

First Extraordinary Session, 2005

HOUSE CONCURRENT RESOLUTION NO. 44

BY REPRESENTATIVE K. CARTER

INSURANCE/HEALTH: Memorializes congress to enact a health insurance premium reimbursement program and a federal income tax credit for the health insurance premiums for affected victims of Hurricanes Katrina and Rita

1 A CONCURRENT RESOLUTION

2 To memorialize the United States Congress to enact a health insurance premium
3 reimbursement program and a federal income tax credit for the health insurance
4 premiums for affected victims of Hurricanes Katrina and Rita.

5 WHEREAS, the destruction left in the wake of Hurricanes Katrina and Rita poses
6 a growing risk that hundreds of thousands of people in the most severely affected areas will
7 soon lose their privately paid access to health care benefits; and

8 WHEREAS, this is particularly true for those individuals who work for small
9 businesses facing financial difficulties and for those who have lost or are about to lose their
10 jobs; and

11 WHEREAS, the Gulf Coast's health care system as a whole is already under
12 considerable stress with few health care facilities in operation and thousands of medical
13 professionals currently displaced; and

14 WHEREAS, if returning residents are not able to pay for required medical services
15 after the current grace period instituted by the commissioner of insurance for payment of
16 health insurance premiums in Louisiana which ends on November 30, 2005, the system
17 could deteriorate further in the most severely affected areas; and

18 WHEREAS, a two-component program to provide interim support to those who are
19 most at risk of losing their private health benefits coverage is needed; and

1 WHEREAS, the program would apply only to certain parishes within the Federal
2 Emergency Management Agency (FEMA) orange zone in Louisiana for both Hurricane
3 Katrina, specifically Orleans, St. Bernard, Plaquemines, Jefferson, St. Tammany, and
4 Washington, and for Hurricane Rita, specifically Cameron, Vermilion, and Calcasieu; and

5 WHEREAS, the first component could be a federal premium reimbursement program
6 to pay the premiums of individuals with personal policies and of small employers, those
7 with fifty or fewer employees, with group policies by paying to insurers the premium
8 amount fixed for August 2005 for the months of September, October, and November 2005;
9 and

10 WHEREAS, the program could cover both paid and unpaid premiums to provide the
11 same benefits to all defined individuals and small businesses, such that if a reimbursement
12 payment duplicates a premium actually paid, that amount could be applied to future
13 premiums or refunded to the insured upon request; and

14 WHEREAS, definitions of eligible individuals and small employers, along with
15 administrative provisions, could be the same or similar to those in S.1769; and

16 WHEREAS, the second component could be a federal income tax credit for eligible
17 individuals who are unemployed due to Hurricane Katrina or Rita; and

18 WHEREAS, the tax credit could be sixty-five percent of premiums actually paid by
19 eligible unemployed individuals to health insurers for the twelve months from December
20 2005 through November 2006; and

21 WHEREAS, the tax credit could be eighty percent for individuals who are at or
22 below three hundred percent of the federal poverty level; and

23 WHEREAS, an eligible individual could be defined as a person who worked in one
24 of the affected parishes at the time of the hurricane, was covered by health insurance at the
25 time of the hurricane, and is determined to be unemployed during a premium period as a
26 result of the hurricane; and

27 WHEREAS, former employees of companies of all sizes could be eligible, not just
28 small businesses and individuals purchasing their own insurance; and

1 WHEREAS, the credit mechanism could be structured like the trade adjustment
2 credit in Internal Revenue Code Section 35, which is applied to make federal payments
3 directly to the health insurance company for individuals eligible for the credit.

4 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
5 memorialize the United States Congress to enact a health insurance premium reimbursement
6 program and a federal income tax credit for the health insurance premiums for affected
7 victims of Hurricanes Katrina and Rita.

8 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
9 presiding officers of the Senate and the House of Representatives of the Congress of the
10 United States of America and to each member of the Louisiana congressional delegation.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

K. Carter

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Memorializes the U.S. Congress to enact a health insurance premium reimbursement program and a federal income tax credit for the health insurance premiums for affected victims of Hurricanes Katrina and Rita.