

MINUTES  
**HOUSE BUSINESS COMMITTEE**

- DATE:** Tuesday, February 19, 2013
- TIME:** 1:30 P.M.
- PLACE:** Room EW41
- MEMBERS:** Chairman Henderson, Vice Chairman Thompson, Representatives Collins, Crane, Palmer, Barbieri, Batt, Agidius, Clow, Hixon, Kauffman, Monks, Morse, Stevenson, Youngblood, Smith, Rusche, Gannon
- ABSENT/  
EXCUSED:** None.
- GUESTS:** Woody Richards, Idaho Life and Health Insurance Guaranty Association/Idaho Insurance Guaranty Association; Elizabeth Criner, Veritas Advisors; John Kennan, Office of the Attorney General; Georgia Sirhl, Idaho Department of Insurance; Tom Donovan, Idaho Department of Insurance; Shad Priest, Regence Blue Shield; Geoff Baker, United Heritage Insurance; John Mackey, United Heritage Insurance; Paul Jackson, Farmers Insurance Group; Lyn Darrington, State Farm Insurance Company; Sarah Fuhrman, Idaho Financial Services Association; Jennifer Visser, Gallatin, P.A..
- Chairman Henderson** called the meeting to order at 1:30 P.M.
- MOTION:** **Rep. Hixon** made a motion to approve the minutes of February 13, 2013. **Motion carried by voice vote.**
- RS 22017:** **Bill Deal**, Director, Department of Insurance, presented **RS 22017**, Self-Funded Health Care Plans. He said this RS amends the existing self-funded health plan law passed in 2006 in chapter 40, title 41 to allow post secondary educational institutions to be included in the Code by establishing a self-funded student health benefit plan and trust for student and dependent beneficiaries and regulation of such plans and trusts. **John Keenan**, Office of the Attorney General, was introduced to answer questions of a legal nature. He said this RS has no interface with the federal Affordable Care Act. He said chosen terminology is deliberate and defined within the text of the RS. He said self-funded plan monies are collected from the students and placed in a trust and these programs do allow for spouse and dependent coverage. **Tom Donovan**, Department of Insurance, came to the podium to answer questions regarding essential health benefits. He said this change to the code does not address the term "essential benefits" as outlined in the federal Affordable Care Act.
- MOTION:** **Rep. Morse** made a motion to introduce **RS 22017**. **Motion carried by voice vote.**
- RS 21912:** **Woody Richards**, Idaho Life and Health Insurance Guaranty Association/Idaho Insurance Guaranty Association, presented **RS 21912**, Idaho Life and Health Insurance Guaranty Association Act and Idaho Insurance Guaranty Association Act. He said these guaranty associations cover policies of insurance in effect when insurance companies become bankrupt. He said the guaranty associations raise monies to cover these events by levying membership fees against its members. He said certain tax offsets are then allowed to the members after a specific offset time.
- MOTION:** **Rep. Collins** made a motion to introduce **RS 21912**. **Motion carried by voice vote.**

**RS 22021:** **Tom Donovan**, Idaho Department of Insurance, presented **RS 22021** Insurance Holding Company Systems. He said this proposed legislation allows oversight and monitoring of a group of affiliated companies where one of the companies is a licensed insurance company and where an affiliate might jeopardize the solvency of the insurance company. He said this creates an accreditation standard for the National Association of Insurance Commissioners (NAIC) to achieve consistency across state lines. He said this RS has been reviewed by affected insurance companies who have not voiced objections. He said nothing in this bill relates to the Affordable Health Care Act. He said confidentiality protections within the text of this RS pertain to private financial information of companies.

**MOTION:** **Rep. Rusche** made a motion to introduce **RS 22021**. **Motion carried by voice vote.****Reps. Batt, Monks, and Crane requested to be recorded as voting NAY.**

**RS 22058C1:** **Michael J. Kane**, Property and Casualty Insurers Association of America, presented **RS 22058C1** Alternative Means of Delivery of Property and Casualty Insurance Policies and Endorsements. He said this proposed legislation is an option for insurance companies to deliver policies and endorsements via the internet to the insured. He said hard copies of these documents can be delivered at the insured's direction. He said this will reduce paper consumption and afford the consumer the opportunity to review policies on-line.

**MOTION:** **Rep. Hixon** made a motion to introduce **RS 22058C1**.**Motion carried by voice vote.** **Reps. Crane and Agidius requested to be recorded as voting NAY.**

**RS 22059C1:** **Michael J. Kane**, Property and Casualty Insurers Association of America, presented **RS 22059C1** Allowance of Electronic Delivery of Insurance Related Documents. He said a notice or document may be delivered by electronic means if the consumer has given affirmative consent to this delivery. He said the Uniform Electronic Delivery Act provides notice of delivery failure.

**MOTION:** **Rep. Thompson** made a motion to introduce **RS 22059C1**.

**MOTION:** **Rep. Crane** made a substitute motion to return **RS 22059C1** to the sponsor.

**ROLL CALL VOTE:** A roll call vote was requested. **Reps. Collins, Crane, Palmer, Barbieri, Batt, Agidius, Clow, Hixon, Kauffman, Monks, Morse, Stevenson, Youngblood, Smith, Gannon and Henderson** voted AYE. **Reps. Thompson and Rusche** voted NAY. **Motion carried by roll call vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:53 P.M.

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Representative Thompson  
Vice Chairman

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Catherine Costner  
Secretary