

ANTHONY M. DeLUCA, MEMBER

115 IRVIS OFFICE BUILDING
P.O. BOX 202032
HARRISBURG, PENNSYLVANIA 17120-2032
PHONE: (717) 783-1011
FAX: (717) 772-9937

7205 SALTSBURG ROAD
PITTSBURGH, PENNSYLVANIA 15235
PHONE: (412) 793-2448
FAX: (412) 793-7495



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

INSURANCE, CHAIRMAN
GAME & FISHERIES

DEMOCRATIC POLICY
LEGISLATIVE BUDGET & FINANCE COMMITTEE

CAUCUSES

ARTHRITIS & OSTEOPOROSIS CAUCUS
AUTISM CAUCUS
CHILDREN'S CAUCUS
COAL CAUCUS
FIREFIGHTERS' & EMERGENCY
SERVICES, CHAIRMAN EMERITUS
STEEL CAUCUS

MEMORANDUM

Date: January 31, 2011
To: All House Members
From: Representative Tony DeLuca
Subject: Co-Sponsorship of Legislation: adultBasic Continuation Act

Later this week, I will be introducing legislation that will provide a source of funds to prevent the expiration of the adultBasic program next month, and will permit the program to continue through June 30, 2011.

Specifically, my legislation will authorize the Insurance Commissioner to borrow sufficient funds from any Commonwealth fund and use the CAT Fund surcharge as the basis for repayment. The CAT Fund is currently fully funded and thus the surcharge is not needed for purposes of paying the claims of that fund. In addition, while the surcharge is currently dedicated to the Mcare fund, the Mcare fund currently has a balance in excess of \$120 million. You may recall that the Mcare Fund has experienced substantial balances over the last several years due to the significant medical malpractice reforms we enacted in 2002. Therefore, the Mcare Fund does not have an immediate need for the revenues from the surcharge.

The CAT Fund surcharge produces approximately \$50 million dollars per year. Under my legislation, that revenue can be used to ensure that the 40,000 current adultBasic enrollees will not lose their access to the program's coverage and the quality health care that it will fund.

I hope you will join me in co-sponsoring this important bill and if you would like to do so, please contact Stacia Longenecker at slongene@pahouse.net or at 787-4437 by Friday February 4, 2011.

FEB 1 2011