

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	10 - 0 - 0
Yeas:	Bruun, Cannon, Harker, Hoyle, Kennemer, Kotek, Maurer, Nathanson, Thompson, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/4, 2/8

WHAT THE MEASURE DOES: Permits electronic administration of small employer group or individual health insurance. Authorizes Director of Department of Consumer and Business Services to approve discounted rates for electronic administration of health insurance. Clarifies that electronic transactions are voluntary. Simplifies how carrier may file to offer an electronic transaction discount. Modifies language to maintain consistency throughout the bill. Defines electronic administrative transactions. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Improving operational efficiencies
- Promotes improved environmental practices
- Estimated cost savings
- Proposed amendment

EFFECT OF COMMITTEE AMENDMENT: Clarifies that electronic transactions are voluntary. Simplifies how carrier may file to offer an electronic transaction discount. Modifies language to maintain consistency throughout the bill.

BACKGROUND: Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. ACH credit transfers can include direct deposit payroll and vendor payments. ACH direct debit includes consumer payments on insurance premiums, mortgage loans and other kinds of bills. Both the government and the commercial sectors use ACH payments. Businesses are also increasingly using ACH to collect from customer's online, rather than accepting credit or debit cards.

Rules and regulations governing the ACH network are established by NACHA (formerly the National Automated Clearing House Association) and the Federal Reserve .

2/9/2010 3:32:00 PM

This summary has not been adopted or officially endorsed by action of the committee.