



February 17, 2011

An Open Letter to:
Theodore K. Nickel
Commissioner of Insurance
125 S Webster St.
P.O. Box 7873
Madison, WI 53707-7873

Dear Commissioner Nickel:

The recent decision to accept an Early Innovator Health Exchange Grant, \$38 million of **health reform** money, fully exposes your thoughtless and politically motivated decision to terminate the Consumer Assistance Program in Wisconsin. Your reasoning to terminate the grant was both craven and wrong and you have failed the people of Wisconsin.

1) The Consumer Assistance Program provides Wisconsin consumers needed information on navigating the health care marketplace.

Despite a carefully crafted MOU with your office last Fall to eliminate duplication, you have described the Program to the press and through spokespersons as “unnecessary” and a “waste of taxpayer money,” but we and millions of people across Wisconsin can attest to the need for consumer assistance. As you should know, Commissioner Nickel, your baseless termination of the Consumer Assistance Program means virtually no assistance for over half our insured population in self-funded ERISA health plans and much more limited assistance for individuals recently laid off from work, families facing bureaucratic hurdles with the BadgerCare programs or other health coverage programs, and for families facing an illness simply trying to understand and coordinate public and private coverage red tape.

A competent Insurance Commissioner would recognize that with our without health care reform, both public and private health care coverage is complicated and bureaucratic, even for the healthiest of your constituents. Consumer assistance helps Wisconsin families navigate difficult, confusing issues surrounding public and private benefits and eligibility. Since opening the Consumer Assistance Program in December, ABC for Health received more than 80 requests for direct help in the short time the program operated. Our planned education and outreach events will reach thousands more.

2) The Consumer Assistance Program promotes competition in the health insurance marketplace and generates resources for local economies.

Pro-active consumer assistance related to correctly navigating public and private health care coverage programs returns health care dollars to local economies and our research suggests a return of \$30 in resources for every dollar spent assisting consumers. Therefore, the kind of information and education



that ABC for Health provides is good for consumers and Wisconsin's insurance market. The key to making any market work, including the insurance market, is for consumers to have accurate and timely information--information about rights and responsibilities and information about the choices available to consumers.

In fact, our program addresses a severe market inequity in Wisconsin by helping consumers in self funded plans- a market virtually unregulated by OCI. Ending this program deprives consumers of individual advocacy assistance and essential information they need about the insurance and health care coverage market. Ending this program seriously undermines the ability of even-handed market forces to help lower costs and improve the quality of health insurance and health care. Quizzically, your decision to kill the program directly contradicts your preferred policy of using market forces and strengthening the marketplace as the primary means to lower health care costs and improve quality.

3) The Consumer Assistance Program is nonpartisan.

The Consumer Assistance Program is not Democratic or Republican; it is not for or against the insurance industry. The Program provides consumers with assistance so they can make well-informed choices in the insurance marketplace and protect their rights as consumers. ABC for Health assists anyone who seeks help, regardless of political affiliation, and helps clients make the best financial and healthcare decisions for themselves and their families.

Perhaps you terminated the nonpartisan Consumer Assistance Program for political reasons of your own, out of a desire to discontinue any program that might hold insurers accountable in ways that you cannot fully control. Your craven termination letter avoided your specific rationale, but your Deputy Dan Schwartz explained the purported reasons for the termination. Later, you decided to offer an explanation to the press that was loaded with politics and never mentioned those people in Wisconsin that cannot get assistance from your office.

We invite you to provide a fuller explanation of your decision-making process. We also invite you to reconsider your decision. Regardless of your position on the Consumer Assistance grant, we expect a prompt response to our open records request for information surrounding your dubious process behind terminating the Consumer Assistance Program.

Wisconsin health care consumers deserve better.

Sincerely,

A handwritten signature in black ink, appearing to read 'Robert Peterson', is written over a large, faint watermark of the letters 'ABC'.

Robert Peterson
Public Interest Attorney
ABC for Health, Inc.