

Federal Bill status updated as reported by NYSOFA on July 28, 2008  
110<sup>th</sup> Congress

**STATUS OF LOW INCOME HOME ENERGY ASSISTANCE PROGRAM BILL:** On Saturday, July 26, the Senate rejected by a vote of 50 to 35 the motion to invoke cloture on the Motion to Proceed to consideration of S. 3186, the Warm in Winter and Cool in Summer Act. Since the vote was short of the 60 votes needed, the motion to proceed was withdrawn. The bill would have added additional funding for LIHEAP in FFY 2008.

**MEDICARE "TRIGGER" MEASURE:** On July 24 the House by a 231-184 vote approved a rule (HRes 1368) that delays consideration of President Bush's Medicare "trigger" bill for the remainder of the 110th Congress. The resolution does not require Senate action. A provision of the 2003 Medicare law requires the President to propose a savings measure if the Medicare trustees for two consecutive years project the program to pull more than 45 percent of its funding from general government revenue. In April 2007, the trustees issued a second warning. The House Rules Committee July 23 approved the rule to circumvent another provision of the Medicare law that requires action to be taken on the President's savings measure by July 30. Without the House rule, any representative could have forced debate and a floor vote on a bill (H.R. 5480) intended to reduce Medicare spending.

Democrats said the rule change was necessary because the 45 percent threshold is arbitrary and would force reductions in Medicare spending or shift costs to beneficiaries. In addition, Democrats said that the new Medicare law enacted last week brings spending below the threshold according to a Congressional Budget Office scoring. Democrats likely will try to eliminate the trigger provision next year.

**LONG TERM CARE INSURANCE POLICY STANDARDS:** On July 24 witnesses at a House Energy and Commerce Oversight and Investigations Subcommittee hearing called on federal lawmakers to require minimum standards for private long-term care insurance policies. Bonnie Burns, a training and policy specialist at California Health Advocates, said that, because states regulate such policies, the standards offered differ based on where policyholders live. She said, "It should not depend on the state a person lives in whether they have a quality product," adding, "There's a disconnect between those services available in a community and the way they are described in an insurance policy, and no two companies have the same definitions."

Some witnesses also raised concerns about large premium increases for long-term care insurance policies. Washington State Insurance Commissioner Mike Kreidler in written testimony said, "The majority of consumer complaints my office receives about long-term care insurance are about the double-digit rate increase they received on products they purchased in the late '80s and early to mid '90s."

In addition, witnesses discussed the inconsistencies in denials of claims submitted under long-term care insurance policies. Burns said that such denials often appear "completely unpredictable." However, according to Marc Cohen, president of the long-term care research and consulting firm Life Plans, a recent survey conducted by the company found that, among 1,500 policyholders who filed claims under long-term care insurance policies, 94 percent reported no unresolved disagreements with their insurers and that insurers denied only 4 percent of those claims.