

# AMARILLO BI-CITY-COUNTY HEALTH DISTRICT

Amarillo, Canyon, Potter County, Randall County  
CITY OF AMARILLO, P.O. Box 1971, Amarillo, TX 79105-1971

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June 18<sup>th</sup>, 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:

For nearly ten years the City of Amarillo Health Department and the Caring for Children Foundation of Texas have collaborated to conduct immunization outreach and immunize thousands of Amarillo area uninsured children utilizing one of the foundation's Care Vans. During this entire 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. This is an unusually successful partnership that has literally saved children's lives.

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. This is critical to ensure our kids receive the shots they need to attend school and stay healthy. I want to make sure that health insurers will continue their critical participation in these efforts. We cannot ignore the importance of this safety-net program.

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. We cannot fail our children.

Sincerely,



Matt Richardson, MPH  
Director