



STATE OF GEORGIA
OFFICE OF THE GOVERNOR

ATLANTA 30334-0900

Special Advisory Council on Mandated Health Insurance Benefits

Date: 3/12/13

Time: 1:30

Chairman Richard Smith

Vice-chairman Tim Golden

Chairman Smith

- 1st few meetings are meant to be informational and get all members on the same page on insurance nuances

Commissioner Ralph Hudgens- SB 236

- Due to requirements & mandates of ACA, insurance premiums are expected to increase dramatically
- Rate shock for 21 yr old male with a HDHP could experience a 141% increase in their premium
- Insurance can't control rates for new policies
 - File & Use state
- Rate increase notice must include % of premium change that is attributable to ACA
- Wall Street Journal Article- underestimates the rate shock that will occur in Georgia

Representative Ben Watson, MD

- Asks for confirmation that the ratio of how much the elderly pay relative to young will go from approx. 7:1 to 3:1
 - This reflects an increase for the young, not a decrease for the elderly
- Cost redistribution (50-65)
 - Cost for elderly will also go up because of other provisions in the ACA

Commissioner Hudgens

- Because there is a low penalty for opting out, younger people may forgo insurance to save money

Commissioner David Cook

- State employees and teachers have experienced a 16% increase in their insurance premiums over the last couple of years due in part to some of the mandates of ACA that are already in effect.

- Next year in SHBP, DCH estimates an additional \$60-80 per person cost for premium tax costs

Discussion on Essential Health Benefit Plan (EHB)

- 2 categories our plan doesn't cover
 - Children's dental & vision
 - Habilitative services (could autism treatment services be covered under this category)

Senator Renee Unterman

- Whose numbers do we use?
 - Will the private sector contribute?
- There was a commitment from OPB (Trip Addison) to provide official numbers
 - There will be input from the private sector and the Insurance Commissioner

Chairman Smith

- Creation of three small working groups/subcommittees to study the financial, social and medical aspects of the legislation
- Committee Rules- Chair will draft tentative rules for next meeting (sometime in late May/June)
- 5 full meetings
 - More sub-committee meetings

Sub Committees

Financial Analysis Working Group

- Trip Addison- Chair
- Al Ertel- Vice Chair
- James Fortenberry
- Ralph Hudgens- ex-officio
- Steven Wilson
- Stephen Gray
- March 26th 10:00 am
 - 7th floor conf. room
 - West tower

Social Impacts

- Jim Rush- Chair
- Robert Fitzgerald
- Rick Hooper
- Reg Gilbreath
- Myron Faircloth
- next meeting April 17th – 2:00pm (via conference call)

Medical Efficacy

- Bill Bornstein- Chair
- Randy Daniel

- James Fortenberry
 - Jeff Korotkin
 - Ben Watson
 - Renee Unterman
 - Next date to be set after the Session is over
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Attending:

Rep. Richard Smith
Rep. Ben Watson
Sen. Tim Golden
Sen. Renee Unterman
Dr. Randy Daniel
Dr. James Fortenberry
Al Ertel
Myron Faircloth
Steven Gray
Rick Hooper
Steven Wilson
Dr. Bill Bornstein
Trip Addison
Reg Gilbreath
Robert Fitzgerald
James Rush