



Mr. Ron Simmons, President NAIFA Delaware
254 Chapman Road, Suite 107
Newark, DE 19702-5489
tbgrs@aol.com

Mr. Gene Reed,
Deputy Insurance Commissioner,
DE Dept. of Insurance
841 Silver Lake Blvd.
Dover, DE 19904

December 20, 2010

Dear Mr. Reed,

I am writing on behalf of our NAIFA Delaware members engaged in the sale and service of Delaware health insurance products in the individual and small group markets.

I respectfully request your support and application to the Secretary of Health & Human Services for an adjustment on the Medical Loss Ratio (MLR) requirement included in the Patient Protection and Affordable Care Act. I am deeply concerned that the MLR provision will destabilize both the individual health insurance market as well as the group health insurance market.

As the President of NAIFA Delaware, I am receiving countless phone calls from members concerned about their livelihood and the clients they serve. There is more than a reasonable likelihood that the new MLR requirements will negatively impact and disrupt an already volatile individual and group health insurance market Delaware.

Delawareans, both individuals and business owners, rely on their insurance professionals to help them evaluate their health insurance options and assist them with the claims process. All indications show that without the MLR Adjustment/Waiver, there is the potential for significant cuts or the elimination of agent compensation. Without the adjustment/waiver of MLR requirements, consumers in Delaware could face major disruption to the services they have come to expect from an agent or broker.

With so much uncertainty in the Delaware Health Care Market, for Individuals and Small Group, compliance with the MLR requirements poses potential unintended consequences of less competition and significantly reduced consumer service.

On behalf of Delaware, please request an Adjustment/Waiver to the MLR requirement for the individual health market *and* the small group market, under consideration of "special circumstances" (section 2718(c)).

I appreciate your consideration on behalf of our members and the clients we serve. Please feel free to contact me at your convenience to discuss this request. I look forward to your prompt response.

Regards,

A handwritten signature in dark ink that reads "Ron Simmons". The signature is fluid and cursive, with the first name "Ron" being larger and more prominent than the last name "Simmons".

Ron Simmons, NAIFA Delaware President

cc: Ms. Karen Weldin-Stewart, DE Insurance Commissioner
Ms. Linda Nemes, Senior Research Analyst,
Market Regulation, DE Insurance Dept.

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DAVID M BANET
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Mr. Todd Hudson, Senior Vice
President, David M Banet &
Associates, Inc.
300 M. L. King, Jr. Blvd.,
Suite 100
Wilmington, DE 19801
Todd.Hudson@dmbanet.com

December 29, 2010

Mr. Gene Reed,
Deputy Insurance Commissioner,
DE Dept. of Insurance
841 Silver Lake Blvd.
Dover, DE 19904
Dear Mr. Reed,

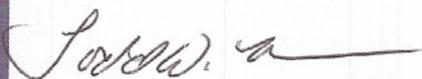
I am writing on behalf of David M Banet & Associates, Inc. brokers engaged in the sale and service of Delaware health insurance products in the individual and small group markets. I respectfully request your support and application to the Secretary of Health & Human Services for an adjustment on the Medical Loss Ratio (MLR) requirement included in the Patient Protection and Affordable Care Act. I am deeply concerned that the MLR provision will destabilize both the individual health insurance market as well as the group health insurance market.

As the Senior Vice President of David M Banet & Associates, Inc., I am receiving countless phone calls from clients concerned about their benefits and the clients they serve. There is more than a reasonable likelihood that the new MLR requirements will negatively impact and disrupt an already volatile individual and group health insurance market Delaware.

Delawareans, both individuals and business owners, rely on their insurance professionals to help them evaluate their health insurance options and assist them with the claims process. All indications show that without the MLR Adjustment/Waiver, there is the potential for significant cuts or the elimination of agent compensation. Without the adjustment/waiver of MLR requirements, consumers in Delaware could face major disruption to the services they have come to expect from an agent or broker.

With so much uncertainty in the Delaware Health Care Market, for Individuals and Small Group, compliance with the MLR requirements poses potential unintended consequences of less competition and significantly reduced consumer service. On behalf of clients & fellow insurance professionals, please request an Adjustment/Waiver to the MLR requirement for the individual health market *and* the small group market, under consideration of "special circumstances". I appreciate your consideration on behalf of our clients we serve. Please feel free to contact me at your convenience to discuss this request. I look forward to your prompt response.

Regards,



Mr. Todd Hudson, Senior Vice President, David M Banet & Associates, Inc.

cc: Ms. Karen Weldin-Stewart, DE Insurance Commissioner, Ms. Linda Nemes, Senior Research Analyst, Market Regulation, DE Insurance Dept.

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Karen Weldin Stewart
Commissioner of Insurance
841 Silver Lake Blvd.
Dover, DE 19904

Dear Commissioner Stewart,

I am writing to respectfully ask that you request a waiver to the Medical Loss Ratio (MLR) requirement in the Patient Protection and Affordable Care Act. The Agents Life and Health Advisory Committee is very concerned that MLR will have a severe negative impact on the individual and small group health insurance markets and that it will result in fewer health insurance options for the citizens of the State of Delaware.

We, as agents, are very concerned that this will affect the types and number of policies that are offered to the consumer, will offer fewer choices for the consumer and will force many agents to stop servicing and offering insurance. With fewer choices of policies, we believe that this will drive up premiums and result in less competition.

The agent is a very important aspect of the insurance market nationally. As trained and educated individuals who are subjected to regulation and continuing education requirements, we bring much needed information, education and service to the insurance consumer who is looking for insurance products and reliable information about the products that they buy.

Some insurance carriers have already lowered commissions to agents and brokers which could force many out of the health insurance arena. We believe that the MLR regulations will thus limit access to insurance agents who help small businesses and individuals as they evaluate and purchase their health insurance coverage and provide answers during the claims process.

So we, as representatives of the Delaware health insurance agents, respectfully request that you submit a request for a waiver of the Medical Loss Ratio requirement.

Sincerely,



Leo E. Strine, *CLU, ChFC, MSFS, MSM*
Chair
Life and Health Agents Advisory Committee