



**PRESS RELEASE
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Feds: Wisconsin's Oversight of Health Insurance Rates and Independent Review Lags

Madison, WI – A recent Government Accountability Office (GAO) report on state oversight of premium rate increases cited Wisconsin and its Office of the Commissioner of Insurance (OCI) as the **only** state that allows an insurance company to implement a health insurance premium rate increase **before** filing any paperwork. Additionally, the report indicates OCI reviewed less than half of all rate increases implemented, and failed to deny a single request for a rate increase.

In yet another rebuke to OCI, a second report by federal regulators reveals that Wisconsin is currently one of only ten states that has inadequate consumer protections to effectively operate an independent review process over denied health claims. “Obviously OCI needs to get its act together,” asserted Bobby Peterson, Public Interest Advocate with Madison-based public interest law firm ABC for Health. “OCI cannot comprehend its role on behalf of consumers,” Peterson continued.

ABC for Health sent an open letter to Commissioner of Insurance and former insurance industry insider Ted Nickel to offer specific suggestions and strategies to help improve Wisconsin's ability to assist consumers. The open letter is made available to the press and general public at this link: www.safetyweb.org/openletterNickel080511.pdf. The move responds to an evaluation of how Wisconsin handles rate review under the watch of the Commissioner. Peterson continued, “OCI has a current federal grant to help correct rate review deficiencies in Wisconsin. But sadly, OCI is currently misleading the Department of Health and Human Services to believe that consumers are involved in its rate review process. The facts suggest that nothing could be further from the truth. In fact, consumers are on the outside looking in.” The rate review grant envisioned an opportunity for public comments or a public hearing *before* a rate increase went into effect. For the next round of federal funding, ABC for Health suggests that Commissioner Nickel can take some basic steps to ensure consumers are more involved in the rate review process. “We would work with Commissioner Nickel if he demonstrated a capacity to involve consumers and consumer groups,” noted Peterson.

Finally, federal regulators noted Wisconsin as a laggard under the Affordable Care Act provisions that allows states to create a consumer oriented review process for denied insurance claims. Peterson concludes, “These federal reports are just more in a series of examples of how Commissioner Nickel panders to the insurance industry and ignores consumer needs. The people of Wisconsin deserve better.”

ABC for Health 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.