

## 2013 Federal Insurance Legislation

Some of the bills impacting the insurance industry moving through Congress in 2013 are as follows:

### Health

H.R. 45 – To repeal the Patient Protection and Affordable Care Act and health care-related provisions in the Health care and Education Reconciliation Act of 2010 – Repeals the Patient Protection and Affordable Care Act (PPACA) and the health care provisions of the Health Care and Education Reconciliation Act of 2010, effective as of the Act's enactment. Restores provisions of law amended by such Act and Act's health care provisions.

Latest Action: 5/22/2013 Placed on Senate Calendar.

H.R. 261 – Public Option Deficit Reduction Act – Amends PPACA to establish a public health insurance option within the health care marketplace.

Latest Action: 1/18/2013 Referred to Subcommittee on Health.

H.R. 351 – Protecting Seniors' Access to Medicare Act of 2013 – Repeals sections of PPACA related to the establishment of an Independent Payment Advisory Board.

Latest Action: 1/28/2013 Referred to Subcommittee on Health.

H.R. 763 – To repeal the annual fee on health insurance providers enacted by the Patient Protection and Affordable Care Act – Amends PPACA to eliminate the annual fee on health insurance providers set to be imposed beginning January 1, 2013

Latest Action: 4/24/2013 Referred to Committee on Ways and Means, and to the Committee on Energy and Commerce.

H.R. 1005 – Defund Obamacare Act – Deauthorizes appropriations to carry out PPACA or the Health Care and Education Reconciliation Act of 2010, or any amendments made by them. Rescinds the unobligated balance of funds made available under such Acts.

Latest Action: 4/23/2013 Referred to the Subcommittee on Health, Employment, Labor, and Pensions.

H.R. 1735 – In it All Together Act – Amends PPACA to limit the health plans that the federal government may make available to the President, Vice President, and executive cabinet officials to those created under the Act or offered through a Marketplace established under the Act.

Latest Action: 4/26/2013 Referred to the Subcommittee on Health.

H.R. 1780 – To provide that the only health plans that the Federal Government may make available to the President, Vice President, Members of Congress, and Federal employees are those created under the Patient protection and Affordable Care Act or offered through a health insurance exchange – Amends PPACA to restrict the health plans that the federal government may make available to the President, Vice-President, or federal employees to a health plan either created under PPACA or offered through the health insurance marketplace established under PPACA.

Latest Action: 5/3/2013 Referred to the Subcommittee on Health.

H.R. 1853 – Medicaid Accountability and Care Act of 2013 – Amends title XIX (Medicaid) of the Social Security Act to revise payments to states under the Medicaid program. Proposes distributing funds on a per-capita basis to states based on the number of Medicaid enrollees in four categories: the elderly, blind or disabled, children and adults.

Latest Action: 5/10/2013 Referred to the Subcommittee on Health.

H.R. 1982 – Medicare Secondary Payer and Workers' Compensation Settlement Agreements Act of 2013 – Amends title XVIII (Medicare) of the Social Security Act in order to streamline the process for approving Medicare set-asides, which pay for an injured worker's medical care when that person is eligible or expected to be eligible for Medicare.

Latest Action: 5/17/2013 Referred to the Subcommittee on Health.

H.R. 2009 – Keep the IRS Off Your Health Care Act of 2013 – Prohibits the Secretary of Treasury, or any delegate of the Secretary, from enforcing any provisions made by PPACA or the Health Care and Education Reconciliation Act of 2010.

Latest Action: 9/18/2013 Placed on the Senate Calendar.

H.R. 2328 – Access to Professional Health Insurance Advisors Act of 2013 – Clarifies that broker compensation is not part of the Medical Loss Ratio (MLR) calculation as enacted by PPACA. The MLR requirement, which went into effect in January 2011, states that health insurers must spend at least \$.80 of every dollar in premiums on actual care costs in individual and small group markets, and \$.85 in the large group market.

Latest Action: 6/14/2013 Referred to the Subcommittee on Health.

H.R. 2575 – Save American Workers Act of 2013 – Amends the PPACA mandate that requires employers to offer qualified health insurance coverage to full-time employees or be liable for a \$2,000 penalty per employee by redefining a full-time employee as someone who is employed on average at least 40 hours per week. The mandate currently defines a full-time employee as someone who works 30 hours per week.

Latest Action: 6/28/2013 Referred to the Committee on Ways and Means.

H.R. 2577 – Small Business Job Protection Act of 2013 – Amends the PPACA employer mandate to require that employers with 100 or more full-time employees provide qualified health insurance coverage to its employees or pay a \$2,000 penalty for each employee. Currently, the mandate requires employers with 50 or more full-time employees to provide qualified coverage or pay a penalty.

Latest Action: 6/28/2013 Referred to the Committee on Ways and Means.

H.R. 2667 – Authority for Mandate Delay Act – Codifies the decision by the Obama administration to delay for one year the employer mandate of PPACA which requires all employers with 50 or more workers to provide health coverage or pay a fine.

Latest Action: 7/17/2013 Passed/agreed to in House. Pursuant to the provisions of H. Res. 300, H.R. 2667 is laid on the table.

H.R. 2668 – Fairness for American Families Act – Delays the individual mandate of PPACA for one year.

Latest Action: 7/24/2013 Placed on Senate Calendar.

H.R. 2775 – Continuing Appropriations Act, 2014 – Formerly known as the “No Subsidies Without Verification Act,” Sec. 1001 requires the Secretary of Health and Human Services (HHS) to ensure that health care marketplaces verify that individuals applying for premium tax credits and reductions in cost-sharing for the purchase of qualified health care plans under PPACA are eligible for such credits and cost-sharing reductions. The final version of this bill also makes continuing appropriations through January 15, 2014, thus ending the government shutdown and increases the debt limit through February 7, 2014.

Latest Action: 10/17/2013 Became Public Law No: 113-046.

H.R. 3350 – Keep Your Health Plan Act of 2013 – Permits a health insurance issuer that has health insurance coverage in effect in the individual market as of January 1, 2013, to continue offering such coverage for sale during 2014 outside of a health care exchange established under PPACA.

Latest Action: 11/18/2013 Received in the Senate.

H.R. 3367 – To amend section of the Patient Protection and Affordable Care Act to delay the application of the health insurance provider annual fee until 2016 and to provide a process to return to customers any amounts attributable to the expected application of the annual fee to 2014 or 2015 – Similar to H.R. 763 except for the fact that this legislation would delay the health insurance provider annual fee until 2016. H.R. 763 would eliminate health insurance provider annual fee indefinitely.

Latest Action: 10/29/2013 Referred to the Committee on Ways and Means, and to the Committee on Energy and Commerce.

H.R. 3406 – If You Like Your Health Plan You Can Keep It – Amends PPACA to ensure that individuals can keep their health insurance coverage. Companion bill to S. 1617.

Latest Action: 10/30/2013 Referred to the Committee on Energy and Commerce

H.R. 3425 – Health Care Access Fairness and Penalty Delay Act – Delays the individual insurance mandate of PPACA and any penalties for violating the individual mandate until after there is certification that the health insurance marketplace website is fully operational.

Latest Action: 10/30/2013 Referred to the Committee on Ways and Means, and the Committee on Energy and Commerce.

H.R. 3462 – Self-Insurance Protection Act – To amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to exclude from the definition of health insurance coverage certain medical stop-loss insurance obtained by certain plan sponsors of group health plans.

Latest Action: 11/13/2013 Referred to the Committee on Energy and Commerce.

H.R. 3489 – To amend section 1341 of the Patient Protection and Affordable Care Act to repeal the funding mechanism for the transitional reinsurance program in the individual market, and for

other purposes – Amends PPACA to repeal a reinsurance fee to be paid by self-funded employers and health care plan sponsors.

Latest Action: 11/14/2013 Referred to Committee on Energy and Commerce.

S. 177 – ObamaCare Repeal Act – Repeals PPACA and the Health Care Reconciliation Act of 2010, effective as of their enactment. Restores provisions of law amended by such Acts.

Latest Action: 1/30/2013 Placed on Senate Calendar.

S. 351 – Protecting Seniors' Access to Medicare Act of 2013 – Repeals sections of PPACA related to the creation of an Independent payment Advisory Board to develop and submit proposals to reduce the per capita rate of growth in Medicare spending to the President.

Latest Action: 2/14/2013 Referred to the Committee on Finance.

S. 399 – American Job Protection Act – Repeals provisions of PPACA that impose fines on employers with 50 or more full-time employees who fail to offer their full-time employees the opportunity to enroll in minimum essential health insurance coverage.

Latest Action: 2/28/2013 Referred to the Committee on Finance.

S. 482 – Health Insurance Rate Review Act – Creates a federal rate review process that allows the Secretary of Health and Human Services to block or modify rate increases that are excessive, unjustified or unfairly discriminatory.

Latest Action: 3/6/2013 Referred to the Committee on Health, Education, Labor, and Pensions.

S. 603 – Jobs and Premium Protection Act – Repeals a provision of PPACA that imposes an annual fee on each entity that provides health insurance for any U.S. health risk based on net premium income.

Latest Action: 3/19/2013 Referred to the Committee on Finance.

S. 650 – Access to Independent Health Insurance Advisors Act of 2013 – Changes the provision in PPACA to specifically exclude agent compensation from the Medical Loss Ratio (MLR) formula. The MLR rule mandates that health insurers must spend at least \$.80 of every dollar in premiums on actual care costs in individual and small group markets, and \$.85 in the large group market.

Latest Action: 3/21/2013 Referred to the Committee on Health, Education, Labor, and Pensions.

S. 1315 – Keep the IRS Off Your Health Care Act of 2013 – Prohibits the Secretary of Treasury, or any delegate of the Secretary, from implementing or enforcing any provisions of amendments made by PPACA or the Health Care and Education Reconciliation Act of 2010.

Latest Action: 7/18/2013 Placed on Senate Legislative Calendar.

S. 1488 – A bill to delay the application of the individual health insurance mandate, to delay the application of the employer health insurance mandate, and for other purposes – Delays both the individual and employer mandates of PPACA for one year.

Latest Action: 9/9/2013 Referred to Committee on Finance.

S. 1617 – If You Like Your Health Plan, You Can Keep It Act – Prohibits the termination of a group health plan or health insurance coverage in which an individual was enrolled during any

part of the period beginning on the date of enactment of PPACA and ending on December 31, 2013.

Latest Action: 10/30/2013 Referred to the Committee on Health, Education, Labor, and Pensions.

S. 1642 – Keeping the Affordable Care Act Promise Act – Permits individuals to continue their individual health insurance coverage in which they are enrolled on December 31, 2013, provided they meet the requirements applied to such coverage. Requires health insurance issuers in the individual market annually, at the time of enrollment and renewal, to provide enrollees with a notice that states: 1) the reasons that such coverage does not meet PPACA requirements; 2) that the enrollee has the right to continue to enroll in such coverage; and 3) that the enrollee has the right to enroll in a qualified health plan offered through a health exchange and instructions on how to access the exchange. Prohibits the sale of health insurance policies that do not meet PPACA requirements to new customers.

Latest Action: 11/4/2013 Referred to the Committee on Finance.

### **Property and Casualty**

H. AMDT. 121 to H.R. 2217 – Department of Homeland Security Appropriations Act, 2014 – Amendment added to the Department of Homeland Security Appropriations Act bars the Federal Emergency Management Agency (FEMA) from using its budget to implement provisions of the Biggert-Waters Flood Insurance Reform Act of 2012 that ends subsidized flood insurance rates for flood insurance policyholders.

Latest Action: 7/18/2013 Placed on Senate Calendar.

H.R. 41 – To temporarily increase the borrowing authority of the Federal Emergency Management Agency for carrying out the National Flood Insurance Program – Amends the National Flood Insurance Act of 1968 to increase from \$20.725 billion to \$30.425 billion the total amount of notes and obligations (federal borrowing authority) which may be issued by the Administrator of the Federal Emergency Management Agency (FEMA), with the President's approval, for the National Flood Insurance Program (NFIP).

Latest Action: 1/6/2013 Became Public Law No: 113-1.

H.R. 152 – Disaster Relief Appropriations Act, 2013 – Makes supplemental appropriations for fiscal year 2013 to specified federal agencies and programs for expenses related to the consequences of Hurricane Sandy.

Latest Action: 1/29/2013 Became Public Law No: 113-2.

H.R. 549 – Homeowner Catastrophe Protection Act of 2013 – Amends the Internal Revenue Code to: (1) allow insurance companies to make tax deductible contributions to a tax-exempt policyholder disaster protection fund for the payment of policyholders' claims arising from catastrophic events, such as windstorms, earthquakes, snowstorms, fires, tsunamis or floods, volcanic eruptions, or hail; (2) establish a tax-exempt Catastrophe Savings Account to help taxpayers pay for catastrophe expenses; and (3) allow a nonrefundable tax credit for 25% of certain natural disaster mitigation property expenditures made to fortify a taxpayer's principal

residence against catastrophes.

Latest Action: 2/6/2013 Referred to the Committee on Ways and Means.

H.R. 960 – Flood Victim Premium Relief Act of 2013 – Amends the National Flood Insurance Act of 1968, with respect to adjustments to flood insurance premiums to reflect the current risk of flood, to limit premium rate increases on specified residential property in federally declared major disaster areas.

Raises the premium increase timeline for primary residences declared a federal disaster area after July 6, 2012 from five to eight years. Over the eight year period, premium rate increases or new premium rates on such properties will be phased in at the rate of 5% for each of the first four years and 20% for each of the last four.

Latest Action: 3/5/2013 Referred to the Committee on Financial Services.

H.R. 982 – Furthering Asbestos Claim Transparency Act of 2013 – Legislation aims to limit the amount of fraudulent asbestos claims by increasing the transparency in how claims related to individuals seeking recovery for personal injury, wrongful death, or property damage allegedly caused by the presence of, or exposure to, asbestos or asbestos-containing products are paid. Last Action: 11/14/2013 Referred to Senate Committee on the Judiciary.

H.R. 1035 – To require a study of voluntary community-based flood insurance options and how such options could be incorporated into the national flood insurance program, and for other purposes – Directs the Administrator of the Federal Emergency Management Agency to study and report to Congress on options, methods, and strategies for making voluntary community-based flood insurance policies available through the National Flood Insurance Program, including a strategy to implement options that would encourage communities to undertake flood mitigation options.

Directs the Comptroller General to submit to Congress an analytical review of the FEMA report, including recommendations.

Latest Action: 3/13/2013 Received in the Senate. Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

H.R. 1101 – Homeowners and Taxpayers Protection Act of 2013 – Aims to strengthen America's financial infrastructure by requiring pre-funding for catastrophe losses using private insurance premium dollars to better prepare and protect homeowners from natural catastrophes and to protect taxpayers from massive bailouts. To provide dedicated funding from insurance premiums to improve catastrophe preparedness, loss prevention and mitigation, and to improve the availability and affordability of private market homeowners insurance coverage for catastrophic events, and for other purposes.

Latest Action: 3/13/2013 Referred to the Subcommittee on Economic Development, Public Buildings and Emergency Management.

H.R. 1662 – Army Corps Accountability Act of 2013 – Amends the federal judicial code and the Federal Flood Control Act of 1928 to require the Army Corps of Engineers to consider financial effects on the national economy, including product cost increases caused by the shutdown or flooding of refineries and chemical plants, when weighing the costs and benefits of building a new river and hurricane flood protection levees.

Latest Action: 4/30/2013 Referred to the Subcommittee on Regulatory Reform, Commercial and Antitrust Law.

H.R. 2199 – Flood Insurance Implementation Reform Act of 2013 – Delays for three years a provision of the Biggert-Waters Flood Insurance Reform Act of 2012 that directs the Federal Emergency Management Agency (FEMA) to increase rates over a five-year period to accurately reflect current flood risks. Delays for five years a provision of the Biggert-Waters Act that ends subsidized flood insurance premiums after the sale of a home. Also requires FEMA to calculate the flood mitigation effects of natural flood barriers such as marshes, forests and barrier islands. Latest Action: 5/23/2013 Referred to the Committee on Financial Services.

H.R. 3370 – Homeowner Flood Insurance Affordability Act of 2013 – Companion bill to legislation introduced in the Senate (S. 1610) to delay for four years rate hikes as a result of the Biggert-Waters Flood Insurance Reform Act and require the completion of an affordability study by the Federal Emergency Management Agency (FEMA).

Latest Action: 10/29/2013 Referred to the Committee on Finance, and to the Committee on Rules.

H.R. 3693 – Flood Insurance Relief and Transparency Act – Delays flood insurance rate hikes until March 2015 for property owners in greater flood risk assessment areas. Requires FEMA to become more transparent with proposed rate adjustments. Provides additional funding to FEMA to expedite the completion of a flood insurance affordability study.

Latest Action: 12/11/2013 Introduced in House.

S. 905 – Safe Building Code Incentive Act of 2013 – Qualifies states that adopt and enforce model building codes that meet minimum life safety standards to be eligible for an additional 4% in post-disaster grants from the Federal Emergency Management Agency (FEMA).

Latest Action: 5/18/2013 Referred to the Committee on Homeland Security and Governmental Affairs.

S. 996 – Strengthen, Modernize and Reform The National Flood Insurance Program (SMART NFIP) Act – Delays any flood insurance rate changes as a result of the Biggert-Waters Flood Insurance Reform Act until 180 days after Congress receives an affordability study by the Federal Emergency Management Agency (FEMA).

Latest Action: 5/21/2013 Referred to Committee on Banking, Housing, and Urban Affairs.

S. 1461 – Homeowners’ Defense Act of 2013 – Establishes a national catastrophe fund that would spread the risk and cost of major disasters among all the states.

Latest Action: 8/1/2013 Referred to the Committee on Banking, Housing, and Urban Affairs.

S. 1497 – No Exemption for Washington from Obamacare Act – Requires the President, Vice-President, executive branch political appointees, and employees of congressional committees and leadership offices of Congress to participate in the Health Insurance marketplace.

Latest Action: 9/12/2013 Referred to the Committee on Finance.

S. 1610 – Homeowner Flood Insurance Affordability Act of 2013 – Delays implementation of most flood insurance rate hikes until two years after the Federal Emergency Management

Agency (FEMA) completes an affordability study. FEMA estimates the affordability study will take two years to complete, meaning rate hikes as a result of the Biggert-Waters Flood Insurance Reform Act would likely be delayed for four years.

Legislation requires FEMA to propose an affordability framework that addresses the affordability issues within 18 months after the study is completed and allows six months for congressional review.

Latest Action: 10/29/2013 Referred to the Committee on Banking, Housing, and Urban Affairs.

## **Miscellaneous**

H.R. 508 – Terrorism Risk Insurance Act of 2002 Reauthorization Act of 2013 – Extends the Terrorism Insurance Program until December 31, 2019. The program is currently set to expire on December 31, 2014.

Latest Action: 2/5/2013 Referred to the Committee on Financial Services.

H.R. 943 – Crop Insurance Subsidy Reduction Act – Amends the Federal Crop Insurance Act to reduce crop insurance premium subsidy rates.

Latest Action: 3/13/2013 Referred to Subcommittee on General Farm Commodities and Risk Management.

H.R. 1155 – National Association of Registered Agents and Brokers (NARAB) Reform Act of 2013 – Amends the Gramm-Leach-Bliley Act to authorize the creation of a non-profit board for insurance producers and brokers to operate on multi-state basis. Retains states' regulatory authority over: (1) licensing, continuing education, and other qualification requirements of non-NARAB producers; (2) resident or non-resident producer appointment requirements; (3) supervision and disciplining of such producers; and (4) setting of licensing fees for insurance producers. Authorizes NARAB to: (1) establish membership criteria, including a mandatory criminal background check of the producer's identification record for state-licensed insurance producers, and (2) deny membership to a state-licensed insurance producer on the basis of the criminal history information obtained, or where the producer has been subject to certain disciplinary action, or to any state-licensed insurance producer for failure to meet membership criteria.

Latest Action: 9/11/2013 Placed on Senate Calendar.

H.R. 1369 – Firearm Risk Protection Act of 2013 – Amends the Brady Handgun Violence Prevention Act to: (1) prohibit the purchase or sale of a firearm unless the purchaser presents proof to the seller and the seller verifies that the purchaser is covered by a qualified liability insurance policy, and (2) require any person who purchases a firearm on or after this Act's effective date to be covered by such a policy. Exempts the purchase or sale of a firearm for use by a federal, state or local agency. Defines "qualified liability insurance policy" to mean a policy that: (1) is issued by an insurer licensed to provide the coverage by the state in which the purchaser resides, and (2) provides liability insurance covering the purchaser specifically for losses resulting from use of the firearm.

Latest Action: 4/15/2013 Referred to the Subcommittee on Crime, Terrorism, Homeland Security and Investigations.



H.R. 1945 – Fostering Resilience to Terrorism Act of 2013 – Extends the Terrorism Insurance Program until December 31, 2024. The program is currently set to lapse on December 31, 2014. Also designates the U.S. Department of Homeland Security as the lead agency in the certification process.

Latest Action: 5/29/2013 Referred to the Subcommittee on Cybersecurity, Infrastructure Protection, and Security Technologies.

H.R. 2146 – Terrorism Risk Insurance Program Reauthorization Act of 2013 – Extends the Terrorism Risk Insurance Act of 2002, currently set to expire on December 31, 2014, through December 31, 2024.

Latest Action: 5/23/2013 Referred to the Committee on Financial Services.

S. 446 – Crop Insurance Subsidy Reduction Act of 2013 – Amends the Federal Crop Insurance Act to reduce crop insurance premium subsidy rates.

Latest Action: 3/5/2013 Referred to Committee on Agriculture, Nutrition, and Forestry.

S. 534 – National Association of Registered Agents and Brokers Reform Act of 2013 – Similar to H.R. 1155, creates a non-profit board for insurance producers and brokers to operate on a multi-state basis.

Latest Action: 7/29/2013 Placed on Senate Calendar.

S. 1369 – A bill to provide additional flexibility to the Board of Governors of the Federal Reserve System to establish capital standards that are properly tailored to the unique characteristics of the business of insurance, and for other purposes – Amends the Dodd-Frank Wall Street Reform and Consumer Protection to exclude insurers from bank capital rules.

Latest Action: 7/25/2013 Referred to the Committee on Banking, Housing, and Urban Affairs