THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

May 28, 2013

James J. Donelon
President
National Association of Insurance Commissioners
444 North Capitol Street, NW
Suite 701
Washington, DC 20001

Dear ~~Mr. Donelon~~: Commissioner:

Thank you for providing the National Association of Insurance Commissioners' (NAIC) recommendations, pursuant to the Affordable Care Act, regarding the introduction of nominal cost-sharing for Medicare Supplement insurance (Medigap) Plans C and F.

Your letter reports that the NAIC conducted the review described in Section 3210 of the Affordable Care Act and was unable to find evidence in peer-reviewed studies or managed care practices to support the introduction of nominal cost sharing designed to encourage the use of appropriate physicians' services. NAIC therefore recommends against imposing nominal cost sharing on Plans C and F, and NAIC did not revise the standard benefit packages for these model plans. I accept the NAIC's recommendation pursuant to Section 3210, and appreciate the hard work and dedication that characterized the NAIC's review.

I value NAIC's expertise on Medigap and other health insurance issues and the strong partnership between NAIC and the U.S. Department of Health and Human Services. This partnership has been instrumental in the effective implementation of numerous Affordable Care Act provisions.

I look forward to continuing our work together to ensure affordable, high quality health care. Please share my letter with your co-signers.

Sincerely,

Kathleen Sebelius

It was good to spend some time with you in DC