



November 28, 2011

By Email and Regular Mail

Mina Muñoz
Actuarial Analyst
Oklahoma Insurance Department
Five Corporate Plaza
3625 NW 56th Street, Ste. 100
Oklahoma City, OK 73112-4511

Re: Oklahoma's Request for Adjustment to Medical Loss Ratio Standard

Dear Ms. Muñoz:

Thank you for the additional information provided in the Oklahoma Insurance Department ("OID")'s October 18, 2011 letter. This letter was sent in response to the Center for Consumer Information and Insurance Oversight ("CCIIO")'s September 26, 2011 letter, which requested information necessary to complete Oklahoma's application for an adjustment to the MLR standard in Oklahoma's individual health insurance market.

As of the date of this letter, we deem Oklahoma's application complete. We will issue a decision regarding Oklahoma's application within 30 days. The Secretary may, in her discretion, extend the 30 day review period for as long a time as necessary not to exceed an additional 30 days. Should the application review period be extended, we will alert you as soon as practical.

While we are deeming the application complete, we have reviewed the information the OID provided and request further information regarding the items listed below. This information will facilitate the Secretary's determination of the application. We would appreciate receiving the OID's response within seven (7) calendar days from the date of this letter. The responses should be submitted to MLRAdjustments@hhs.gov.

The items for which we request further information are:

1. In response to item 5 from CCIIO's September 26, 2011 letter, the OID stated that issuers must provide the OID 180 days notice prior to exiting the individual market, citing OK Reg 365:10-1-14. As we read OK Reg 365:10-1-14, issuers exiting the individual market must indicate whether they plan to re-enter the market. Please indicate whether Oklahoma law imposes any limitations on how soon issuers are permitted to re-enter the market. Please also indicate the extent of the OID's authority to reject an issuer's plan to

withdraw, or condition it upon the issuer arranging alternate coverage for its enrollees.

2. In response to item 7 from CCIIO's September 26, 2011 letter, the OID provided issuers' estimated rebates for 2011-2013 under the 80 percent MLR standard. As required by 45 CFR §158.322(d) and as requested in CCIIO's September 26, 2011 letter, please also provide an estimate of the rebates that would be paid by each issuer with at least 1,000 life-years in the Oklahoma individual market for the 2011, 2012, and 2013 MLR reporting years if the issuers must meet the MLR standard that the OID proposes for each of those years.
3. CCIIO has recently been informed that American Republic and World, which are part of the American Enterprise Group, are withdrawing from the individual health insurance market in all States in which they have individual health insurance business. Please confirm that these two issuers are leaving the Oklahoma individual market, and please provide a copy of these issuers' notice of withdrawal.

Once again, we appreciate the OID's cooperation in working together to implement the Patient Protection and Affordable Care Act. If you have any questions during this process, please contact the Office of Oversight by email at MLRQuestions@hhs.gov or by phone at (301) 492-4457.

Sincerely,

/Signed, GC, November 28, 2011/

Gary M. Cohen
Acting Director, Office of Oversight
Center for Consumer Information
and Insurance Oversight