

SOLONS DRIVE TO EARLY ADJOURNMENT

With the announcement yesterday that the Senate will likely finish committee work on House bills by the end of next week and that the House committee report filing deadline will be Monday, February 22, the pieces are falling into place for an early adjournment *sine die*. If the timeline holds, third reading action for bills in the second house could end by Wednesday, February 24, if not earlier. Assume a week or so for conference committee action and final adjournment should occur no later than Friday, March 5.

IDOI BILLS PART OF END GAME MANUEVERS

Although the fate of **HB 1240**, authored by Rep. Craig Fry (D, Mishawaka) and **HB 357**, authored by Senate insurance chair Allen Paul (R, Richmond), have long been in question due to the usual previously reported machinations of House insurance chair Fry, the signs are now pointing to a much darker movement afoot as Senate leadership appears to have taken an interest in Rep. Fry's end game activities. Taken in combination with a number of other outstanding insurance issues -- including the very poorly timed and highly publicized Wellpoint rate increases, the efforts of the Indiana State Medical Association to salvage something from this session, and the efforts of the trial bar to overturn an Indiana Supreme Court decision relating to the collateral source rule -- it is entirely possible that deals may be cut between House and Senate leaders which would be politically inconceivable at any other time. Adding fuel to this speculation is the rumor that Sen. Brent Steele (R, Bedford), who is typically very sympathetic to the Indiana Trial Lawyers Association view of the world, has been designated by the Senate leadership to take over Senate control of all insurance issues going forward. To understand what may be at stake, read on

111 Monument Circle
Suite 2700
Indianapolis, Indiana 46204
P: 317 • 684 • 5400
F: 317 • 684 • 5432

700 North One Lafayette Centre
1120 20th Street, N.W.
Washington, D.C. 20036
P: 202 • 973 • 2635
F: 202 • 973 • 1212

LOSS RATIO DISCLOSURE ANTICIPATED

As we have previously reported, we have been aware that the Indiana State Medical Association have been actively pursuing the insertion of **SB 171**, authored by Sen. Vaneta Becker (R, Evansville), which never received a hearing in the Senate insurance committee, into another vehicle in the House. While we have not identified that vehicle, we anticipate that as early as next Monday morning, the House Public Health committee may approve an amendment to a bill pending in the committee (none of which deals with insurance) which will replicate the requirements of SB 171. We believe that the national disclosures of Wellpoint rate increases in the state of California will provide any remaining impetus that may remain to resurrect the issue. The other opportunities lie with bills to be heard in Public Health on Wednesday and with bills now scheduled for hearing in the House insurance committee also on Wednesday. The latter bills are **SB 357**, sponsored by Rep. Jeb Bardon (D, Indianapolis), and **SB 129**, sponsored by Rep. Peggy Welch (D, Bloomington). SB 129 is a ban on dental network fee arrangements which limit payments on services not covered by the dental plan. The precedent that may be set should this initiative prove successful must be of concern for all lines of insurance.

COLLATERAL SOURCE SET FOR HEARING

While the industry was pleased to see that **HB 1255**, sponsored by Sen. Brent Steele (R, Bedford), was assigned to Senate Judiciary where it felt that the chair, Sen. Richard Bray (R, Martinsville) likely would be uninterested in seeing it heard, we were taken aback when it suddenly appeared on the schedule for next Wednesday's Senate Judiciary committee meeting. In following up with Sen. Bray on the bill which overturns an Indiana Supreme Court decision relative to the collateral source rule, we learned that the hearing had been strongly suggested by the Senate Pro Tem, David Long (R, Ft. Wayne). Based upon the tenor of a meeting that several of us had with Sen. Long last week, we had reason to believe that the senator was understanding of our concerns with the bill, which appeared to be born out when it was assigned to Senate Judiciary instead of the bill sponsor's Corrections, Criminal, and Civil Matters committee. Should this initiative prove successful, defendants in the damages phase of a trial would only be allowed to receive information regarding medical charges initially incurred

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and would be denied information regarding medical reimbursement actually paid. In the modern world of network reimbursement, charges billed are always lower than the amounts ultimately paid.

Should you have any questions, or need further information, please contact Dan Seitz at (317) 684-5402 or at dseitz@bosepublicaffairs.com or Mike O'Brien at (317) 684-5473 or at mobrien@bosepublicaffairs.com.

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Indianapolis, Indiana 46204
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