



# ETAHU Review

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## Eric Glenn Presents 1 Hour C. E. on "Texas Legislative Process 101" at January 20, 2006 Membership Meeting

Eric Glenn, President and CEO of TxLobbyAssist, Inc., is a 21-year veteran of the Texas Legislative and Regulatory process. In 2003, Eric formed TxLobbyAssist, Inc. a legislative and public affairs consulting group. Prior to his new venture, Eric was the Regional Legislative Manager for the health insurance company, Humana, Inc. At Humana, Inc., Eric managed and tracked legislative issues relating to the managed care industry and coordinated political action committee activities for Humana employees in Texas. Eric was also responsible for developing and managing of Humana's grassroots network comprised of employers, agents, brokers, physicians and member champions.

Mr. Glenn also served as the Government Affairs Manager/Lobbyist for the Texas Association of Business, leading TAB's efforts on Workers' Compensation and Tort Reform. He also served as director of Government Relations for the Texas Workforce Commission and as Legislative Director and Chief Committee Clerk to State Representative Ron Wilson (D-Houston, TX).

During Mr. Glenn's 13 years working in the Texas House of Representatives, he played an instrumental role in the passage of landmark legislation. Some of the legislation passed during his tenure was the Texas Lottery, Concealed Carry of Weapons, and recognition of Dr. Martin Luther King's birthday as a state holiday. Mr. Glenn served as Chief Committee Clerk for the Texas House Committee on Licensing and Administrative Procedures, as Chief Committee Clerk for the Texas House Select Committee on Rules, as Chief Committee Clerk for the Texas House Committee on Liquor Regulation, and as Assistant Sergeant-at-Arms for the Texas House of Representatives.

Mr. Glenn is a graduate of the University of Texas at Austin and attended the University of Southern California School of Theatre. He is married and resides in Austin with his wife Lisa and daughter Riley.

Please make plans to attend the January 20, 2006 ETAHU membership meeting to hear Mr. Glenn speak on the Texas Legislative Process.

## January "Post Cards from the Lege"



**BY: MISTY BAKER, DIRECTOR OF TAHU LEGISLATIVE AFFAIRS AND AUSTIN AHU PRESIDENT**

Publication of informal draft rules on Senate Bill 51 seems to have become

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a day-to-day thing. Based on information we received at the time, we thought they would be published by TDI about three weeks ago. Those rules are very important to everyone connected to a group health plan – employer, employee, carrier and agent, - since they should clarify the circumstances under which an employee who has been terminated can be removed from the group health plan.

Of course, by now everyone knows that the troubling section of SB 51 is its declaration that a carrier must keep a terminated employee on the plan – and the employer must pay the premium along the way – until the end of the month in which the employer notifies the carrier of the termination. What resulted, though, is known around the Capitol as “the law of unintended consequences” and is overriding the good intentions of the bill’s sponsor, which was to clean up some questions in the Prompt Pay statues about a provider’s verifying an employee’s eligibility for benefits when the employee went to the doctor.

The TAHU legislative team has been working with TDI, employer organizations, and the bill’s senate sponsor to resolve the potential problems. Here are what we are told are the key components of the draft rules to be released.

- ❖ Employers will have at least a three-day grace period into the next month during which they can notify a carrier of an employee’s termination. This will be especially valuable when terminations take place in the last day or two of the month, especially if that month ends on a Saturday, Sunday, or Monday holiday.
- ❖ SB 51 will not apply to any COBRA groups, because conflict with a U. S. Treasury Department regulation that gives COBRA employers the right to retroactively terminate an employee.

While that last one appears to take the sting out of SB 51 for many groups, it appears to leave the 2-19 employee size groups in jeopardy. Since laws are supposed to be non-discriminatory, we wonder how a regulation can give relief to one group of employers (COBRA employers) but not the rest (2-19 lives)?

Also troubling but apparently not addressed by the rules is the requirement that an employer is responsible for all of the terminated employee’s premium, after the termination and through the month the carrier is notified. What if the employer was paying 50% of the employee premium, for example? Folks we’ve talked to seem to think this would be unconstitutional.

Keep in mind that this is what we’ve been *TOLD* would be in the draft rules. After the draft rules comes publication of the “proposed” rules. Both kinds of rules allow the world to make comments, objections, questions, etc. and both can be changed by TDI. So we are far from their being written in stone for TDI to enforce; and we will continue to update you.

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## Health Insurance Awareness Education Day Set for February 16, 2006

ETAHU will host its 3<sup>rd</sup> annual Health Insurance Awareness Education Day on Thursday, February 16, 2006 at Hollytree Country Club. The C. E. speaker will be Ouida Peterson. Ouida serves as Vice President of Education for CONEXIS. Registration will begin at 8:00 a.m. on the day of the event and the C. E. will begin at promptly 8:30 a.m. Cost for the event is \$75.00 per person for ETAHU members and registered guests and \$90.00 per person for non-ETAHU members and registered guests. The

registration cost includes 5 hours of C. E., breakfast buffet and lunch buffet. C. E. topics include Texas Senate Bill 51, HIPAA, COBRA and the Medicare Modernization Act. For more information or to obtain a registration form, please contact Kathryn Anderson-Haught at (903) 581-9811. This is a great C. E. event for clients to attend. They will get a wealth of information on health care legislative policies that affect their business. Please mark your calendars and make plans attend.

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## Personal Health Records - A Missing Part of the Consumer Driven Plan

**BY: LEONARD W. VENA, DIRECTOR OF GROUP BENEFITS FOR CLIENT BENEFIT INSURANCE SERVICES & FORMER PRESIDENT OF THE SAN DIEGO AHU AND RYAN TARZY, SENIOR VICE PRESIDENT OF OPERATIONS FOR MEDIKEEPER**

The health insurance market is in the beginning stages of its next incarnation. Much like the mass introduction and acceptance of managed care dramatically changed the way we used health insurance, the introduction of consumer driven plans are changing the way we use health insurance today. The managed care products currently used in the marketplace today are characterized by varying levels of care management and steerage through the system. The use of plan design, gatekeepers, case management techniques, were all designed to “steer” the individual through the pre-selected network of contracted providers. And with the relatively little out-of-pocket costs associated with care, there is little incentive for the individual to become a smart health care consumer.

The introductions of consumer driven plans, such as Health Savings Accounts and Health Reimbursement Arrangements have ushered in a new era. The products are designed to encourage individuals to become smart health care consumers. But how do brokers and employers help? Where are the tools and resources that we can use to assist our clients?

Personal Health Records (PHR) products may be the answer.

Personal Health Records (PHR) are just that, your own personal health record. Problem is that most of us don’t have a central location that includes all of our records and medical history. Just think back to the last time you went to a physician and he or she asked you to complete the multiple page questionnaires. Did you remember all your information? Or what about when you had to take a family member to a hospital emergency room and did not know all of their history. PHR services allow members to store their information online and build a medical history. Some services offer anytime anywhere accessibility through a toll free phone number. But how does it help the individual covered by a consumer driven plan?

First, access to a PHR improves the quality of care and helps avoid repetitive tests, allergic reactions, and adverse drug interactions. Second, some of these services have expanded to include tools and information designed to help individuals become better health care consumers. They are adding features such as medical content for education, health care coaching and decision support, calculators to track you health expenses, and pharmacy information that provides quality of care and alternative cost information.

Let’s look at one instance; a simple hospital procedure that can be done as a 1-day stay or a 23-hour stay. Most people would assume that the 23-

hour stay would be cheaper and would select that option. But what if the hospital was being reimbursed under a per-diem formula? The 23-hour stay would be charged to your client as a much more expensive fee-for-service procedure.

These types of products and services are still in their infancy stage and will surely become more sophisticated and useful. They are relatively inexpensive, usually costing less than \$10.00 per employee per month. They can be sold to individuals or to groups. And more importantly, they provide you with an answer to that nagging question the next time you enroll someone one in a consumer driven plan ... "do you have any tools for me to become a better health care consumer?"

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## President's Message

A new year is here and ETAHU has numerous activities planned. In January, ETAHU will send several members to TAHU's Legislative Day in Dallas. The meeting is scheduled for January 19<sup>th</sup> at the Embassy Suites Hotel at Market Center. ETAHU will be well represented with 9 members in attendance including: Joe Phifer, Beverly Davis, D'ann Fowler, Pat Miller, Angie Pasqual, Wendy Vanderwater, Jeff Sherrod, Keith Hilliard and myself. Also in January, ETAHU will welcome Eric Glenn, President and CEO of TxLobbyAssist, Inc., as guest C. E. speaker. Mr. Glenn has been very active in the Texas Legislature. He will be presenting a one hour C. E. entitled "Texas Legislative Process 101." I hope you will make plans to attend.

In February, ETAHU will host its 3<sup>rd</sup> annual Education Day, renamed Health Insurance Awareness Education Day. Ouida Peterson will be the C. E. guest speaker. Ouida will be providing 5 hours of C. E. This is a great opportunity to bring clients to a meeting. The topics being covered during this meeting directly affect them. This meeting will provide many of your clients' with an invaluable lesson on health care legislation. Topics being covered include: Texas Senate Bill 51, HIPAA, COBRA, and the Medicare Modernization Act. If you need a registration form, please contact me at [kathrynaught@yahoo.com](mailto:kathrynaught@yahoo.com).

March brings us to CAP Conference in Washington, D. C. ETAHU hopes to send four members to this very important and informative meeting. This meeting gives NAHU members nationwide a chance to visit with their Senate and House leaders and with one voice express the ideals of the National Association of Health Underwriters. Also in March, Wade Rushing, Southwest Regional Development Manager for Colonial Life and Accident, will be the guest C. E. speaker for ETAHU. Mr. Rushing will presenting a one hour C. E. on 125 plans.

April looks to be a very exciting month. The TAIFA / ETAHU Special Wish Child, Inc. Golf Tournament happens this month. I hope ETAHU members will become involved in this very worthwhile event. It is a great opportunity to give back to the community and to some very special children. If you haven't done so yet, please contact Keith Hilliard to find out how you can get involved and make a difference in a young person's life.

I hope all of you had a wonderful New Year's. I look forward to an exciting 2006.

Kathryn Anderson-Haught