



TO: Honorable Bill Monning, Chair
Members, Assembly Health Committee

FROM: John A. Norwood

DATE: March 22, 2012

RE: AB 1761 (John A. Perez) -- SUPPORT

On behalf of our clients, Insurance Brokers and Agents of the West (IBA West), California Association of Health Underwriters (CAHU) and the National Association of Insurance and Financial Advisors of California (NAIFA-California), industry trade associations representing thousands of insurance professionals throughout California, we are pleased to SUPPORT AB 1761.

This bill would prohibit an individual or entity from holding himself, herself, or itself out as representing, constituting, or otherwise providing services on behalf of the state Health Benefits Exchange unless that individual or entity has a valid agreement with the Exchange to engage in those activities. In addition, this bill provides any individual or entity that aids or abets another individual or entity in such activity shall also be in violation of these codes.

The California Health Benefits Exchange is expected to be a critical element in implementing national health care reform. Approximately 4 million California residents are either currently uninsured or otherwise not being served by the traditional health insurance marketplace. These residents will certainly look to the Health Benefit Exchange as an option to purchase healthcare products and services. It is important that these new customers are served by insurance agents and brokers, and others who are properly authorized and have a written agreement to place prospective customers with the Exchange. AB 1761 is an important element to help to deter unauthorized persons or entities from conducting misleading advertising or solicitations.

For all the above reasons, we urge your "AYE" vote on AB 1761.

Thank you.

CC: Speaker John A. Perez
Angess Lee, Health Consultant, Office of Speaker Perez
Peter Anderson, Consultant, Assembly Health Committee
Tim Conaghan, Consultant, Senate Republican Caucus