



Tidbits from Sacramento

Griffin & Associates
Legislative and Governmental Advocacy
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May 25, 2008 – Issue #26

NEW SPEAKER OF THE ASSEMBLY

Fabian Nunez, Assembly Speaker, turned over the reins of the Speakership to Assemblywoman Karen Bass earlier this month. Speaker Bass became the first African-American Women Speaker of the Assembly, a major milestone in California politics. Her inaugural on May 13 was quite an event, drawing dignitaries from various walks of life and from many organizations.

Speaker Bass has a strong background in foster care and healthcare, having been a nurse and then a physician assistant for some years. While these topics will continue to be important during her tenure, she has made it clear that her top priority must be the budget. Speaker Bass has indicated support for forming a commission to consider long-range solutions to address our current tax structure. She is facing a very tough agenda during the coming months and has limited time to accomplish these tasks as she will be termed out in 2010.

Bass has made several changes to key leadership positions. Assemblyman Alberto Torrico, an East Bay legislator was appointed to the second top position in the Assembly, majority leader. Assemblywoman Noreen Evans from the Santa Rosa/Sonoma area will assume the leadership of the Assembly Budget Committee when the current chair, John Laird is termed out in December. Kevin de Leon will become the next Appropriations Committee Chair when the current chair, Mark Leno is termed out.

HEALTHCARE REFORM

We thought healthcare reform was off the table this year, but it is not! Last Friday, representatives from several business organizations and I met with one of the Governor's lead staff working on this issue. It does not appear that they expect to move a comprehensive reform bill, but they are preparing some legislative language to begin the process. Specifics were not given, although we understood that just addressing one segment of the population, the children, was not the plan. We were encouraged to consider some options and share them with our stakeholders. It was made clear during the meeting that the Governor has not given up on some reform even with the budget problems. Stay tuned, it is never over "till the fat lady sings."

BALANCE BILLING PATIENTS

I have lost count of the various iterations of legislation, regulations, as well as the myriad of meetings that have been held on this subject. Still there is no resolution. The Department of Managed Health Care (DMHC) recently released their latest regulatory attempt to bring closure

to this issue. Three hearings were held in various parts of the State during this month. The original deadline to respond to the latest set of regulations was extended.

This issue generates a great deal of angst to those patients with health insurance who expected their insurance would take care of whatever service they received. Instead, they find themselves being billed for the difference between the payment their insurer actually paid for the service and the amount the provider billed the insurer. The difference is billed directly to the patient. Some of these bills are incredibly excessive. The patient is caught in the middle.

Unfortunately over the last few years, the attempts to resolve this issue have not been successful. There are providers who overcharge and insurers who won't pay a reasonable amount. The latest version of the regulations, released for public comment this month, will remove the patient from the billing disputes entirely. This may force those on both sides to utilize the department's dispute resolution process or one of those in the private sector to resolve their differences.

LEGISLATIVE ACTIVITIES

May 22 was a critical day for the over 600 bills that were in the Senate and Assembly Appropriation Committees "suspense files." Given the budget deficit, more bills than usual were sent to the "suspense files" of both houses. When those bills were heard last week, approximately 35 percent of the bills were left in the "suspense files." Remaining on the "suspense file" does not bode well for those bills!

The legislature's rules require all legislation to be passed from the "house of origin" by June 2. The week of May 27 will primarily consist of floor session all week to move as many bills as possible to the second house.

Budget Committees are working on the final components of the budget. The tough decisions, however, are yet to be made. I expect the "big 5" to begin negotiations any day. I do not expect that this will be an on-time budget given the differences between all the parties to this process. Stay tuned. This may be a very long, hot summer.

MINI-TIDBITS

High Speed Rail – Legislation at the federal and state level may bear fruit for California's high speed rail project. This issue has been around for years, but it appears that now some progress has been made. HR 4122 and HR 4123 are bills by Congressman Costa of California that are making their way through Congress, along with S.294 introduced by Senator Lautenberg. These bills are expected to provide some federal dollars. AB 3034 introduced by Assembly Member Galgiani would modify the project to address environmental and economic concerns. A bond measure will be placed on the ballot in November to fund this project. The rising cost of gas/oil may be one reason for this measure moving forward. Trains are expected to run at 200 miles per hour!

Florida's Low Cost Health Plan

Governor Charlie Crist signed a bill recently to allow low-cost health coverage by allowing the sale of "stripped-down" insurance plans to be sold to the uninsured in his state. Florida's has the fourth highest uninsured rate in the country. Stay tuned – let's see if it works!