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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

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MEMORANDUM

TO: ALL HOUSE MEMBERS

FROM: REPRESENTATIVE PETER ZUG *PJ*

RE: Professional and Trade Association Rate Protection Legislation

DATE: December 1, 2005

I invite you to co-sponsor legislation I plan to introduce that would require health insurance carriers to write health insurance policies to professional or trade associations a "large" group policies for the purposes of developing the health insurance premium charged to the members.

Currently, members of professional and trade associations are under the impression that they are pooled together with other members of the association in order to receive a 'true' large group rate for their insurance purchase. To the contrary, insurers develop the rates charged to professional and trade associations by rating each individual business within the association as a small group.

The goal of my legislation is clear and simple. Members of both professional and trade associations should be pooled together within their association to receive the best health insurance rate possible. A large company can spread the experience of its employees evenly among its employees. I believe a professional or trade association should enjoy the cost benefit by being rated as a large group.

If you agree and wish to join me in sponsoring this legislation, please contact Lori Losch Lori Losch at 787-2686 or llosch@pahousegop.com.

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