

August 5, 2010

The Honorable Kathleen Sebelius
Secretary
US Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Ave, SW
Washington, DC 20201

Dear Madame Secretary:

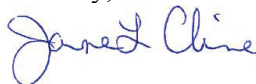
As the state officials with the primary responsibility for enforcing state health insurance laws and regulations, the members of the National Association of Insurance Commissioners (NAIC) read with interest the letter you sent to Governors on July 12, 2010, requesting information about state authority to enforce the provisions in the Affordable Care Act (ACA). We agree that enforcement will require cooperation and coordination and we believe that experience implementing the Health Insurance Portability and Accountability Act (HIPAA), the Mental Health Parity and Addiction Equity Act and other federal health insurance laws shows that a strong partnership is effective and in the best interest of consumers.

Over the past four months the NAIC has completed several surveys of the states in an attempt to determine states' ability to enforce the federal consumer protections scheduled to become effective plan years beginning on or after September 23, 2010. After reading the July 12th letter we once again asked states to review their laws and regulations and provide a summary of their existing authority to enforce federal requirements. Attached are the results of the most recent survey.

As you can see, almost half of the states have concluded that they have the ability to enforce the federal law either through explicit state laws or general powers granted to the commissioner. In addition, almost all states can use their form approval process, investigative powers, and/or market conduct exam authority to hold licensed insurers accountable for their compliance with the federal laws. This, combined with coordinated enforcement by the federal regulators, should be sufficient to ensure carriers comply with the new requirements.

If you have any questions about the survey or if you would like additional information you can contact me directly or NAIC staff.

Sincerely,



Jane Cline
President of the NAIC
Commissioner, WV Department of Insurance

Attachments

cc: Paul DioGuardi
Jay Angoff

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