

First Extraordinary Session, 2005

HOUSE CONCURRENT RESOLUTION NO. 44

BY REPRESENTATIVE K. CARTER

A CONCURRENT RESOLUTION

To memorialize the United States 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.

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

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

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

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

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

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

WHEREAS, the first component could be a federal premium reimbursement program to pay the premiums of individuals with personal policies and of small employers, those

with fifty or fewer employees, with group policies by paying to insurers the premium amount fixed for August 2005 for the months of September, October, and November 2005; and

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

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

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

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

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

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

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

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

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby memorialize the United States 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.

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

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE