



May 21, 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

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

On behalf of the 2,500 employer members of the Buffalo Niagara Partnership, I urge the National Association of Insurance Commissioners (NAIC) to recommend a **broad** definition of “quality improvement activities” related to the calculation of medical loss ratios (MLRs) under Section 2718 of the Patient Protection and Affordable Care Act (PPACA).

While the Partnership understands that the intent of the new MLR provision is to prevent insurers from spending too many premium dollars on administrative costs, we support the inclusion of a wide array of quality improvement activities including wellness programs, disease management programs, patient support systems, and health information technology tools.

Health plan providers must have the freedom to spend premium dollars on critical components of effective preventative health care including smoking cessation, counseling, fitness incentive programs, and the development of personal electronic medical records. Due to the importance of these value-added services, a “narrow” definition of quality improvement activities will adversely impact spending on vital health plan activities, increase costs for employers, and jeopardize valuable programs that can increase the health of our region’s workforce, and ultimately lower health care costs.

The Partnership encourages NAIC to develop a MLR calculation that includes a range of valuable services and tools ensuring that Buffalo Niagara employers can continue to offer high-quality health benefits to their employees.

Sincerely,

Andrew J. Rudnick