



# LEGISLATIVE *Update*

State Employees Association of North Carolina • www.seanc.org

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## **House Leadership Holding State Health Plan Hostage**

House Bill 2037, a bill to move State Health Plan (SHP) oversight to the Department of Insurance and strip control from the legislature, was denied a vote in the House Insurance Committee last Thursday. Blatant lack of oversight has contributed to financial crisis for the SHP in an economy where members cannot endure further cuts to benefits and increased out-of-pocket expenses. House Bill 1968 would repeal the BMI penalty that lawmakers put in place last session. At this time, HB 1968 is stalled in the Health Committee and HB 2037 is stalled in the Insurance Committee.

House Majority Leader Hugh Holliman made it clear that the SHP oversight transfer bill and the BMI penalty repeal bill will not be addressed by this General Assembly. House Insurance Committee Co-Chairman Michael Wray (D-Vance) has the power to hear the oversight bill and even call for a vote, but it appears unlikely that he will buck leadership. Rep. Deborah Ross (D-Wake) signed onto the SHP oversight transfer bill as a co-sponsor and being in a leadership position has some sway. It remains to be seen whether she can use that sway to help state employees and retirees.

Reps. Verla Insko (D-Orange) and Bob England (D-Cleveland) are the co-chairmen of the House Health Committee where the BMI penalty repeal bill has been assigned. Insko first reacted positively when asked to call for the bill to be heard, however, it was evident that England had been instructed not to hear the bill.

The mantra for the SHP has been to wait for the Blue Ribbon Task Force to talk about the measures. Holliman is a member of the task force and stated in committee last week that oversight of the SHP would be one of the last things the task force will discuss. Two audits presented to the task force have clearly said that the SHP needs to be moved out of the reach of lawmakers. Holding bills that would positively impact members of the SHP hostage certainly leaves the impression that House leaders want to ensure that potential campaign contributions by companies like Blue Cross and Blue Shield of N.C. would continue to stream in to the political coffers.

Soon it will be time to negotiate a new contract for the SHP and it is critical that legislators not benefit while over 600,000 members are adversely affected. Please call Wray and Ross to bring about a vote on the bills. It's time for the Legislature to do the right thing!

**Call Wray and Ross today! (919-733-4111)**

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