



HEALTHY MOTHERS, HEALTHY BABIES
Coalition of Georgia

HMHB Legislative Update
March 24, 2008

Legislators have completed 34 of 40 legislative days. Legislators currently have plans to be in session only one day this week. They will meet on Thursday for Day 35 and have not set the calendar for the final 5 days.

The House and Senate conferees finalized the Amended FY 2008 budget and it passed both chambers last Thursday. In a procedural move, the House and Senate immediately transmitted the budget to Governor Perdue, which gave him only six days to sign or veto the bill. This was reportedly so that legislators would still be in session and able to vote to override any budget vetoes made by the governor. Governor Perdue signed the Amended FY 2008 budget on Friday and vetoed only two line items: funding for the North Central Law Enforcement Academy and language that would have limited the number of Pre-K slots funded in the Department of Early Care and Learning Budget. Although Governor Perdue had recommended a \$65 million reduction due to falling state revenues, legislators instead funded the shortfall with the state's reserves.

On Thursday the House also passed their version of the FY 2009 budget and it now goes to the Senate for their consideration. Highlights include:

Department of Community Health

- Increase Dental reimbursement rates by 2.5%
- Increase Medicaid and PeachCare rates for global maternity delivery rates by 5%. (Governor Perdue had recommended an increase of 2.5%). Nearly 60% of the births in Georgia are publicly funded through these two programs.

Department of Human Resources

- Reduce additional funding recommended for general Grant In Aid in Public Health (\$7.16 m)
- Provide a special salary adjustment for Public Health nurses paid less than 75% of market salary

These are the recommendations of the House. The Senate is working on its own version of the FY 2009 budget which is expected to pass the Senate this Thursday. Then House and Senate budget conferees will begin negotiation on a final version of the budget.

Update on HMHB Legislative Agenda

Oppose legislation that threatens health insurance benefits such as mammograms, pap smears, and childhood immunizations.

In the past few weeks we have kept you updated on a number of bills that were introduced that would have an impact on health insurance coverage for individuals and families. Attempts by advocates to work with bill sponsors to include language that protects health-care services such as mammograms, pap smears, after-childbirth hospital stays, newborn coverage, immunizations, and other preventive health care have been short-circuited by House and Senate leaders.

- **HB 1087 (Rep. Mickey Channell, 116th)**, dealing with high deductible health plans) has been added to **HB 977 (Rep. Tom Knox, 24th)** which is another bill giving tax preferences to such health insurance policies. *HB 977 passed the House on 3/11 and is assigned to Senate Finance.*
- **SB 404 (Sen. Tommie Williams, 19th)** permits the sale of high deductible health plans that do not cover a 48 hour hospitalization after newborn delivery, well child visits or contraceptives (among other things) and authorizes tax payer money to promote such plans alongside more comprehensive, high value traditional coverage and PeachCare for Kids on a state run website. SB 404 passed the Senate on 3/6 and attempts to amend the bill on the Senate floor to include coverage of items listed above were opposed by the sponsor and defeated. *SB 404 is assigned to House Insurance.*

HMHB was asked by the American Cancer Society- Georgia Chapter to sign on to a letter being distributed to legislators that opposes passage of SB 404. A copy of that letter is attached.

OTHER LEGISLATION

Tax reform proposals presented by the House and Senate threaten to remove millions of dollars from the state budget. This is of concern to all citizens because if implemented, the tax cuts would require deep cuts to human services programs and services.

Lt. Governor Casey Cagle and Senate leaders announced their own tax reform package last week as a substitute for the House-passed car tag tax elimination proposal. The Senate's tax reform proposals would result in a \$1.2 billion revenue loss and put spending limits in place.

HB 1244 (Rep. Charles Martin, 47th) as introduced extends the existing tele-working credit for 2 more years. The Senate amended this bill to add a 10% reduction in income tax rates for all filers over a 5 year period. The reduction in state revenues is \$215 million in year 1, and \$1.2 billion by year 5. *Passed by Senate Finance Committee on 3/20 and is assigned to Senate Rules.*

HR 1246 (Rep. Glenn Richardson, 19th) is the Speaker's car tag tax bill. The Senate substitute removes the car tag tax repeal, keeps the assessment freeze as of 2008 and places a spending cap on state appropriations. If HR 1246 is passed and agreed to by Georgia voters, revenues would be unable to grow to pay both for the tax cut and to meet the education and healthcare needs of Georgians. *Passed by Senate Finance and assigned to Senate Rules.*

For additional analysis and facts sheets on these and other tax reform bills, the Georgia Budget and Policy Institute is an excellent resource. Their website is www.gbpi.org .