

October 25, 2011

The Honorable Kathleen Sebelius  
Secretary  
US Department of Health & Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Re: Medical Loss Ratio (MLR) Adjustment Request

Dear Secretary Sebelius:

The National Association of Insurance and Financial Advisors – Michigan (NAIFA – Michigan) is a statewide association representing over 1,300 insurance and financial advisor members statewide. Our members focus their practices on several key areas, including health insurance and employee benefits. ***NAIFA-Michigan formally requests the US Department of Health and Human Services (HHS) adjust the 80% minimum Medical Loss Ratio (MLR) requirement for the individual and small group markets in Michigan.***

The services NAIFA-Michigan members provide are of vital importance to consumers of health insurance products. Insurance policies are complex documents offering numerous coverage options from numerous carriers. Our agent members provide a valuable service to their clients - Michigan consumers - by helping them find the best coverage, from the best carrier at the best price to fit the client needs.

Without such an adjustment in the MLR, smaller companies may go out of business and agents will see severe cuts in their compensation (possibly as high as 50%). The unintended consequences will be less competition and significantly reduced consumer service. ***NAIFA - Michigan firmly believes that without such an adjustment the MLR requirements will destabilize the Michigan marketplace.***

We appreciate your time and consideration of this request. If NAIFA - Michigan and our membership can be of any assistance, please feel free to contact me.

Sincerely,

*Larry Johnson*  
Larry Johnson  
President, NAIFA - Michigan