICS OF MONTANA FIRMS, BY SIZE" the employees of business size 1 to 25 employees make significantly less than the employees of the larger group, yet published rates for the Montana small group market and the rates in other states that have implemented small group reform make the cost of health insurance for this small group market much higher. The smallest increase estimated for Montana is 8% and the highest is 102%. Other states have had even larger increases for their particular reform program.

If we are to have meaningful healthcare reform, it must be affordable. This law, by it's own definition, does nothing to address cost, and consequently it will have a negative effect on access. It is our contention, and proven in several other states such as Oregon, Minnesota, New York and New Jersey, that increased costs will force the younger, and healthier (but unfortunately poorer) citizens to drop their coverage. As these young healthy people leave the market, the costs will soar once more, causing even more young people to leave the market. Eventually, only the wealthier people will be able to afford small group insurance. I do not believe this was the intent of the legislature.

Sometimes, in order to move ahead, we have to back up a little and take a different trail that will actually lead us to where we want to go. We believe that is the case with Section 33-22-18 of the Montana Code Annotated, and that is why I am asking you to repeal "THE AMENDMENT".

EXHIBIT 2
DATE Jan. 17, 1995
HB 155

HOUSE BILL 155
HEALTH CARE SELECT

Mr. Chairman, Members of the Committee:

My name is Greg Van Horssen. I am here today on behalf of State Farm Insurance Companies in Montana. State Farm rises in support of Representative Smith's House Bill 155 with the suggestion that, before taking action on this bill, the committee first carefully consider other proposed legislation on small employer health issues.

State Farm understands that there are proposals in draft form which would amend the Small Employer Health Insurance Availability Act.

State Farm will be commenting on any proposals, presumably before this committee, and would ask this committee to hold off any action on any bill affecting small employers until all bills are heard.

By way of background, State Farm is a mutual company. What that means is that the company is owned by its policyholders. It also means that State Farm's primary obligation and responsibility is to its policyholders.

In addressing that obligation, some significant concerns have surfaced regarding the language of the small group law as it currently exists and the effect of that law on State Farm policyholders.

The first of State Farm's concerns is a concern for its group health policyholders or participants.

It is important to note that State Farm does not have a large presence in Montana's group health market. In fact, State

Farm no longer offers group health in the state, but instead, offers its group health line as an accommodation to its Montana clients. State Farm would like to continue that accommodation, in the form of servicing those policies, for as long as its policyholders need protection. But, under the language of the statute, State Farm will be required to discontinue servicing its small group product in 1997. Obviously, State Farm feels that it should be able to service its existing group products in their current form for as long as the policyholders require that service.

A second area of concern raised by the current law is the issue of costs and program shortfalls.

You will hear from others today, on both sides of this issue, that there is real uncertainty regarding the costs associated with the programs created under the statute. State Farm shares those concerns to the extent that any program shortfalls are passed along to its policyholders.

Currently statute provides that all insurers who market health plans in Montana must share in any program shortfalls. This means that even if an insurer chooses to discontinue its group lines in Montana it will still be responsible for helping fund shortfalls in the small employer program. It is State Farm's position that those companies choosing to market products under the Small Employer Act are the appropriate companies to fund any shortfalls in that program.

A third (and final) concern regarding the current law also involves the issue of shortfalls in the program.

The current law, as previously mentioned, requires insurers (group and individual) to fund any program shortfalls. The magnitude of this shortfall is unknown but the potential for large shortfalls raises some concern for State Farm.

The current law, while requiring all health insurers to fund any shortfall, does not provide any cap on an insurer's potential assessment. State Farm maintains the position that a health insurer in Montana should be able to forecast its exposure as an assessable carrier operating in the state. There is currently no way to do so. State Farm has suggested placing a cap on an insurer's contribution for program shortfalls. This would enhance an existing or potential insurer's ability to predict its exposure in Montana under the Small Employer Act.

In closing, State Farm believes that some significant problems exist under the Small Employer Health Insurance Availability Act.

State Farm appreciates the opportunity to address this committee regarding these concerns and asks this committee to hold off on any decision on Representative Smith's bill. However, if after careful consideration of all proposals on the issue, no reasonable solution can be found to address the issues raised by State Farm, State Farm would ask this committee for a DO PASS recommendation on House Bill 155.

Thank you.

Support for HB 155
to repeal the Amendment

EXHIBIT 3
DATE Jan. 17, 1995
HB 155

* Rob Hunter : Health Benefits & Managed Care
Consultant - licensed in Montana
as an Insurance Consultant.

Objectivity: ~~Business~~ - Legislature's decision
will not impact my business
because I am not involved
in the sale of small group
insurance. In fact, rejection
of the Act might keep me
call from small group in Billings
for consultation due to cost
impact of the Act on premiums
(my first small group consultation)

Qualifications: if time permits, or committee
wants to know

* Two repeal for 2 main reasons:
(1) the ~~bill~~ is a too idea-pooly/creative
(2) there is a much better plan
being submitted to legislature

① Bad idea

★

- Health Care for Portuguese & Bryan Insurance Committee

★

- Does not address affordability, & therefore won't improve access in aggregate (some winners, some losers)

- Absent significant cost containment properly implemented, there should not be considered disassociated for ACA (referred to Cost Committee)

- Act passed w/o material cost containment -
 - lowest reported premium surcharge 8% (BCBS)
 - highest actuarial recommendations 140% to 160% (MMBP)

★

- Some supporters of Act - HIAA for example - oppose expansion to

larger groups - fear it will drive employers to self-fund - amounts to admission that employers will recognize the ~~fact~~ for the poor value that it is, and will choose better value, not out of ignorance as the Insurance Industry's lobby likes to assert, but on the basis of being well informed ~~by~~ business managers

② ~~By~~ Better Idea

• ~~HEA 1015~~ ~~Medicare~~ Medicare plan ~~which~~, which is built around the concept of Medical Savings Accounts, ~~represents~~ the healthcare reform that we need to make health insurance reform work.

It will ~~not~~ ^{show} how we pay for health insurance, but will profoundly impact how we consume health care. I'll

explaining
have ~~the~~ ~~the~~ of the Plan
and the evidence for its
value to others. My point
is that we have in Medicare
a plan far superior to the
Act.

If you want ^{living} proof, allow
them to ~~coexist~~ ^{permit} insurers to
offer either - and the
market will quickly ~~tell~~
reveal: ~~which~~

- which is inflating & which is
deflating

- which ~~incentivizes~~ penalizes
good health and which
rewards good health

- which ~~attempts~~ fails
to reduce the number of

uninsured, and which
successfully makes
coverage affordable and
accessible to all.

even just
among small
businesses

③ One final point.

- Supporters of the Act fear that it will end the practice of "cherry picking" which we are led to believe is an evil thing to do

- personal account of a small group ^{by MMBP} that was ~~just~~ ^{recently} cherry picked. Employer used subjects to

- ① extend coverage to an employee who was previously uninsured & presumed to be uninsurable;
- ② add an Employee Assistance Program, which was ~~not~~ welcomed by 2 employees dealing w/ depression; and
- ③ add access to prepaid primary care services for minor illnesses & injuries at no cost to the employees and their dependents

By contrast, last week I heard BCBS describe a ~~situation~~ ^{situation} involving cancellation of an ~~old~~ ^{old} small group member who had fairly healthy. The example was intended to support the case for retiring ~~this~~ ^{this} ~~the~~ ^{the} guarantee issue.

The ~~right side solution~~ ^{right side solution} for this situation, however, is guaranteed renewability, not guaranteed issue. And while BCBS will, to my knowledge, renew any & all, they also will increase rate classification on the basis of changing health conditions within the group. The ^{small} group that asked me in to a consult was facing this very problem.

MMBP, which is one of those ~~degraded~~ ^{degraded} ~~pickers~~ ^{pickers}, by contrast, has guaranteed renewability and does not alter rate classification - ~~gets~~ ^{gets} ~~it~~ ^{it} increase the same & good risk.

But with the Act the State of Montana will in effect put these small ~~insure~~ insurance companies out of business - over 70% have reported left our State already.

Our State ~~what the~~ should not be involved in transferring market share to large insurance companies, nor does it make sense that we should require small insurers, or any ~~the~~ small business for that matter, to assume the same risks as large insurers & large businesses.

I am not an opponent of ERIS ~~and many that~~ of any kind - I'm glad we have them but we will still have them if this Act is passed, they will still be in financial good health, and other rates will be lower.

EXHIBIT 5
DATE Jan. 17, 1995
HB 155

January 17, 1995

Mr. Chairman, Members of the Committee, for the record my name is Dean Randash.

Last week I was asked if I had insurance credentials. It will take insurance credentials coupled with business sense and a genuine concern for small business employees to forge small employer reform that is affordable and accessible. As a small businessman for over 25 years who believes and is committed to addressing the concerns of small employer reform, I have testified and can assure you that the profit margins do not exist in the small family owned businesses of Montana to absorb the unfairly unfunded mandate of "Guaranteed Issue." Unless we fund this reform equitably we will never achieve our goal of empowering more small business employee families to be insured.

Small business and their employees are vital to Montana's economic system. If we are being asked to bear our portion of the burden that is fine, but then permit us to have an equal portion of input into the crafting of a workable solution. Our first function is to provide goods and services to our communities from which we earn a profit. From that, we can equitably pay our employees who in turn sustain their families well being. Unless, this legislation is well crafted keeping that delicate balance in mind not only will it result in main street unemployment, but in the end, the cost factors already evident in small employer insurance will drive many into dropping coverage and creating yet more uninsured.

Big business and big government dominated and directed the crafting of The Small Employer Health Insurance Availability Act, at the expense of the small business employee. Rep. Smith's bill acknowledges that to regain credibility with all the players it is necessary to start over. This new beginning will allow all players to start on equal ground. Then, by using the information and knowledge that was learned from the previous work, we can start to build a fair, new, and viable partnership. I urge a "Do Pass" on HB 155.

Dean M. Randash

Mr. Chairman & Committee - I'm Shirley
Kasmussen from Stevensville & speak in support

1- Insured with BC/BS over 10 yrs -
HB 155

2- One major med. claim

3- that claim cost us: deductible
CO insurance \$5000 -
Exhibit 4, HB 155
Jan. 17, 1995

4- Soon, received two high rate
increases making policy unaffordable

5- Research Nat'l Co. found I was
uninsurable because of earlier diagnosis

6- Referred to St. Auditor office - told of
the MCHA plan - Premiums in excess
of what I had just refused -

7- Researched with Lawyer - Can pay
major med. Bill at \$100 a mo. & nothing
they can do ^{agent found or to cover}
^{by ded. with affordable premium}
^{opened package act. found Prod.}

8- Now - you're telling me that because
I am part of the small business
industry, if I choose to continue
to participate with insurance,
my premiums will have to increase
so that policy can cover therapy
for the alcoholic at 100% coverage
or the drug addict at 100% - If alcoholism
is a disease then why is it not treated
like other diseases in this policy?

If a diabetic must pay deductible & co-insurance, so should the alcoholic -

Because I choose to carry my baby full term & deliver a live child, I must pay deductible & co-insurance - But the woman that chooses to abort her baby will have her expenses paid 100% - This looks like a good case for discrimination to me -

9 - Guaranteed Issue - What healthy person is going to keep paying these high premiums if they know insurance must cover them -

10 - If you want to keep Montana's, don't start another nightmare bureaucracy - Surely you heard Montana's with the last vote - Less govt. Repeal Senate Bill 265 -

I am an uninsurable, small Business individual & I'm telling you I do not want nor need govt help to pay for my health care -

Guaranteed Issue and the Uninsured

Project HEAL
Great Falls, Montana
1 800 720-3181

Problem-Too many individuals without health insurance.

Who are the uninsured?¹

The uninsured are young ----- 60% under 30.

The uninsured are low-income----- 55% have family incomes less than \$20,000.

The uninsured are employed ----- 85% are in families headed by a worker.

The uninsured are healthy ----- 2.5% say they can't get coverage due to health.

Cause-Insurance and medical care too costly.

Why don't they have insurance?

Nationally

- A NFIB survey² of 5,368 business found that:
 - 65% said they could not afford insurance.
 - 35% cited reasons such as lack of stable profits or having other coverage.
 - 0.6% said they had been denied coverage.
- A survey of 1,300 employers for the Robert Wood Johnson Foundation:³
 - 85% of those who did not offers coverage cited the high cost of premiums as the reason
 - 3% turned down due to the type of business they were in.
- A study by the Bourget Research Group on Connecticut small business attitudes, reporting on the reasons they do not have insurance:⁴
 - 65% it's too expensive.
 - 25% have spousal coverage.
 - 19% business or economy is poor.
 - 7% have too few employees.
 - 5% were turned down for coverage.

IN MONTANA⁵

- questionnaire sent to 7,087 businesses.
- 4,949 (70%) businesses responded.
- only 1.25% (89 employers) said they were turned down during the last 5 years for insurance.

Proposed Solution-- Small Employer Availability Act--Increase "Access" by mandating Guaranteed Issue for small employers.

¹Employees Benefits Research Institute (EBRI). Special Report #123, February, 1992. Blue Cross Blue Shield Association. Media Digest, No. 18, May 4-8, 1992, and Testimony for the Senate Finance Committee, 1992.

²Hall, Charles P., and Kuder, John M. *Small Business and Health Care-Results of a Survey*, The NFIB Foundation, 1990.

³McLaughlin, Catherin G. *The Dilemma of Affordability: Private Health Insurance for Small Business*, American Enterprise Institute, October, 1991.

⁴Bourget Research Group. 1991 *Small Business Health Insurance Attitude & Usage Study-Pre-Wave*, January, 1992.

⁵Montana Insurance Commisioner's Office

Guaranteed Issue-Requiring insurers to accept all applicants regardless of health status, including those with active illnesses.

- always linked with some rate insurance rate restrictions or some form of "modified community rating".
- sometimes linked with "pure Community Rating".
- almost always linked with pre-defined benefit options.
- almost always linked with a "reinsurance pool" of some sort, with different financing mechanisms.

Studies of Guaranteed Issue

American Society of Actuaries⁶

- a seven year study that included two of the insurers currently planning to participate in Montana Small Group Market.
- claims cost in the second year of guaranteed-issue policies were 50% higher than standard-issue policies. Claims cost tapered off in subsequent years, but still averaged 38% higher.

Families USA Foundation-a liberal Consumer Advocacy Group⁷

- In an actuarial study examining impact of a proposal advocating guaranteed issue with rating bands concluded that:
- 50% of small groups would experience a rate increase averaging 15%.
- 15% of small groups would receive a decrease in premiums averaging 25%.
- 35% of small groups would see no change in premiums.

Blue Cross Blue Shield Association⁸

Looking at the impact of Guaranteed Issue and Community Rating concluded:

- Over 20% of small employers enrolled with their sample plan would receive rate increases in excess of 70%, if required to community rate
- About 7% of small employers would receive rate increases of 100%, if required to community rate.
- Estimate that the guaranteed issue provisions alone would raise the cost of premiums for all groups by 10%.

Examples--Connecticut, New Jersey, New York, Ohio.

- Montana representatives of HIAA, Blue Cross Blue Shield, and the Montana Association of Life Underwriters all agree that the Montana Small Employer Act will not make insurance less costly. They agree that the act is not intended to address "Affordability", but only "Access".

Conclusion

Making Insurance More Costly by guaranteed issue will NOT address the cause of why most Montana employers do not provide insurance for their employees. In fact, it will make the problem worse by increasing costs and forcing many healthy groups to drop their insurance. They will either go bare, shift into the individual or ERISA markets, or minimize benefits.

Solution

Significant reform is needed, but should be based on tax credits for individual insurance, medical savings accounts, and state high risk pools with the widest possible distribution of costs.

⁶ Society of Actuaries. *Variation by Duration in Small Group Medical Insurance Claims*, Sept. 5, 1991.

⁷ Families USA. *The Senate's Small Group Insurance Reform: A Catastrophic Health Care Debacle in the Making?*, May 1992. Study by Gordon Trapnell consulting Actuaries Limited.

⁸ *Two Studies Find Premium Hikes with Guaranteed Issue, Rate Limits*, Health Benefits Letter, #29, May 21, 1992.

Guaranteed Issue in Connecticut: Early Results Not Encouraging

EXHIBIT 6 Part B
DATE Jan. 17, 1995
HB 155

Two years ago, a Blue Ribbon Commission's report resulted in the enactment of Guaranteed Access small group insurance in Connecticut.

The Hartford Courant proclaimed that the law would "make health insurance cheaper and more accessible to uninsured state residents... As many as 60,000 of the state's 250,000 people without insurance would likely become covered under the legislation... Insurance lobbyists saluted the measure as a model for the nation and a citizen action group called it a promising step toward covering all state residents."

Now there has been sufficient time to make a preliminary assessment of the law's enactment, and it is increasingly clear that the law is simply not working. The uninsured are still uninsured, insurance costs are higher than ever before and all kinds of unintended consequences - like much more intensive underwriting - have manifested themselves in the market.

What follows is a report on the nature of the small group health insurance market in Connecticut one year after the Guaranteed Access law has become fully operational.

EFFECT ON THE MARKET New Business Rates

"Street rates" have virtually no meaning in the market anymore. Carriers are now providing quotes for group only after they go through underwriting.

Insurance agents are frustrated with the new rating practices. They cannot know going into any sales situation whether they will be able to save the group money. Until they complete medical applications on everybody, submit the group, and wait for an underwriting decision, there is simply no way of knowing what rates the group will be quoted.

These rating practices are now being applied to all groups with 1 to 25 employees, and are now being used by all carriers in the market, included those which previously applied community rating.

Before the enactment of the law, an insurance agent knew in advance if it would be accepted for coverage by a particular carrier. Now, the agent knows that the group can get placed, but does not know whether the group will save any money.

Underwriting

Medical underwriting has intensified in Connecticut. There is now so much emphasis on determining who should be reinsured for pre-existing medical conditions, that one agent has described the process as a "medical witchhunt."

Full medical applications must now be taken on all employees in the 1 to 25 market. One agent had to complete and submit 80 health applications to get rates from 4 carriers for a 20-person group.

It often takes weeks, even months, to get a final quote back from an insurance company.

As with the rating practices, underwriting is now being done by carriers that never used to. Even Blue Cross and Blue Shield of Connecticut has established an underwriting department. There have been reports that Blue Cross has spent \$4 to \$5 million to establish an underwriting department.

Renewals

The law is having significant effects on renewal rates, even this early in the program.

All groups with 1 to 25 employees are essentially being experience rated to the maximum extent allowed by the law.

Also, for the first time, many groups are getting "demographic adjustments" to reflect differences in industry, geography, age, family status, and size of groups.

(Please turn to page 4)

On The Inside:

- Two Computer Giants Feature Prevention, Cost Sharing, PPOs, in Benefit plans. Page 2
- The Connecticut Small Group Guaranteed Access Law: Some Key Components. Page 4
- Two Studies Find Premium Hikes With Guaranteed Issue, Rate Limits. Page 5
- Highlights from the Congressional Record. Page 6

Early Results in Connecticut Not Encouraging

(Continued from page 1)

The effect is that small groups are getting tiered to a much greater extent than before. Connecticut's agents report renewal rate increases ranging from 0% to 60%.

Benefit Plans

Carriers that used to serve part of the small group market must now serve it all. As a result, some of these carriers make available only the plans mandated by the state to those groups which they previously did not serve. For example, carriers that did not make their "name brand" plans available to 1- and 2- person groups still don't; instead, they offer these groups only the state mandated plans. Because pricing of these basic plans is left to the carrier, the carriers can effectively price themselves out of markets they don't want to be in.

Gaming

There are increasing numbers of reports that small employers are beginning to base hiring decisions on the health of an applicant. There are also anecdotal reports that larger employers are dumping high risk employees into the reinsurance pool by creating small group subsidiaries. One observer called this tactic the "Three Sick Guys Company."

THE REINSURANCE POOL Special Health Care Plan

Like many states, Connecticut tried to deal with the affordability problem by enabling uninsured small employers to buy "bare bones" plans. Also like many states, Connecticut created barriers to purchase, the most important being that a given group had to have been uninsured for two prior years. And, like most other states, the "bare bones" plans have failed to make a dent in the ranks of the uninsured.

The Special Health Care Plan was targeted at low income, uninsured small groups (fewer than 10 employees). While Connecticut decided not to waive the application of mandated benefits, the Special plan was supposed to reduce premiums by reimbursing providers only 75% of Medicare allowable charges.

As of February 29, 1992, only 258 individuals in the target market had become insured through this program.

Reinsurance Pool Enrollment

The Reinsurance Pool was created as a way for carriers to share equitably in the cost of bringing high risk individuals into the system. Rather than fully subject themselves to the unpredictable cost consequences of guaranteed issue, carriers would be permitted to "cede" risks to the reinsurance pool. The cost of the high risk individuals in the reinsurance pool would be charged

THE CONNECTICUT SMALL GROUP GUARANTEED ACCESS LAW: SOME KEY COMPONENTS

Carriers which serve the small group market must serve the entire small group market; i.e., all small groups with 1 to 25 employees. Self-employed people are their own employees; therefore, self-employed, 1-person groups must be guaranteed access.

Every carrier can offer as many plans in the market as it wishes, but it must guarantee issue a small employer health plan or a special health care plan benefit plan (depending on the nature of the group) to any small group which wishes to purchase one.

The carrier must apply group accept-or-reject underwriting to its "name brand" plans. The small employer health plan and special health care plan benefit plans must be offered to any group which is rejected for the "name brand" plan and coverage must be issued if desired.

All new additions to groups must be guaranteed issue, regardless of the plan initially sold to the group. Previously satisfaction of pre-existing condition limits must be credited.

Rates for two groups with the same case characteristics and the same or similar coverage can vary by as much as 2:1 due to duration, claims experience, or health of the group. The carrier can vary rates by plan design and case characteristics as it sees fit.

A carrier may increase rates by as much as 20% per year based on duration, claims experience, or health of the group. This can be added to changes in the group's case characteristics and the changes in new business rate.

Whole groups and individuals can be "ceded" to the reinsurance pool. The reinsurance board establishes the reinsurance premiums and the amount of claims cost which the carrier must keep for each risk per year.

Early Results in Connecticut Not Encouraging

back to the carriers based on their market share of the small group market.

The number of people reinsured into the pool should therefore be a gauge of the success of carriers in bringing high risk people into the system.

Once again, however, the results are poor. As of December 31, 1991, only 546 individuals had been reinsured into the system. Carriers have figured out how to use pricing to avoid high risk groups, thereby mitigating the need to reinsure.

Dumping Existing Risks

By February 29, 1992, however, 2,228 people had been reinsured into the pool, a fourfold increase in just two months, according to Connecticut's Task Force on Health Care Access. What changed?

On January 1, 1992, carriers were permitted to reinsure old, in-force business into the pool. In other

words, carriers could get rid of high risk people they already insure and make other carriers share in the cost.

As of this writing, the Reinsurance Board is acknowledging the reinsurance of old, in-force business but is not disclosing the actual numbers. But the sudden growth in the number of reinsured persons indicates that the reinsurance pool is being used as a dumping ground for unwanted risks.

1992 AMENDMENTS

In an attempt to deal with some of the unintended consequences of the law, several amendments to the law are being enacted.

Allowable rate bands for claims experience, duration since issue, and health of the group are being cut back to 1.5 to 1.0 (from 2.0 to 1.0). Maximum rate increases for these reasons are being limited to 15% annually (from 20%).

A great number of additional changes are being made to assure "fair marketing" practices.

Many have to do with the agent/carrier relationship. Agents will not be allowed to direct sick groups to a given carrier. Carriers may not base agent compensation on the health of a group. High risk people cannot be carved out of groups. Underwriting and rating practices must be documented by carriers and made available on request by the Commissioner of Insurance.

CONCLUSION

The Connecticut Guaranteed Access legislation, is, as one observer put it, like a big pot of soup that has been stirred up with no measurable improvement in the small group market. For many, the market is far worse today than before the law. More tinkering is not likely to make a noticeable improvement.

Two Studies Find Premium Hikes With Guaranteed Issue, Rate Limits

Two very diverse organizations have recently released estimates of the magnitude of rate increases if guaranteed issue and rating bands are adopted for small groups as envisioned in Senator Bentsen's small group reform bill.

Families USA, a liberal consumer advocacy organization, hired Gordon Trapnell, a consulting actuary, to develop estimate of the impact of the reforms on small group premiums. The study concluded:

- Approximately 50 percent (of groups with ten employees) would experience premium increases, and those increases, on average, would be 15 percent higher than what they would have paid without any changes in the law;
- Approximately 15 percent would experience premium decreases and those decreases, on average, would be 25 percent lower than premiums under current law; and
- Approximately 35 percent would experience no changes in their premiums.

The Blue Cross Blue Shield Association has released estimates of the premium effect of guaranteed issue and community rating and concluded:

- Over 20 percent of small employers enrolled with the sample (Blue Cross Blue Shield) Plans would receive rate increases in excess of nearly 70 percent if the Plans were required to community rate.
- About 7 percent of small employers enrolled with the sample Plans would receive rate increases of almost 100 percent if the Plans were required to community rate.

The Blues also estimate that the guaranteed issue provision alone would raise the cost of premiums for all groups by 10 percent.

Families USA summed up, "If Congress enacts these reforms, there would be three to four times as many 'losers' - who would pay considerably higher premiums - as there would be 'winners.' As a result, this legislation could engender the same type of disenchantment that occurred immediately after the Catastrophic Coverage Act was enacted."

EXHIBIT 7
DATE Jan. 17, 1995
HB 155

January 16, 1995

Mr. Chairman, Members of the Committee, my name is Arlette Randash representing Eagle Forum.

I rise in favor of HB 155 because the so-called small employer reform has violated the intent of the legislature and the will of the people. When SB 285 passed in 1993 it is my belief that not one legislator intended that "abortion on demand" be mandated as a benefit. Perhaps that's why when the health benefit plan committee was holding hearings during the drafting of the benefit package they never once used the word *abortion*. When the committee was asked if under "pregnancy related services" they intended to cover abortion on demand they admitted they did.

Furthermore, throughout 1994 as the MHCA held public hearings Montana's citizens clearly indicated that they did not want abortion on demand as a mandated benefit. May 16-19 electronic forums were held in varied sized towns --ranging from Glasgow to Great Falls to Kalispell. Whether rural or urban, 59% of Montanans said they definitely did not want abortion covered. The Insurance Commissioner had to be aware of public sentiment because he is an ex-officio member of the MHCA board. Moreover, in early April Governor Racicot had communicated that he did not support mandating abortion in the "standard" plan of health insurance being designed by the state because "elective procedures [that] are not medically necessary and are not subject to deductible and coinsurance allowances." In spite all this abortion was mandated in the standard plan.

Subsequently, the same duplicity marked the work of the MHCA in general. When asked at its summer board meeting in Miles City if they would be explicitly recommending to the legislature that abortion be covered as a mandated benefit Chairman Bradley said they would not because they had determined that to do so would cause the entire process to unravel. Yet in the end they subsumed the benefit package designed for the small employer reform.

As it stands unless you repeal the small employer reform you will in effect have given over your authority to legislate insurance law. This is evidenced by the fact that since the inception of the Montana Comprehensive Health Act in 1985 abortion has always been specifically excluded. Yet this past December that exclusion was suddenly deleted. Why and by whom and for what purpose? If it doesn't reflect your intent why was it done?

There will always be those among us who support abortion on demand, but there are few among us willing to compel others to pay for everyone else's abortion. By mandating it as a benefit in the standard plan the state has set an untoward precedent, without legislative direction and in violation of the expressed intent of the public. I submit that it is necessary to pass HB 155 to reassume control of health insurance legislation. Montanans deserve genuine health insurance reform, by repealing this law we can redirect the work of reform in an above board fashion restoring credibility to the process.

My name is Joel Olinghouse. I sell Health Insurance. I am asking you to

repeal The Amendment Portion of Senate Bill 285 for the following reasons:

The Standard Plan provides for full payment of Abortion on Demand, Contra-
 EXHIBIT 8 Part A
 ception and Sex Therapy, among other things.

DATE Jan. 17, 1995

HB 155

If a dependent of a covered employee under plans mandated by The Amendment becomes pregnant she can walk into an abortion clinic and get an abortion... and get it paid with no deductible or co-insurance.

Health insurance policies were meant to help pay toward expenses for medically necessary treatment. Cosmetic surgery to improve your looks, for instance, is not an eligible expense.

Over 95% of abortions are done for Cosmetic, Social and Convenience reasons.

It is almost always a process of removing a healthy baby from a healthy mother...and killing the baby in the process. And ~~that~~ ^{WE ASK} insurance companies to pay for this!

The Amendment put into motion a mandate that will not only encourage abortion, but will cause insurance premiums to go even higher.

Just last week I requested quotes on a couple of small groups who would fall under the rules of Senate Bill 285. The premiums quoted are 30 to 80 percent higher than my primary company, Montana Medical Benefit Plan, which does not pay for abortion on demand.

It simply does not make sense to include payment for procedures that are not medically necessary.

Our predictions of last year have come true as we see actual quoted premiums going through the roof.

And the plans under Small Group Reform are not as portable as we are told.

You can only take your insurance from job to job if your new employer has a

Guarantee Issue group plan in force. PLEASE, IN THE NAME OF COMMON SENSE,
 REPEAL SENATE BILL 285.

Joel Olinghouse
 D. R. O. HAMILTON

THANK YOU AND
 I ALSO WOULD LIKE THIS PETITION

EXHIBIT 8 Part B
DATE Jan. 17, 1995
HB 155

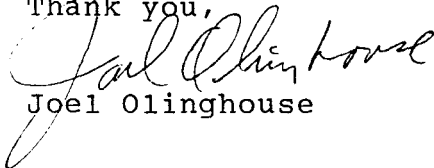
January 16, 1995.

Dear Committee:

The attached list includes 144 signatures protesting coverage of abortion on demand on any insurance plan. This petition was taken April 17, 1994 and sent to Mark O'Keefe.

144 signatures of folks from a small town in Montana who have always been against such mandates.

Thank you,


Joel Olinghouse

The original of this document is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

(petition)



EXHIBIT 9 - Part A
DATE Jan. 17, 1995
HB 155

HOME • AUTO • LIFE • HEALTH

P.O. Box 1060
443 Main
Kalispell, Montana 59901
(406) 752-8000

January 6, 1994

Representative Carley Tuss
Capitol Station
Helena, MT 59620
(406) 444-4800

RE: SB 285

Dear Representative:

This letter is in response to a letter you received from "Glacier Insurance & Financial Strategies" concerning the repeal of "The Amendment" portion of SB 285.

We are Independent Agents and represent several Insurers who have or are writing health insurance in Montana. These include, but are not limited to: John Alden Life, The Travelers, Home Life, The Montana Medical Benefit Plan, The Guardian Life, and Principal Mutual Life. This letter is not to say that we as insurance professionals are against small group reform, but that "The Amendment" portion of SB 285 as written is not in the best overall interest of small business and the consumer in Montana.

We represent approximately 517 "small" employer medical groups with "one" insurer that is in opposition to "The Amendment" portion of SB 285. We have combined experience of 48 years. The annualized premium for these 517 groups is approximately 2 million dollars. It appears that Glacier Insurance's 120 groups with annualized premium of 5.5 million either does not fit the criteria of the "small group" targeted by "The Amendment", or that in comparison, these groups are paying extremely high rates.

It is common knowledge that Glacier Insurance is a "Preferred Representative" of Blue Cross/Blue Shield of Montana. Blue cross/Blue Shield is an adamant proponent of "The Amendment". It is interesting that the structure of SB 285 has some identical traits that contributed to the BC/BS financial woes in the late 80's (see enclosed article). Blue Cross/Blue Shield had open enrollment through banks for individual policies and were not asking any medical questions on groups that fit in the 3-25 market. As the article indicates, they were eating into their reserves at almost 1 million dollars per month for two years straight. Revamping their underwriting and **raising premium 35%-70%** was their only alternative.

Mr. Benson, a former district manager of MT BC/BS, has stated in his letter that the Insurers have said "The Amendment" portion of SB 285 will have "little or none" effect on the health rates for Montana. We submit to you that we have received quotes from several companies after 12-7-94 to comply with "The Amendment". These rates are higher than rates prior to 12-7-94 and can be increased 25%-50% after underwriting. Enclosed is just one rate sheet of BC/BS's that shows the many levels of premium, depending on underwriting, that will be used. This shows a 435% increase from the lowest to highest level. Also enclosed are comparison sheets of two actual companies that illustrate the premium difference of one company's rates to conform to "The Amendment" and the other company's rates that has chosen not to be in the 3-25 market under SB 285. As you can see, the company conforming to "The Amendment" is 25%-85% higher on regular premiums and could raise these rates 25%-50% after underwriting. Somewhat similar legislation in New York shows that high risk and high claims individuals moved to insurers with lower rates causing Empire BC/BS of NY to loose 400,000 enrollees, which was very good for their bottom line. In the first year after enactment, they showed a \$110 million profit compared to \$230 million and \$181 million losses in the two previous years. (See enclosure)

The Amendment portion of SB 285 does not give true "portability". Coverage is only portable if one goes to work with another company that has a guaranteed issue health insurance plan in place. If one loses his job because of illness and becomes unemployed, coverage is not portable. True portability allows the individual to take his coverage with him, no matter what the circumstances. We believe in and support full portability.

Again, we would like to emphasize, we are not against "reform". We are for reform and know it needs to arise in the best interest of everyone. However, "The Amendment" portion of SB 285 puts an unfair burden on the employees of one small segment of the business population in Montana. Reform should benefit all Montana and be paid for by all Montanans.

Thank you for your time in viewing our concerns. You may contact us at the addresses below.

Sincerely,



M. Doug Anders
Flathead Insurance
(Author)

Joel Olinghouse
Korman Insurance Service, Inc.
Box 631
Hamilton, MT 59804 (406)363-6583

Chuck White
White Protection Agency
1523 Stillwater Rd.
Kalispell, MT 59901
(406)756-8760

enc.
MDA/lkw

EXHIBIT 9 Part B
DATE Jan. 17, 1995
HB 155

ARR0050 CMP 13.21.05 11/17/94
COMMUNITY UNITY RATE
EFFECTIVE 01/01/95
REL
961110

DED 500	S/L 500	TRADITIONAL SECURITY		2PARTY	FAMILY	EMP/CHD	SINGLE ME	2PARTY ME
		CONTRACT	SINGLE					
		LEVEL 09	81.90	163.80	212.90	131.00	53.20	106.40
		LEVEL 10	87.90	175.80	228.50	140.60	57.10	114.20
		LEVEL 11	94.20	188.40	244.90	150.70	61.20	122.40
		LEVEL 12	101.00	202.00	262.60	161.60	65.70	131.40
		LEVEL 13	108.30	216.60	281.60	173.30	70.40	140.80
		LEVEL 14	116.20	232.40	302.10	185.90	75.50	151.00
		LEVEL 15	124.60	249.20	324.00	199.40	81.00	162.00
		LEVEL 16	133.60	267.20	347.40	213.80	86.80	173.60
		LEVEL 17	143.30	286.60	372.60	229.30	93.10	186.20
		LEVEL 18	153.70	307.40	399.60	245.90	99.90	199.80
		LEVEL 19	164.80	329.60	428.50	263.70	107.10	214.20
		LEVEL 20	176.70	353.40	459.40	282.70	114.90	229.80
		LEVEL 21	189.50	379.00	492.70	303.20	123.20	246.40
		LEVEL 22	203.20	406.40	528.30	325.10	132.10	264.20
		LEVEL 23	218.00	436.00	566.80	348.80	141.70	283.40
		LEVEL 24	233.80	467.60	607.90	374.10	152.00	304.00
		LEVEL 25	250.70	501.40	651.80	401.10	163.00	326.00
		LEVEL 26	268.80	537.60	698.90	430.10	174.70	349.40
		LEVEL 27	288.30	576.60	749.60	461.30	187.40	374.80
		LEVEL 28	309.20	618.40	803.90	494.70	201.00	402.00
		LEVEL 29	331.50	663.00	861.90	530.40	215.50	431.00
		LEVEL 30	355.50	711.00	924.30	568.80	231.10	462.20
		LEVEL 31	381.30	762.60	991.40	610.10	247.80	495.60
		LEVEL 32	408.90	817.80	1063.10	654.20	265.80	531.60
		LEVEL 33	438.50	877.00	1140.10	701.60	285.00	570.00

MONTANA BLUE CROSS/BLUE SHIELD

2-5-90

State insurers expect to post a small profit

MISSOULA (AP) — Montana's Blue Cross and Blue Shield expects to declare a small profit for 1989 after two consecutive years of losses.

Company president Alan Cain said he expects to declare a 1989 profit of about \$1 million when books are wrapped up, compared to losses of \$9.3 million in 1988 and \$8.8 million in 1987.

The health insurance company still is losing money on its insurance, Cain said, but invested capital is yielding enough profit to offset the losses.

"Eighty-nine is not going to be a loss year, but it is awfully close," Cain said. For 1990, he said, the insurer expects "modest, but larger, gains than we saw in 1989."

Higher premiums also boosted the company's accounts in 1989.

"We had to put in very substantial rate increases the past two years," Cain said. Some were as high as 70 percent, though most fell in the 35 percent bracket.

Rate increases probably won't be as steep in 1990, Cain predicted. Still, he said, health care costs are expected to go up about 18 percent overall for the year, and those costs will be passed along to users of the plans.

Blue Cross and Blue Shield plans cover about 210,000 people in Montana.

HEALTH CARE REFORM WEEK

6/28/93]. BC/BS enrollment has dropped by 400,000 as high-risk people previously unable to afford coverage under other plans switched to competing insurers. But losing high-risk enrollees also has cut its expenses. Result: It posted a \$110 million profit last year, compared to \$230 million and \$181 million losses in the two previous years, says Cologna.

(Another feature of New York's insurance reforms — risk sharing pools — are in limbo following a federal district court ruling that the pools created by the state violate federal laws. One of the pools was set up to subsidize insurers with large numbers of high-risk enrollees and the other to cover higher-than-average medical expenses. Insurers with healthier enrollees were expected to contribute money to the pools, while vulnerable insurers could withdraw funds.

The court found that the pool structure would force some — including state HMOs, which brought the suit — to raise their premium rates for employer-based plans, in violation of federal Employee Retirement Income Security Act (ERISA) regulations. The state is appealing the decision.)

[NY Insurance Dept., 212/602-0423; HIAA, 202/223-7787]

EXHIBIT 9B
DATE 1-17-95
HB 155

* Company #1 & #2 are both presently doing business in Montana.
Company #1 is participating under S.B.285, and Company #2 is not.

NON-SPECIAL INDUSTRY

\$500.00 deductible - 80/20 to \$5000.00

		Company #1	Company #2	Company #1's % higher
Age 25	Single	\$85.81	\$66.00	30%
	E/SP	\$222.70	\$166.00	34%
	* E/SP/C	\$322.93	\$202.00	60%
Age 35	Single	\$100.28	\$77.00	30%
	E/S	\$231.37	\$195.00	20%
	E/S/C	\$331.80	\$235.00	40%
Age 45	Single	\$143.07	\$108.00	32%
	E/S	\$282.94	\$218.00	30%
	E/S/C	\$383.37	\$259.00	48%
Age 50	Single	\$165.16	\$117.00	40%
	E/S	\$330.32	\$224.00	48%
	E/S/C	\$430.75	\$269.00	60%

Rates could be adjusted up to 50% higher.

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	E/SP	\$255.87	\$166.00	54%
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	E/SP	\$266.08	\$195.00	36%
	E/S/C	\$381.57	\$235.00	62%
Age 45	Single	\$164.53	\$108.00	52%
	E/SP	\$164.53	\$218.00	50%
	E/S/C	\$440.87	\$259.00	70%
Age 50	Single	\$189.94	\$117.00	60%
	E/SP	\$378.88	\$224.00	68%
	E/S/C	\$495.37	\$269.00	84%

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1900 North Last Chance Gulch, Suite C
Helena, Montana 59601 • (406) 443-0827
FAX (406) 443-0840

EXHIBIT 10-Part A
DATE Jan. 17, 1995
HB 155

**MONTANA RIGHT TO LIFE TESTIMONY ON HB 155
BEFORE THE HOUSE SELECT COMMITTEE ON HEALTH CARE
JANUARY 17, 1995**

Mr. Chairman, Members of the Committee:

For the record my name is Tim Whalen, representing the Montana Right to Life Association. Montana Right to Life is a state affiliate of the National Right to Life Committee, the oldest and largest Right to Life Organization in the country. The Montana Right to Life Association wishes to go on record in support of HB 155 introduced by Rep. Liz Smith.

During the 1993 Legislature an Amendment was attached to SB 285 creating the Montana Health Care Authority, authorizing Insurance Commissioner Mark O'Keefe to develop and implement by Administrative Rule Health Insurance Plans to be offered to small business. Two plans were to be designed which would be guaranteed issue--a Basic Plan and a Standard Plan. The Basic Plan was to be the cheaper plan.

After a number of hearings during which public input was given, Insurance Commissioner O'Keefe developed his Basic and Standard Plans providing Abortion on Demand through all 9 months of pregnancy as a mandated benefit. That meant that no employer purchasing Health Insurance for his or her employees could buy a plan without coverage for Abortion on Demand.

The decision to include Abortion coverage as a mandated benefit in both plans was made despite the substantial evidence generated by the electronic polling done by the Montana Health Care Authority showing that Montanan's do not want Abortion mandated as a benefit in their Health Care Plans. By ignoring the majority sentiments of the people of Montana the Montana Right to Life Association believes that Mr. O'Keefe has abused the authority given his office under SB 285 and that that authority should be revoked.

Montana Right to Life Association is aware that some will argue that any Health Care Plan that contains pre-natal care benefits for pregnant mothers must also contain coverage for Abortion under the due process and equal protection clauses of the Federal and State Constitutions. The courts have rejected that argument.

Recently in New York, Planned Parenthood, the League of Women

Voters and others challenged the Constitutionality of that states Pre-natal Care Assistance Program (PCAP) designed to provide prenatal care and related services for needy women with household incomes exceeding the Medicaid eligibility standard. They claimed that the failure of that program to fund abortion while funding certain child birth services violated that states obligation under the due process and equal protection clause's not to influence the exercise of a fundamental right.

On May 5th 1994 the state of New York Court of Appeals issued its opinion specifically rejecting those arguments and upholding the constitutionality of New York's Prenatal Care Assistance Program.

There is no justification for any administrative agency in this state whether it be the Montana Health Care Authority or the Montana Insurance Commissioner to include Abortion Coverage as a mandated Health Insurance benefit under the law or public sentiment.

The Montana Right to Life Association strongly encourages the committee to adopt a do pass motion on HB 155.

Thank you.

EXHIBIT 10 - Part B
DATE Jan. 17, 1995
HB 155

DRAFT SUMMARY OF
CHARTS AND TABLES FROM
CITIZENS' ELECTRONIC FORUMS
HELD IN
GLASGOW, GREAT FALLS, AND KALISPELL
MAY 16, THROUGH 19, 1994

SUBMITTED TO:

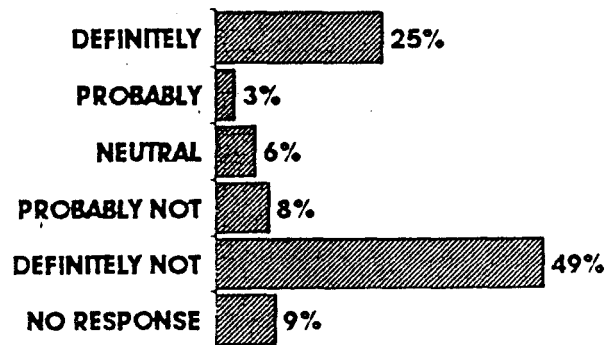
MONTANA HEALTH CARE AUTHORITY

PREPARED BY:

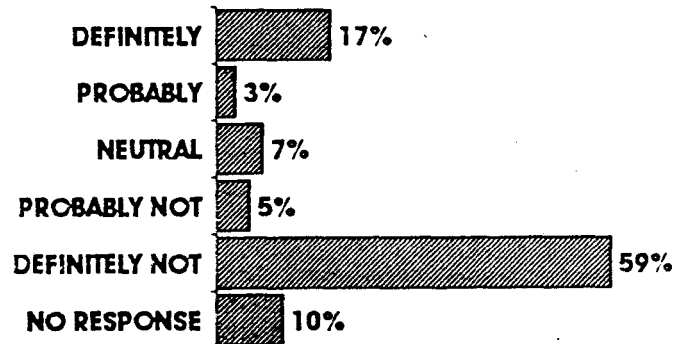
STUART ELWAY
ELWAY RESEARCH
SEATTLE, WASHINGTON

JUNE 9, 1994

Contraceptive services



Abortion



Abortion when medically necessary to save the mother's life

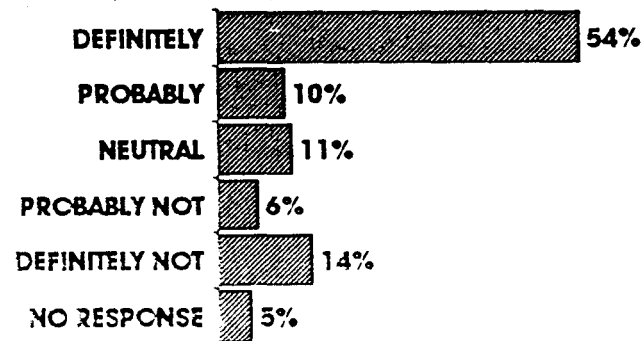
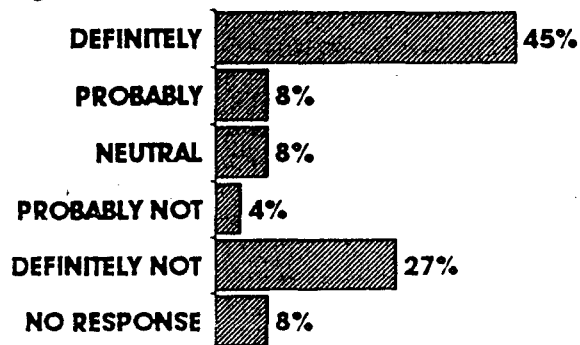
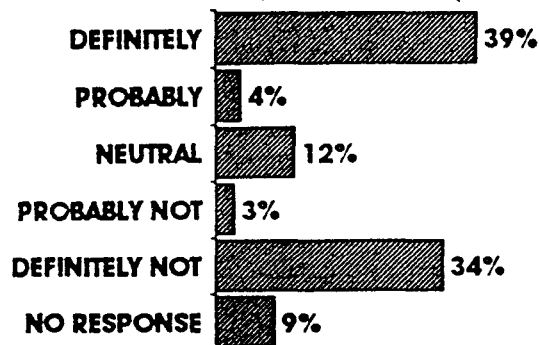


EXHIBIT 10 BDATE 1-17-95HB 155

Abortion when pregnancy results from rape or incest

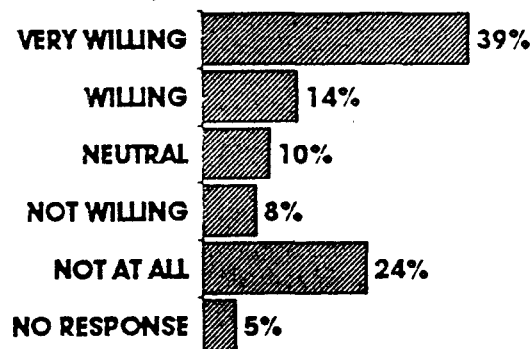


Abortion as an insurance benefit option that the individual would pay for separately



In order to extend health care coverage to more people and contain health care costs, how willing are you personally to...

Make less frequent visits to your doctor



STATE AUDITOR
STATE OF MONTANA

EXHIBIT 11
DATE January 17, 1995
HB 155

Mark O'Keefe
STATE AUDITOR



COMMISSIONER OF INSURANCE
COMMISSIONER OF SECURITIES

TESTIMONY OF STATE AUDITOR MARK O'KEEFE
JANUARY 17, 1995
HOUSE SELECT COMMITTEE ON HEALTH CARE
HOUSE BILL 155 (REP. LIZ SMITH)

Mr. Chairman, members of the committee, for the record I am State Auditor Mark O'Keefe. I also serve as Montana insurance and securities commissioner.

I oppose House Bill 155.

Here are the reasons why.

This Small Employer Health Insurance Availability Act was passed by the 1993 Legislature. The law was based on a mainstream model act that has been adopted by 33 other states. The act was designed to improve availability of health insurance to small businesses. Idaho, North Dakota, South Dakota and Wyoming all have adopted small similar business health insurance reforms.

The model act was developed in consultation with insurers and agent associations, consumer groups, small business representatives and regulators. Montana developed its act and plans not in secret, but in 21 public and open meetings since the spring of 1993.

The health insurance reforms contained in House Bill 285 are an industry- and consumer-supported solution to problems faced by small businesses that couldn't get health insurance. The act is a private-sector solution to a private-sector problem.

The Montana act also contains an innovative free-market approach to the marketing of the lower-cost basic plans. The concept was developed by the Health Benefit Plan Committee in cooperation with the insurance industry. The concept allows insurers to sell more than one basic, or lower-cost, health insurance policy. This concept also allows the free market, not government, to determine what policies are offered at what price.

Under this approach, employers and consumers can select from a variety of basic plans and shop for the deductible, coinsurance, and maximum out-of-pocket levels that meet their particular needs. It provides businesses with more choices.

The 1993 Legislature was right when it confronted the problem of availability of health insurance to small businesses. (133 of 150 lawmakers voted for final approval of the reform legislation.)

O'KEEFE

HB 155

PAGE 2

A survey conducted last summer by the Montana Insurance Department and state labor department confirmed that small businesses are much less likely to provide health insurance coverage to employees than large businesses.

The survey showed that 47 percent of small businesses provided health insurance coverage, compared with 83 percent of large businesses.

The survey also revealed that just 38 percent of small businesses reported making some type of coverage contribution for employees, compared with 74 percent for large businesses.

And small firms, the survey showed, pay more in premiums than large firms.

Montana is on target in attacking this problem with a voluntary program.

Finally, to repeal this law would go against the trend in this country of incremental reform, whose principles are supported by Republicans and Democrats alike.

A national post-election survey by the Healthcare Leadership Council revealed that Americans want to be able to carry their insurance with them from job to job. And they want to be guaranteed that they cannot be turned down by a health insurance company because of a pre-existing condition or illness.

What's surprising to me is that's what Montanans from both political parties want.

The 1994 Montana Republican Action Plan says this on health care: "Every person in Montana should have access to affordable, quality, basic health care."

The Republican plan advocates insurance reform that guarantees policy portability and coverage of preexisting conditions, and seeks to emphasize preventive health care -- all principles contained in the reforms this legislation seeks to repeal.

The state Democrat's Blueprint for Montana advocates similar principles, such as policy portability, guaranteed issue of insurance so no one can be turned down, and limits on pre-existing conditions exclusions.

To repeal this bill would repudiate the action plans of both political parties and wipe out a mainstream law that is providing a market-based solution to a market-based problem: the lack of availability of health care insurance in the small employer market.

I urge you to kill this bill.

###

Dear Chairman Orr and Members of The Committee

My name is Melody Ferreira, I am a female, 42 years of age, have a college degree and work for a small group employer. I also have an autoimmune disorder called Hashimoto's. This is not a rare disease, however, it can cause other medical problems, but usually can be well controlled with medication costing approximately \$50.00 per month. Because of this illness I was denied health coverage through my employer's insurance company.

I am a single mother with one child in college. Before my divorce, I was covered under my former husbands insurance. After the divorce, I was left with the option of working for a larger company with insurance benefits or advancing in the company I had been with for many years. I chose to remain with my current employer because of financial stability.

In 1992 I had an accident and had no medical coverage. My accident ended up costing me thousands of dollars and eventually I had to look at the possibility of filing for bankruptcy. I spent many hours working over-time and worked out payment schedules with all the health care companies I owed.

I could have chosen bankruptcy "that would have been the easiest thing to do" but why should I make you pay for my medical bills? It was not your fault that I had this accident. But, please realize it is not my fault I have this disease. I do not drink, use drugs, or smoke and I am an asset to my employer, not a liability.

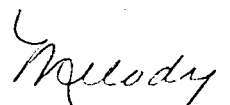
My employer finally realized that I would not be able to stay with them any longer without health care coverage and took out a policy for me through MCHA. I was fortunate, but also for one more year I hoped I would not become ill because almost anything could be labeled "pre-existing" with this disease.

Finally, in December of 1994 I received a letter from MCHA stating that I could go on to my employer's health insurance and not be discriminated against because of my health. Now, only one month later, I am faced with the possibility of this law being repealed and left with the unknown again.

I believe this law should not be repealed. Small group employers lose valuable people because the employee must look at health care and leave small companies for this reason. Welfare mothers stay on welfare because they cannot get health care and not too many people who have been on the welfare system can just land a job with the city, state or federal government or a larger company that does not require health insurability.

By not leaving this law in force, not only do we stifle the employee, but also the employer, and ultimately we have only gone backwards for all the people end up paying for the ones who do not have proper health care coverage in one way or another.

Sincerely,


Melody Ferreira

STATES' INSURANCE REFORMS

EXHIBIT 13-Part A
DATE Jan. 17, 1995
HB 155

STATE	GUARANTEED ISSUE	GUARANTEED RENEWAL	PORTABILITY	RATING MODIFICATION	MANDATE WAIVER
Alaska	93 Law	93 Law	93 Law	93 Law	
Arizona	93 Law	93 Law	93 Law	93 Law	91 Law
California	92 Law	92 Law	92 Law		
Colorado	94 Law	91 Law	94 Law	91 Law	91 Law
Connecticut	90 Law	90 Law	90, 93 Law	90 Law	
Delaware	92 Law	91 Law	92 Law	91, 92 Law	92 Law
Florida	92, 93 Law	91, 92 Law	92 Law	91, 92 Law	90, 92 Law
Hawaii	74 Law	74 Law	74 Law		
Idaho	93 Law	93 Law	93 Law	93 Law	
Illinois	Prior to 92	93 Law	93 Law	93 Law	90 Law
Iowa	92 Law	91 Law	92 Law	91 Law	91, 92 Law
Kansas	92 Law	92 Law	91, 94 Law	91, 92 Law	90, 92 Law
Kentucky	94 Law	94 Law	94 Law		90 Law
Maine	92 Law	92 Law	90 Law		
Maryland	93 Law	93 Law	93 Law		91 Law
Massachusetts	91 Law	91 Law	91 Law		91 Law
Minnesota	92 Law	92 Law	92 Law	92, 94 Law	92 Law
Missouri	92 Law	92 Law	92 Law	92 Law	90, 92 Law
Montana	93 Law	93 Law	93 Law	93 Law	93 Law
Nebraska	94 Law	91, 94 Law	94 Law	91, 94 Law	
New Hampshire	94 Law	92, 94 Law	92, 94 Law	92 Law	
New Jersey	92 Law	92 Law	92 Law		91 Law
New Mexico	94 Law	91 Law	94 Law	91 Law	91 Law
New York	92 Law	92 Law	92 Law		
North Carolina	91, 93 Law	91 Law	91 Law	91 Law	91 Law
North Dakota	93 Law	91, 93 Law	93 Law	91, 93 Law	91 Law
Ohio		93 Law	93 Law	93 Law	
Oklahoma	94 Law	92 Law	92, 94 Law	92 Law	
Oregon	91 Law	91 Law	91 Law		89 Law
Rhode Island	92 Law	92 Law	92 Law	92 Law	90, 92 Law
South Carolina	94 Law	91 Law	91 Law	91 Law	
Tennessee	92 Law	92 Law	92 Law	92 Law	92 Law
Texas	93 Law	93 Law	93 Law	93 Law	
Vermont	91 Law		91 Law		
Virginia	93 Law	92 Law	92, 93 Law	93 Law	90, 93 Law
Washington	93 Law	93 Law	93 Law		90 Law
Wisconsin	92 Law	91 Law	92 Law	91 Law	92 Law
Wyoming	92 Law	92 Law	92 Law	92 Law	

EXHIBIT 13-Part B
DATE 1/17/95
HB 155

**Testimony
on HB 155**

Before the House Select Health Care Committee

Blue Cross and Blue Shield of Montana

January 18, 1995

(1/17/95)

Mr. Chairman and members of the Committee, my name is Charles Butler. I represent Blue Cross and Blue Shield of Montana. We are opposed to HB 155--which would repeal the Small Group Insurance Availability Act.

I can understand some of the frustration among proponents of HB 155 who want to repeal the insurance reforms passed by the 1993 Legislature, but disagree that the reforms should be repealed.

Montana did not invent this law. In fact, 36 states have adopted similar laws modeled after an NAIC model.

If ever there was a market-driven approach to reform, this is it.

Blue Cross and Blue Shield of Montana and the insurance industry helped write this law in 1993 because it was the right thing to do. We are proud of that and you should be too, for passing these reforms in 1993.

Cherry-picking was a bad practice and you outlawed it in this market. If you want to allow carriers to pick only the healthy to insure, then pass this bill. But, if you want people who have an illness to get coverage, defeat this bill.

The insurance industry has been criticized for the practices that these reforms stop or change. You made the right decision by passing this law in 1993 and to repeal it would be turning our back on the very people who need our help.

We believe some modifications in the law could be made to improve it and we would recommend that we work together on legislation to do that and not repeal the reforms that you passed in 1993.

Thank you.

LXHB.. 13 KLTG
DATE Jan. 17, 1995
HB 155

IO. ARR0030 CHP 13.21.05 11/17/94

COMMUNITY UNITY RATE
EFFECTIVE 01/01/95

--- REI
941118

DED 500
S/L 500

IRADITIONAL SECURITY
CONTRACT SINGLE

LEVEL	2PARTY	FAMILY	EMP/CHD	SINGLE ME	2PARTY ME
LEVEL 09	163.80	212.90	131.00	53.20	106.40
LEVEL 10	175.80	228.50	140.60	57.10	114.20
LEVEL 11	188.40	244.90	150.70	61.20	122.40
LEVEL 12	202.00	262.60	161.60	65.70	131.40
LEVEL 13	216.60	281.60	173.30	70.40	140.80
LEVEL 14	232.40	302.10	185.90	75.50	151.00
LEVEL 15	249.20	324.00	199.40	81.00	162.00
LEVEL 16	267.20	347.40	213.80	86.80	173.60
LEVEL 17	286.60	372.60	229.30	93.10	186.20
LEVEL 18	307.40	399.60	245.90	99.90	199.80
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MONTANA BLUE CROSS/BLUE SHIELD

DATE Jan. 17, 1995
HB 155

2-5-90

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[NY Insurance Dept., 212/602-0423; HIAA, 202/223-7787]

EXHIBIT 13C
DATE 1-17-95
HB 155

* Company #1 & #2 are both presently doing business in Montana.
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NON-SPECIAL INDUSTRY

\$500.00 deductible - 80/20 to \$5000.00

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	E/SP	\$222.70	\$166.00	34%
	* E/SP/C	\$322.93	\$202.00	60%
Age 35	Single	\$100.28	\$77.00	30%
	E/S	\$231.37	\$195.00	20%
	E/S/C	\$331.80	\$235.00	40%
Age 45	Single	\$143.07	\$108.00	32%
	E/S	\$282.94	\$218.00	30%
	E/S/C	\$383.37	\$259.00	48%
Age 50	Single	\$165.16	\$117.00	40%
	E/S	\$330.32	\$224.00	48%
	E/S/C	\$430.75	\$269.00	60%

Rates could be adjusted up to 50% higher.

* E/S/C is employee, spouse, and two or more children.

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 Company #1 is participating under S.B. 285, and Company #2 is not.

SPECIAL INDUSTRY

\$500 deductible - 80/20 to \$5000.00

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	E/SP	\$255.87	\$166.00	54%
	* E/S/C	\$371.36	\$202.00	85%
Age 35	Single	\$115.32	\$77.00	50%
	E/SP	\$266.08	\$195.00	36%
	E/S/C	\$381.57	\$235.00	62%
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	E/S/C	\$495.37	\$269.00	84%

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Montana Automobile Dealers Association

MADA Insurance Trust

501 North Sanders
Helena, Montana 59601

Phone (406) 442-1233
Fax (406) 449-0119

Steve Turkiewicz
Testimony on House Bill 155
January 17, 1995

EXHIBIT 14
DATE Jan. 17, 1995
HB 155

The Montana Automobile Dealers Association Insurance Trust has provided its members and their employees comprehensive and competitive health insurance since 1947. No dealer, their employees or families have been immune from the impacts of the rising costs of health care and the ensuing increases in health insurance premium. We have seen benefits paid to Montana health care providers rise from \$2.2 million to more than \$4 million in the past 5 years. In that same time period we have experienced corresponding increases in our health insurance premiums to accommodate the rising costs.

This situation did not happen overnight. Likewise, the process of resolving the various issues associated with the delivery and the costs of health care and health care insurance cannot be solved overnight.

The Small Employer Health Insurance Availability Act is one of several components designed as vehicles for health care and health insurance reform. Its provisions and their implementation may not be viewed as a flawless. Portions of the Act deserve serious review by this Committee. We hope the review of the Act's provisions will continue and amendments to the Act will be considered by this Committee.

We have come a long way in the health care and health insurance reform process. There are exciting reforms happening through the marketplace. No one would argue that we still have a long way to go. In that regard, it seems unwise to repeal the Small Employer Health Insurance Availability Act at this time; especially, as the process of reform continues. It may appear by repealing the Act that we are, "throwing out the baby with the bathwater".

Therefore, it is for these reasons we urge a "do not pass" recommendation for House Bill 155.

Tuesday, January 17, 1995

Great Falls Tribune

LEGISLATURE

News tips? Call Tribune Capitol Bureau Chief Mike Dennison: office 442-9493, fax 442-9413 or at t

'Small-group' health reforms subject of hearing in House

By MIKE DENNISON
Tribune Capitol Bureau

HELENA — Several weeks before Montana's "small-group" health-insurance reforms took effect, Kalispell insurance agent Bob Benson ran a price for a small accounting firm that wanted to cover its employees.

The cost to insure one person working for the company was \$213 a month; an employee with a family would cost \$554 a month.

Then, Benson ran a price under new rating standards that took effect Jan. 1, as part of the "small-group" reforms.

The results were dramatic: The single employee's health insurance had dropped to \$139 a month; the cost for a worker with a family had dropped to \$363 a month.

The accounting firm, which employs 11 full-time people, bought the new policy.

"I see it as a return to how health insurance ought to be written," Benson said Monday.

These are the type of changes that will be defended today, as a House committee hears a bill that would repeal Montana's small-group health insurance reforms.

Rep. Liz Smith, R-Deer Lodge, is sponsoring House Bill 155, which would repeal the reforms ordered by the 1993 Legislature. Most of the changes took effect within the last month.

Smith said Monday she's heard complaints about the reforms, from business people and others who see the changes as too restrictive.

The reforms will drive up insurance rates for some, she said, and may force some employers to offer insurance to more people than they can afford.

But state Insurance Commis-

Essentials

■ **What:** Health-insurance reforms for small businesses up before House committee.

■ **Who:** Rep. Liz Smith, R-Deer Lodge, sponsoring bill to repeal reforms enacted by 1993 Legislature.

■ **When:** Hearing begins 3 p.m. today in Room 437, before the House Select Committee on Health Care.

■ **What's next:** Committee will consider Smith's bill and other proposals, and may come up with compromise proposal.

testify against the bill today when it's heard before the House Select Committee on Health Care.

He thinks the reforms will make health insurance more available — and more affordable — to small businesses that want to offer insurance to employees.

He also said he'd prefer the reforms be given a chance to work before they are substantially changed or repealed.

"At this point it's difficult to say what type of fine-tuning is necessary," he said Monday. "We think it's time to sit back and see how the reforms work. ...

"The proposals on the table are detrimental to the consumer, and I'm going to oppose them."

While Smith's bill would repeal the reforms, she said Monday she's open to compromise. She said she hopes the House committee will consider her bill and other proposals and come up with a single bill to address some potential problems with the reforms passed in 1993.

Under the reforms, participating

insurance policy if they want to be in the small-group market in Montana.

The small-group market is defined as companies that employ between three and 25 people, which is a large percentage of Montana businesses.

The "standard" plan contains more benefits than the "basic," and each contains a basic package of benefits mandated by the state.

Insurers offering the policy cannot deny anyone who wants to buy it. However, the law does not require anyone to buy the policy.

The reforms also contain new standards on determining health-insurance rates.

Benson explained that the new standards require companies to give more weight to the positive health factors of a certain employer group, such as age of employees and type of industry.

Negative factors, such as whether an employee has a poor health history, carry less weight, he said. These changes make it more difficult for companies to pick and choose among groups that may be better health risks, he said.

Benson said this practice, often known as "cherry-picking," developed over the last 25 years as insurers determined they could make more money by focusing on low-risk groups and denying coverage to higher-risk groups.

Early policies didn't have exclusions for "pre-existing conditions," or other items, he said.

"If you could breathe, if you could walk in the door, you could buy health insurance," he said. "(The reforms) do away with discretionary rate-setting."

Benson said he sees some areas where the reforms could be fine-tuned, but that he supports the

M & M FINANCIAL SERVICES

There are four agents in our office that agree with what I have written:

David M Maldonado

Thomas Mahugh

Vonnie Day

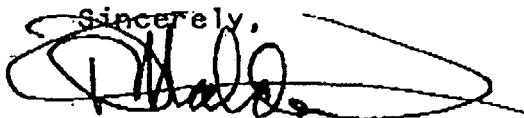
Erik Maldonado

We all sell Health Insurance to individuals and small groups. I know of more agents for HB:285 than against.

As a last note HB:285 does need some minor revisions but not total repeal.

If you do pass HB:155 please make some provisions for those that have been insured under HB:285. We would not want those who finally have insurance to lose it!

Sincerely,



David M Maldonado
M&M Financial Services, Inc.
President

M & M FINANCIAL SERVICES

EXHIBIT 16 Part-A
DATE Jan. 17, 1995
HB 155

1/17/95

House Committee Members
HB:155
Helena, MT

RE: HB:155

To Whom It May Concern:

We are Insurance Agents in the Kalispell area. We feel that SB:285 has done much to protect the small group employee. PLEASE DO NOT APPROVE HB:155.

We have been able to issue insurance for four groups since Dec. 7th that previously we could not. If you pass HB:155 you will take us back to a place where small business will not be able to get group insurance.

Please be aware of these advantages of SB:285:

Pre-existing conditions coverage

Conversion Pre-existing conditions coverage

Premium stability

Protection against high risk job discrimination

Protection against employer-employee discrimination

Protection for the spouse and children of a covered employee

If you repeal SB:285 you will allow insurance companies the right to take these advantages and many others away for those who can not speak for themselves.

Remember Insurance Companies are in business to make money! that's not evil, but left unchecked they will do everything in their power to give the least amount that they think the consumer will bear. Unfortunately that will leave much of Montana's small groups uninsurable.

EXHIBIT-16 *Part-B*
DATE *Jan. 17, 1995*
HB *155*

MUTUAL OF OMAHA
Paul J. Gies
224 W. Main, Suite 204, P. O. Box 320
Lewistown, Montana 59457
406-538-9844 Fax #406-538-9848
1-800-232-9844 (in state)
January 16, 1995

To: Carol Roy
Compliance Officer
State Auditor's Office

Fax: 406-444-3497

From: Paul J. Gies
Mutual of Omaha Agent
P. O. Box 320
Lewistown, Mt 594597

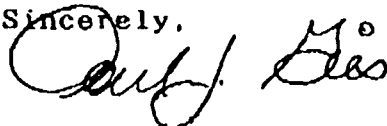
Dear Carol:

I am contacting you to express my opposition to House Bill 155, sponsored by Liz Smith to repeal the Small Group Insurance program in Montana.

The fourteen proposals I have presented for Small Group Health Insurance have been enthusiastically received.

Having the option of Small Group Health available in this state is a definite plus in my opinion.

Sincerely,



Paul J. Gies

EXHIBIT 16 Part-C

DATE Jan. 17, 1995

HB 155

Glacier
Insurance



January 16, 1995

& Financial Strategies

Representative Scott Orr
Chairman House Health Committee
Capital Building
Helena, MT
Fax Transmittal

17 First Avenue East • Kalispell, Montana 59901 • 406 752-8693 • FAX 406 756-8897

Re: Written Testimony

Dear Representative Orr,

I cannot be present to testify before your committee on Tuesday, January 17th. I would like to present the following cases as testimony which will give support for The Small Employer Health Insurance Act (SB 285).

GROUP EXAMPLE NO. 1:

This group is an accounting firm which was seeking coverage for a possible effective date of 12/1/94. They employ 11 people that work full time and are covered on their current plan. We went through the standard underwriting procedure at that time. We submitted rates for a very popular benefits package which includes first dollar coverages, meaning that many benefits would not be subjected to a deductible before being paid at 80%. The firm rates that were quoted were:

Single	\$213.30
2-Party	\$426.60
Family	\$554.60
Single with Children	\$341.30

The rates were higher than normal because of the existence of a number of adverse medical conditions. Since the timing allowed us to underwrite in the "new fashion" as outlined in SB 285, we did so. The rates for the same plan, which was purchased by the employer effective 1/1/95, are as follows:

Single	\$139.60
2-Party	\$279.20
Family	\$363.00
Single with Children	\$223.40

Why the difference? The group was given more credit for the positive group characteristics which included; an average age of 38, excellent industry, and terrific dependent participation. The plan which was purchased was 5-15% richer in benefits than their old plan at a rate that was 8% lower than their 1994 rates charged by their old carrier. The employees also did not have to satisfy a new waiting period for pre-existing conditions, and none were denied coverage because of medical conditions.

Insuring Montanians' dreams for over 50 years

GROUP EXAMPLE NO. 2:

We proposed a group plan to a glass shop which employs 13 people. The owner and his son are diabetics. In the past, our carriers would have either denied to offer a rate, rated the high risks with outrageous premiums, or offered a plan with specific condition exclusionary riders (ie: no coverage for diabetes related charges). None of these options would have been acceptable to the account. Instead we went through the new process and rated both the Standard Plan and two Basic Plans. One of the plans is quite attractive to the owner, but the purchasing decision has not been made at this time.

The most positive aspect of the Act is shown here, that the employer has the option and the flexibility to purchase coverage from any approved carrier, regardless of his, or his employee's health status.

GROUP EXAMPLE NO. 3:

We insure a small real estate firm of 3 people. They have been loyal customers for 8-10 years, but still have experienced rate increases of 10-12% over the past 3 years. This business struggles to make the premium payments on time, and I suspect that this cost is a burden to the business. I just received the renewal, which will be effective on 3/1/95. The rates will be reduced by 16.7%, and at a time when the business needed a break most. I called the owner and you can imagine his surprise. Again, the demographic methods used in underwriting benefited this owner and his two employees.

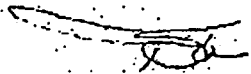
SUMMARY:

These are but a few examples, but time has not allowed much exposure to the "new underwriting methodology", but it has certainly given us a good sample of the times to come. Insurers, employers, and employees alike will benefit from this law, primarily due to the elimination of discretionary underwriting practices, which has been the bane of our industry.

Please do not repeal the portion of SB 285 that deals with small group health insurance reform. It may not be perfect, but it allows us to be much closer to perfection than we've been in decades. The market itself will mold this Act into something workable for all.

Thank you for this opportunity.

Respectfully submitted,



Robert J. (Bob) Benson
Certified Health Consultant
Insurance Agent / Producer

Testimony of
Larry Petty:

EXHIBIT 17
DATE Jan. 17, 1995
HB 155

Mr Chairman & Committee Members
My Name is

I'm an opponent to HB 155 - ~~But~~
but not an opponent ~~that~~ to some refinements
~~Senate~~ of HB 285
House Bill 155 to Repeal "Small Employer
Health Ins Act

~~Put companies all on a more
level playing field & ~~this~~ does not
allow companies to cherry pick
~~only those who~~ & insure only those
who have good past & present
medical histories~~

~~Employers have been notified of the changes
& requirements that became effective
Dec 6, 1994 & has caused
some disruption & to repeal the
Act would then cause additional
disruption when they were notified
that everything is going back to
the laws that were in existence prior
to Dec 6, 1994~~

I recently was contacted by

provided group health ins for
since Feb of 1992. Over name
coverage as his wife worked for
the state. She left the state
approx ~~Feb~~ 18 months ago & have
maintained that coverage because of
her husband's medical history
but that coverage will terminate
April 1 1995. Under the Small
Employer Health Ins Act he
will be able to transfer to
to his ~~group~~ businesses group health
plan without evidence of insurability,
& no pre-existing clause conditions
& because of his ~~previous qualifying~~
qualifying previous coverage. The cost
to insure himself & wife & children
will be 329.00/mo whereas if
he took the guarantee group
conversion provision under his present
coverage would be approx 800/mo
I don't think its too difficult to
to decide whether the existing "Small
Employer Ins Act" is of value
to this individual & family in
providing quality & affordable health
insurance

Urge You Not to Support House Bill 155

EXHIBIT 18
DATE Jan. 17, 1995
HB 155

Testimony of Yellowstone Community Health Plan
in Opposition to HB 155 (Smith) to Repeal the
Small Employer Health Benefits Program

Mr. Chairman and members of the Committee: For the record my name is Tom Ebzery, an attorney from Billings representing the Yellowstone Community Health Plan (YCHP).

YCHP is a community based HMO located in Billings, serving primarily Yellowstone County. We have received a Certificate of Authority from the Insurance Commissioner pursuant to the HMO Act.

With the Chairman's blessing, we hope to make a presentation to this Select Health Committee on the workings of a non-profit community based health plan Thursday, January 26. We are actively marketing our product.

We rise in opposition to repeal of Small Group, although we are sympathetic with many of the concerns raised by proponents of HB 155. The pluses outweigh the minuses, however, and those are:

- ° Access for businesses that may have been otherwise underwritten out of care
- ° Portability and guaranteed renewal
- ° Recognition of the wisdom of community rating as a long term strategy to improve the health status of the community, as opposed to the short term benefits of experience rating
- ° The bill prohibits insurance companies from cherry picking, by requiring that entire groups be covered.

This is a first start. The benefits package devised by the Committee goes beyond what was anticipated by the Legislature, particularly with regard to the basic plan containing mandated benefits.

Amendments are necessary, but the bill before you is too drastic.

Amendments in the form of a bill by Representative Nelson make sense. We urge you to consider such an approach.

Testimony by
John W. Flink
Montana Hospital Association
on HB 155
before the
House Select Committee on Health Care

Mr. Chairman, members of the Committee, my name is John Flink, representing, the Montana Hospital Association.

Two years ago, MHA supported the small group insurance reforms that were included in Senate Bill 285 and enacted into law. We did so because we believed they would enable more Montanans to obtain health insurance coverage.

However, like many members of this committee, we have been concerned about some aspects of how these reforms were implemented.

We have been particularly concerned about the high cost of the premiums for the basic and standard health

insurance plans that were mandated in SB 285. The Legislature's intent in including these provisions was clear—that they provide low-cost insurance coverage options for Montanans who could not afford more comprehensive coverage.

Yet, with their premium cost, these policies do not appear to meet this test.

However, we do not believe this warrants repealing the small group reforms in their entirety. Instead, if there are problems that can be addressed by this Legislature, we encourage you to do so.

To repeal these reforms would be a major retreat from our goal of ensuring that all Montanans have access to affordable health care coverage.

**League of Women Voters
of Montana**



EXHIBIT 20
DATE Jan. 17, 1995
HB 155

WRITTEN TESTIMONY SUBMITTED BY THE LEAGUE OF WOMEN VOTERS

House
Select Health Care Committee
3:00 p.m., Tuesday, January 17, 1995
House Bill 155 by L. Smith

The Montana League of Women Voters believes that a basic level of quality health care of an affordable cost should be available to all Montana residents. The Small Employer Health Insurance Availability Act moves towards universal coverage by guaranteeing policy issue to all small business employees who apply, and furthermore, provides for guaranteed renewal, as well. Another laudable feature of the Act is portability; previous insurance coverage precludes small business employees from the traditional waiting period for coverage of pre-existing conditions. The Act also begins to address cost containment by compressing rates and offering basic coverage at less cost than many previous small business health insurance policies. Insurance through the Act has only been available for one month; a longer trial period is, at the very least, appropriate to ascertain how well the insurance is accepted by the many small business employees of Montana.

The League of Women Voters of Montana opposes House Bill 155 and urges a do not pass on this measure.

Thank you.

Chris Imhoff
Legislative Chair LWVMT

EXHIBIT 21DATE 17, 1995HB 155

Representative Scott Orr, Chair
House Select Committee on Health Care

January 17, 1995

Duane "Pete" Pattersen, Health Insurance Agent and
Small Business Owner

RE: H.B. 155, Repeal of the Small Employer Health Insurance
Availability Act

The problem is not so much the "law" under S.B. 285, passed in 1993
as it is with "the 40 pages of rules and regulations" added by
Insurance Commissioner O'Keefe!

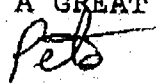
The details from O'Keefe are nearing the point of "harrassment" to
both insurance companies, like Golden Rule Insurance Company which
finally threw up its hands and withdrew this month, and "conversion
details" concerning life insurance which they just did to American
Chambers Life Insurance Company.

Agents are asked to obtain "Personal Information" from the employer,
employees and even employees that waive coverage. The assumption
from Commissioner O'Keefe's added rules and regulations, is that an
employer and his/her employees are "guilty until proven innocent"!!

My point: We need to significantly reduce the 40-pages of
"pettiness" that Commissioner O'Keefe has added to S.B. 285, Small
Group Reform.

IF THE ONLY WAY TO DO THE ABOVE IS TO "REPEAL SMALL GROUP REFORM"
UNDER S.B. 285, THAN PLEASE DO SO. We can then put in some small
employer health insurance reform that is needed, THAT IS EFFICIENT
AND EFFECTIVE AND IS FAIR TO MONTANA CITIZENS!!

MAKE IT A GREAT DAY!



Pattersen Insurance Agency
F.A.S.T.R., Inc.

Duane "Pete" Pattersen
Ph.D., LUTCF

1800 Brooks, #110
P.O. Box 3207
Missoula, MT 59806

Bus: (406) 728-2330

DATE Jan. 17, 1995HB 155*Quality, Commitment, and Pride***Bonnie Schriock Insurance Agency**Member, *Mile High Club*, National Sales Honor Award

P.O. Box 4105

1941 Harrison Avenue

Butte, Montana 59702-4105

Office: (406) 723-3008

Home: (406) 494-4468

Fax: (406) 723-3008

Jan. 17, 1995

Gov. Marc Racicot & All Members of the House Select Committee on Health Care:

Greetings: As an insurance agent and a small businessowner as well, may I respectfully request the passage of House Bill 155, which is the bill to repeal that portion of S.B. 285 which probably will force small employers such as myself and those small businessowners whom I work with to provide insurance coverages into an unaffordable guaranteed issue health insurance plan. It is unrealistic to force coverages of those with unacceptable health problems into the same rating & coverages class as the healthy population. Of course, all people should have the right to health care but there must be a different amendment to insure that.

Please repeal "The Amendment by passing House Bill 155.

Thank You,

Bonnie C. Schriock



HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Select Health Care COMMITTEE

BILL NO. HB 155

DATE Jan. 17, 1995 SPONSOR(S) Rep. Liz Smith

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Riley Johnson	NFIB	HB 155		
Tom EBZery	Yellowstone Community Health Plan-Billing	HB 155	X	
Mark O'Keefe	State Auditor	HB 155	X	
Joe French	SD 21	HB 155	X	
Kate Cholewa	MT Women's Lobby		X	
Clay Frayser		HB 155	X	
Ned Bender	citizen lobby	HB 155	X	
Tom. Hopwood	Health Ins ASA	HB 155	✓	
Don Allen	MMBP	HB 155		✓
Chuck B. De	Blue Cross Blue Shield of MT	HB 155	X	
R. Ashman	State Health	155		✓
Eugene Bern	Health Benefit Plan Committee Cogswell Agency	155	X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Select Health Care COMMITTEE BILL NO. HB 155
 DATE 1-17-95 SPONSOR(S) Rep. Liz Smith

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
Steven Shapiro	MNA		X	
Timothy J. Whalen	Mont Right to Life			X
M. Doug Anders	Flathead Insurance			X
Don Judge	MT STATE AFL-CIO	HB 155	X	
David Hemion	Mental Health Assoc.		X	
SHARON HOFF	MT CATH CONF	HB 155	neutral	
LARRY AKEY	MT ASSOC OF LIFE UNDERWRITERS		✓	
John Flink	Mont. Hosp. Assn.		X	
Paul Gorsuch	Project HEAL			✓
Melody Ferreira	myself lobbyist		X	
DEAN RANDASH	NAPA Agents Post-			X
ARLENE RANDASH	Eagle Forum			X
Ed Caplis	MSCA		X	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

Select Health Care

COMMITTEE

BILL NO. HB 155DATE Jan. 17, 1995 SPONSOR(S) Rep. Liz Smith

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
<u>B. H. Olson, Helena</u>	<u>AARP</u>		<input checked="" type="checkbox"/>	
<u>Ed Grogan</u>	<u>MMBP</u>			<input checked="" type="checkbox"/>
<u>Steve Turkiewicz</u>	<u>NADA Inc Trust</u>		<input checked="" type="checkbox"/>	
<u>Mona Jamison</u>	<u>1. Mt. Speech-Lang. Assoc. 2. Mt. Chapter of American P.T. Assoc. 3. Mt. Dietetic Assoc.</u>		<input checked="" type="checkbox"/>	
<u>Sam Hubbard</u>	<u>MT Health Care Authority</u>	<u>HB155</u>	<input checked="" type="checkbox"/>	
<u>Joe Olinghouse</u>	<u>MMBP</u>			<input checked="" type="checkbox"/>
<u>Bob Hunter</u>	<u>Health Paradigms</u>			<input checked="" type="checkbox"/>
<u>Ron Kunkin</u>	<u>MMBP</u>			<input checked="" type="checkbox"/>
<u>Shirley Rasmussen</u>	<u>individual</u>			<input checked="" type="checkbox"/>
<u>Peter Blouks</u>	<u>SRS</u>		<input checked="" type="checkbox"/>	
<u>Chris Imhoff</u>	<u>LW voters of MT</u>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Laurie Katrik</u>	<u>Christian Coalition of MT</u>			<input checked="" type="checkbox"/>
<u>Barb Booker</u>	<u>MNPA</u>		<input checked="" type="checkbox"/>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.