

Via Email

From: JOHN MCSORLEY

To: Sells, Todd

Cc: kgreenrose

Sent: Mon May 17 11:07:20 2010

Subject: RE: Categorization of Network Access Fees as Expenses for Health Improvements

Dear Mr. Felice and Mr. Ostlund:

In addition to the letter from Karen Greenrose's of May 17, 2010, which we support, a further argument for inclusion of network fees in medical loss ratio calculations would be to look to the property and casualty insurance field where such fees are treated as loss adjustment expenses (LAE).

Consideration should also be given to the fact that if such networks were not engaged, the resulting increased cost of the claim for paying an "out of network" claim would be counted as part of the loss ratio.

Thank you for your consideration.

John McSorley
Executive Vice President, CFO
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