

August 12, 2013

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Sebelius:

I am writing to request information regarding insurance premium increases for consumers as a result of the implementation of the Patient Protection and Affordable Care Act (PPACA). I believe it is critical for the U.S. Department of Health and Human Services (HHS) to provide transparent pricing information for the millions of Americans who will be impacted by the law.

HHS has collected insurance premium filings for 34 federal and federal-state partnership exchanges but does not intend to release this information to the public until September or possibly as late as October 1, 2013. Rather than release this premium information to the public, you stated in a press briefing that 'negotiations are underway and we will be negotiating rates across the country.' These negotiations have been conducted behind closed doors, without assurances that a fair process has been observed or that the negotiations will result in better insurance products for consumers. *The Wall Street Journal* described this process as 'running ObamaCare as a black-ops mission.'

Open enrollment on the exchanges is scheduled to begin October 1, 2013. Delaying the release of premium information limits the amount of time individuals and families have to plan and budget for the substantially higher insurance costs many will face. As previously noted in a congressional report, rates in the individual market are expected to increase as much as 30 to 40 percent on average in 2014. A separate congressional report on the internal analyses of America's largest insurance companies showed that insurers were planning for average premium increases for new customers in the individual market of 96 percent, with spikes as high as 400 percent.

I am also concerned about the potential impact of premium increases for small businesses. A recent poll of small businesses found that 41 percent have frozen hiring because of the health care law while 19 percent have reduced their number of employees because of the law. Another 38 percent of businesses said they have pulled back from plans to expand. For small businesses trying to offer insurance to employees, premium increases could mean further job cuts and lost growth further contributing to economic hardship. Publicizing insurance rates as soon as possible will give America's job creators time to plan.

Please provide the following information by August 26, 2013:

1. All filings, including rate information, received by HHS from insurers applying for qualified health plan status on the federal exchange and partnership exchanges.
2. Describe the method HHS uses to determine when to negotiate with insurers regarding their exchange proposal and how HHS determines whether an insurer's rate conforms to others.

3. Describe what information HHS shares with insurers including information that may be offered to one insurer but not another and the reasoning behind this. Also describe whether insurers who did not submit initial proposals for the exchange are given any information.
4. Describe any incentives HHS uses to motivate insurers to change their rates.
5. Please provide a list of all insurers HHS has contacted to negotiate rates and a written explanation of the circumstances and result.

Thank you for your attention to this matter.

Sincere regards,

A handwritten signature in blue ink, appearing to read "Roy Blunt", with a long horizontal flourish extending to the right.

Roy Blunt
United States Senator