



COMMISSION ON INSURANCE

County of Los Angeles

Scott J. Svonkin
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Daniel Falcon
Vice-Chairperson

Barry R. Binder
Glenn S. Brown
William K. Callagy
Michael G. Cheung
Helene S. Lohr, LUTCF
Curren D. Price, Jr.
Patricia Torres
Steven Vicencia

MINUTES

Meeting of November 16, 2006
Kenneth Hahn Hall of Administration, Department Room 374-A
500 West Temple Street, Los Angeles, CA 90012

Commissioners Present: Glenn S. Brown, J.D., William K. Callagy,
Michael G. Cheung, Daniel Falcon, Scott J. Svonkin,
Patricia Torres, Esq., Steven Vicencia

Commissioners Absent: Barry R. Binder, Helen S. Lohr LUTCF, Curren D. Price, Jr.

CALL TO ORDER

(Chairman Svonkin joined the meeting at 10:10 a.m.)

Noting a quorum was present, Vice Chairman Falcon called the meeting to order at 10:11 a.m.

APPROVAL OF OCTOBER 12, 2006 MEETING MINUTES

(Commissioner Cheung joined the meeting at 10:21 a.m.)

On motion of Chairman Svonkin, seconded by Commissioner Cheung, with Commissioners Torres and Vicencia abstaining, the minutes of October 12, 2006 were approved with corrections directed by the Commission.

CHAIRMAN'S REPORT

(Senator Escutia's representative, Marisela Cervantes, joined the meeting at 10:24 a.m.)

Chairman Svonkin reported on correspondence from Blue Cross. He reported that Blue Cross is asking for clarification to his questions and proposals, and that they will respond as to whether they will join the Commission with legislation on these issues. He also reported on an article from the Los Angeles Times wherein the Department of Managed Care stated that a policy will be forthcoming to prevent cancellations of coverage without good cause.

The Commission agreed to the following:

- Contact the Department of Managed Care as it relates to their policy to prevent cancellations of Medical and Health Care coverage
- Send congratulatory letters to the new Insurance Commissioner and new Legislators

Commissioner Callagy commented on a Los Angeles Times article wherein Blue Cross settled on pending litigation, and coincidentally subsequent to the Commission's last meeting.

Chairman Svonkin noted the December 8, 2006 meeting to honor Governor Elect Garamendi for his accomplishments and contributions.

STAFF REPORT

Gabriel Alexander reported on the Sunset Review. It was approved by the Audit Committee at their September 21, 2006 meeting and a Board letter is waiting for County Counsel to complete drafting of the ordinance.

Sandra Barbee reported on the Commission's website, it is up and running and the address is lacic.org. with all links working. There was discussion on potentially having the website name change. She also reported that a press release will be sent to announce the Commission's website.

HONORING SENATOR ESCUTIA FOR DISTINGUISHED PUBLIC SERVICE; CHAMPION CONTRIBUTIONS IN PROTECTING HEALTH & ENVIRONMENT; IMPROVING EDUCATION & DEFENDING CONSUMER AND WORKER RIGHTS

Vice Chairman Falcon welcomed Marisela Cervantes, present on behalf of Senator Escutia.

Ms. Cervantes thanked the Commission on behalf of Senator Escutia, for the invitation and recognition. She went on to report that on behalf of the Senator's staff they are honored to be a part of her accomplishments while working under her leadership and to mirror her ideals to represent working families and protect consumers. She thanked the

Commission for today's recognition, and for the Commission's continued advocacy for proper service and protection for all constituents of Los Angeles County.

Vice Chairman Falcon commended Senator Escutia for her contributions and concerns on health and medical care for all children, for providing low-cost auto insurance, and for the additional allocation of funds to schools that created 500 seats.

Chairman Svonkin expressed appreciation for Senator Escutia's contributions as a champion for the working men and women of Los Angeles County.

The Commission presented the award and took group pictures.

FOLLOW-UP DISCUSSION ON APPROVAL OF HEALTH AND MEDICAL APPLICATIONS; CANCELLATION OF EXISTING POLICIES; AND RELATED ISSUES

The Commission agreed to continue this item for future discussion.

WORKERS' COMPENSATION UPDATE

Commissioner Callagy reported that the County of Los Angeles Worker's Compensation expenses continue to decrease.

He went on to report on the benefits from having Insurance Companies refer patients to the proper Medical Care, thus, discouraging the injured party to seek legal assistance. He also reported that he is following legislation and will bring any developments to the Commission for review.

Commissioner Brown commented on the issue of foreign countries having consumer information as it relates to Homeland Security. Chairman Svonkin expressed concerns about entities based outside the U.S. and having them follow State and Federal regulations.

PUBLIC COMMENT

Commissioner Brown suggested that a letter of condolences be sent to Assemblymember Karen Bass. He also suggested creating a committee to work with Rocky Armfield, Manager, LAC Risk Management in bringing together public private entities to participate with pooling monies for terrorism and earthquake coverage.

The Commission agreed to discuss the following issues:

- Priorities for 2007
- Election of new officers
- Follow-up on Sunset Review

- Review any standing committees
- Agendize discussions with Rocky Armfield, Manager, LAC Risk Management

MATTERS NOT POSTED ON THE AGENDA

Commissioner Callagy requested the Commission to agendize a follow-up meeting for discussion as it relates to Terrorism and Earthquake Insurance.

The Commission agreed to hold its next meeting on January 25, 2007.

ADJOURNMENT

Without objection, the meeting was adjourned at 11:03 a.m.