



M. Jodi Rell

GOVERNOR

STATE OF CONNECTICUT

July 1, 2010

Michael P. Starkowski, Commissioner
Department of Social Services
25 Sigourney Street
Hartford, Connecticut 06106

Thomas R. Sullivan, Commissioner
Connecticut Insurance Department
153 Market Street
Hartford, Connecticut 06103

Cristine Vogel, Deputy Commissioner
Department of Public Health
410 Capitol Avenue
Hartford, Connecticut 06134

Re: Temporary High Risk Pool Program

Dear Commissioners Starkowski and Sullivan, and Deputy Commissioner Vogel:

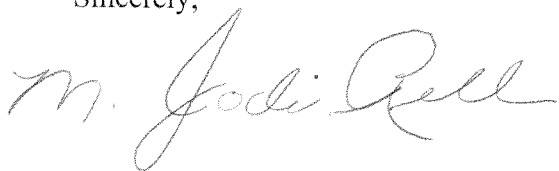
I have reviewed the rates that were proposed by Milliman Inc., actuarial consultants, in their letter of June 28, 2010, for Connecticut's Temporary High Risk Pool application. As you know, the rates projected by Milliman range from \$436 per month for adults under 30 years of age to nearly \$1,500 per month for adults 65 years of age or older.

My impression of these rates is that they may well place our federally-funded high risk pool program beyond the reach of ordinary Connecticut citizens with pre-existing conditions. This is contrary to the intent of Section 1101 of the Patient Protection and Affordable Care Act; and contrary to my administration's goal of providing access to affordable health care coverage, as demonstrated by the acceptance of applicants with pre-existing conditions in the state-funded Charter Oak Health Plan.

Accordingly, I am directing you to assess the affordability of the rates proposed by Milliman for the Temporary High Risk Pool application. I am particularly interested in determining whether the rates as prepared by Milliman were based on reasonable and appropriate assumptions, in accordance with the federal legislation; and whether a re-evaluation is indicated. As you conduct this review, you should also take into consideration the federal offer to establish a high risk pool program for states that choose not to operate a state-administered program. Specifically, the question is whether the rate structure in a federally-operated program would be more attractive and affordable to Connecticut residents with pre-existing conditions. Pending your review and recommendations, I ask that you defer executing the contract with the Department of Health and Human Services for a Connecticut-operated Temporary High Risk Pool program.

Due to the importance of this initiative for the residents of Connecticut, I am asking for your recommendations by close of business July 15, 2010.

Sincerely,

A handwritten signature in cursive script that reads "M. Jodi Rell". The signature is written in dark ink and is positioned above the printed name and title.

M. Jodi Rell
Governor

cc: Brenda Sisco, Secretary, Office of Policy and Management
Mary Ellen Breault
Mark Schaefer