



**PRESS RELEASE
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Advocates Reject Commissioner Ted Nickel's \$14 Million Gift to the Insurance Industry

Madison, WI – ABC for Health, a Madison-based public interest law firm, submitted written comment to the Department of Health and Human Services (HHS) today opposing the Walker Administration's medical loss ratio waiver request. "Governor Walker and Insurance Commissioner Nickel crafted a waiver request that lacks both credibility and merit and redirects over \$14 million from consumers back to a dysfunctional segment of the insurance industry," says Bobby Peterson, public interest attorney and director of ABC for Health. "We asked that Secretary Sebelius reject Wisconsin's waiver request," continues Peterson.

Federal health reform established a medical loss ratio minimum of 80% to control excessive profits at the expense of policyholders. Health insurers that fail to spend at least 80 cents of every dollar collected in customer premiums on medical care are required to provide rebates to their customers. In its comments, ABC for Health blasted the Insurance Commissioner for prioritizing insurance industry profits over the people of Wisconsin. "Commissioner Nickel asked that companies keep excess revenues instead of paying rebate of over \$14 million for certain Wisconsin consumers!," exclaimed Peterson. "Wisconsin's Commissioner is relying on 'free market' health care arguments to protect the non-compliant insurers. Yet, his rationale fails under closer scrutiny. In fact, the free market should weed out insurers that cannot provide competitive products with comparable medical loss ratios," writes Peterson.

Above all else, Peterson called into question the credibility of the Insurance Commissioner and the Wisconsin Administration, "Walker and Nickel's litany of failures for consumers include flip flopping and then eventually stopping all action on developing health care exchanges, closing down the 'Office of Health Care Reform' and then the 'Office of Free Market Health Care,' stalling progress on rate review and independent review standards, and making Wisconsin non-compliant with federal Affordable Care Act external review requirements. Of course, who can forget the brazen cancellation of Wisconsin's Consumer Assistance Project." Peterson concludes, "Nickel and his leadership team continue to fail Wisconsin Insurance consumers. We certainly question the credibility and sincerity of his medical loss ratio waiver request." ABC for Health's comments to HHS are available online:

http://www.safetyweb.org/healthwatchwi%5CABC_comments_HHS_MLRwaiver.pdf

ABC for Health, Inc. is a Wisconsin-based, nonprofit, public interest law firm dedicated to linking children and families, particularly those with special health care needs, to health care benefits and services. ABC for Health's mission is to provide information, advocacy tools, legal services and expert support needed to obtain, maintain, and finance health care coverage and services.