HEALTHY MOTHERS, HEALTHY BABIES
Coalition of Georgia

HMHB Legislative Update
March 31, 2008

Legislators have completed 36 of 40 legislative days. Legislators will meet Monday, Tuesday, Wednesday and Friday of this week. Current plans call for Friday to be the final day of the 2008 session.

During the two days that legislators were in session last week, the Senate passed their version of tax reform legislation (details below) and also passed their version of the FY 2009 budget. House and Senate conferees were scheduled to begin negotiations to finalize the FY 2009 budget over the weekend. Highlights of the Senate version of the FY 2009 budget:

Department of Community Health

- Agreed with House to increase Dental reimbursement rates by 2.5%
- Agreed to 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

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

As stated previously, the House and Senate will negotiate the final version of the FY 2009 budget. Governor Perdue must then sign the budget, but he has line-item veto authority.

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 was expected to be on the calendar for a Senate vote as early as last Friday. HB 977 was returned to Senate Finance for unknown reasons but could be back on the Senate calendar for a vote any day.***

- **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.***

OTHER LEGISLATION

The Senate passed their version of two tax reform bills this week. Both bills will go to conference committee for the House and Senate to try to reach agreement. Advocates are extremely concerned about House and Senate versions of these bills, as all would remove many millions from the state budget.

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 on 3/28.*

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 on 3/28.*

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 .