

bill address some of these concerns? Well, first off, the legislation takes another step forward on small group health insurance reform. What we identify as a small group are those companies that have between three and twenty-five employees and with those small groups we have, in the past, passed legislation that had some limitations on how much rate increases could be. We continue that with this proposal which sets up a limitation of nine classes of businesses and then within those nine classes a variance of 25 percent plus or minus that a group can come into and increases have to stay within, so that there are limitations on huge fluctuations in the premiums that small businesses have to pay for. This has been a problem in the past. We've had some companies call with not only doubling of the premiums but tripling and more of their premiums, and the result of that has been to drop coverage. So this will have some limitations on how much the increases can be. It will also require that for any group out there that provides small group health insurance, any company that asks for health insurance must be offered two basic plans, a standard plan or a basic plan. There are certain industries in this state, and we've heard about some of those, the restaurant industry, the nursing home industry and others, who have said that even if they have no problems as a company, their industry is excluded by certain insurance companies from even being offered health insurance coverage. So this would require, for any small group health insurer out there, that any company that came to them in this small group of three to twenty-five would have to be offered two types of policies. These policies would also have very limited chances to exclude preexisting conditions, which has also been a big concern, somebody who has got a health problem, who would like to have health insurance, is hired by an individual, they're identified as having a preexisting condition and then are not able to get health insurance or if they have health insurance, whatever their preexisting condition would not be covered. So this would limit those types of preexisting condition exclusions. You could also, obviously, move...once you're into the system, you can move from one employer to another without having to go through any of the preexisting condition tests. So this has a portability aspect to it that's very advantageous. The way we're able to address the preexisting condition concept is you have a reinsurance pool. You take the risk of these individuals who have a preexisting condition and others that have health problems and you broaden the pool, make it a statewide reinsurance pool administered by a statewide board that's established under this legislation. And