

May 21, 2010

The Honorable Kathleen Sebelius
Secretary
Department of Health & Human Services
Hubert Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

The Honorable Hilda Solis
Secretary
Department of Labor
Frances Perkins Building
200 Constitution Avenue, NW
Washington, DC 20210

Dear Secretary Sebelius and Secretary Solis:

We are writing to alert you to the negative impact that the Patient Protection & Affordable Care Act (PPACA) threatens to have on employees and dependents currently covered by group Limited Medical Benefit plan insurance coverage. We seek your assistance in providing transitional regulatory guidance that would ensure those currently covered by these plans could remain covered until 2014 when better options will first become available through the Exchanges. To make matters worse, this population does not appear eligible for the high-risk pool because with Limited Medical Benefit coverage, they have "creditable coverage," but the risk pool rules under PPACA demand that they not have creditable coverage (Sec. 1101 (d) (2)).

Prior to 2014, PPACA directs the Secretary to establish approved annual dollar limit rules. If these limits are too high or don't provide an exception for Limited Medical Benefit plans, insurance coverage would abruptly end for covered employees and their families beginning later this year. This population would be left with no coverage until 2014. While it surely was not the intent of Congress or the Administration to increase the number of uninsured, this provision will produce exactly this result for some of the most vulnerable of our population, e.g., lower-wage, part-time, seasonal and temporary workers who can only obtain and afford limited benefit medical insurance coverage.

Unless you provide guidance allowing these plans to continue till 2014, this provision will have the effect of undermining coverage for the 1.4 million citizens enrolled in group Limited Medical Benefit plans as of the first plan year after September 23, 2010. We ask that you consider temporarily excluding grandfathered group Limited Medical Benefit Plans from the annual benefit limit provision until other provisions of the PPACA increasing the availability of coverage (such as the tax credits through state exchanges) take effect in 2014.

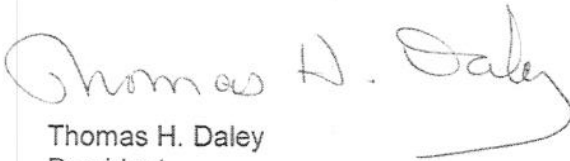
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While this coverage is limited in nature, it does cover the majority of medical issues facing this population and at an extremely affordable price point. By allowing employees and their families to remain in these plans for the time being, they will be able to transition to other health insurance when it becomes available without experiencing a loss of coverage.

We thank you in advance for listening to our concerns. Let's not disenfranchise this currently insured group during the transition period.

Sincerely yours,



Thomas H. Daley
President
Volt Workforce Solutions

CC: Phyllis C. Borzi
Assistant Secretary
Employee Benefits Security Administration
Department of Labor
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