



June 18, 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:

I am the Benefits Manager for Hall Financial Group located in Frisco TX. Our company has expanded our wellness programs and incentives significantly over the last couple of years. Our plan has seen great results with lower claims, very important since our plan is self-funded. We have not had to raise EE or ER costs for the past 3 years.

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 vital support of health care quality improvement activities, including our company's employee wellness program and other member health improvement programs.

Employer-sponsored health plans often play an important role in improving the health and wellness of workers. I want to make sure that health insurers will be able to continue their critical participation in these efforts.

It is my understanding that if the definitions around MLR are too narrow, health insurers may be discouraged from supporting member health improvement activities if their contributions are counted as administrative expenses. Penalizing the support of my organization's employee wellness program and other member health improvement activities that encourage employee wellness could have a tremendous impact on my employees' long-term health and would not be wise public policy.

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

Thank you for consideration on this important issue.

Sincerely,

  
Judy Martin, BCBS Advocate

PR/Benefits/HR Mgr, Hall Financial Group

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