

June 10, 2010

✓ Mr. Lou Felice
Chair, Health Care Reform Solvency Impact Subgroup

Mr. Steven Ostlund
Chair, Accident & Health Working Group

National Association of Insurance Commissioners
2301 McGee Street, Suite 800
Kansas City, Missouri 64108-2662

Re: **Calculation of Medical Loss Ratio Recommendations**

Dear Mr. Felice, Mr. Ostlund, and Subgroup Members:

For more than ten years, the Community Council of Greater Dallas and the Caring for Children Foundation of Texas have collaborated to make sure thousands of uninsured children in the greater Dallas area are fully immunized. During this time, Blue Cross and Blue Shield of Texas, the statewide sponsor of the Foundation, has provided 100% of the Foundation's administrative expenses as an in-kind donation, for which we are more than grateful.

I am writing to urge the National Association of Insurance Commissioners (NAIC) to consider and recommend to the Department of Health and Human Services (HHS) a definition of medical loss ratio (MLR) that will encourage health plans to continue their tremendous support of community-based public health initiatives and programs.

The membership of NAIC is state-based and therefore, should well understand the important contributions that local organizations make to the overall health of communities and populations. I want to make sure that health insurers will continue their critical participation in these efforts.

It is my understanding that if the definitions around MLR are too narrow, health insurers will not be encouraged to support community-based health initiatives and could, in fact, be penalized for such support if their contributions are counted as administrative expenses. Penalizing support for my organization's program and similar community-based programs across the nation would not be wise public policy.

I strongly urge the NCIA to recommend to HHS that, for the purposes of calculating MLR, quality initiatives include health insurers' involvement and investments in public health initiatives.

Thank you for your consideration on this important issue.

Sincerely,



Martha T. Blaine
Executive Director



COMMUNITY
COUNCIL
of GREATER DALLAS