

June 14, 2010

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

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:

As Co-Founder and CEO of KaBOOM!, 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.

KaBOOM! is a national nonprofit organization working to create great places to play within walking distance of every child in America. Our mission is particularly urgent given our nation's childhood obesity epidemic, and we value the public health investments in our cause that health insurers are making to help kids and families become healthy and physically fit. This year, for example, with the support of Blue Cross and Blue Shield Companies in Illinois and North Carolina, UnitedHealthcare and Clarion Health we are rallying more than 3,000 community volunteers to lead the all-volunteer planning and construction of community playgrounds in low-income neighborhoods that will give 150,000 children great places to leap, swing and be physically active over the next generation.

The membership of NAIC is state-based and so should understand well 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.



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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 of my organization's program and similar community-based programs across the nation would not be wise public policy.

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

Thank you for consideration on this important issue.

Sincerely,



Darell Hammond
KaBOOM! Co-Founder & CEO



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