**State of Wisconsin** / OFFICE OF THE COMMISSIONER OF INSURANCE

*Scott Walker, Governor*
*Theodore K. Nickel, Commissioner*

*Wisconsin.gov*

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December 2, 2013

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On November 19, 2013, Governor Walker submitted a written request asking you to allow Wisconsin citizens to use their premium tax credits to purchase any health plan and not just plans on the federal facilitated exchange (FFE).

While we have yet to receive a response to Governor Walker's request, we have been made aware that you have offered a direct enrollment pilot program to a number of states including Florida, Ohio, and Texas. Given Governor Walker's prior request, we are requesting that Wisconsin be added to the new pilot program.

Consumers and their representatives are currently limited to utilizing healthcare.gov, contacting the call center or submitting a paper application, which only determines eligibility to purchase coverage through the FFE and federal subsidies. Consumers need a more streamlined option where they are able to contact an insurer of their choice and enroll in a plan.

In light of the implementation issues that have plagued the FFE, the direct enrollment process is vital. With only a scant three weeks remaining for individuals and families to enroll in a plan with an effective date of January 1, alternative options are needed to ensure consumers who need coverage are able to purchase it.

As Governor Walker noted in his prior request to you, Wisconsin has one of the most competitive insurance markets in the country. In our state, over 20 insurers are offering coverage in the individual market. Indeed, in looking at the Wisconsin map (http://oci.wi.gov/healthcare_ref/find_health_insurer.pdf), you can clearly see nearly every county provides individuals four or more insurers off-exchange from which they can choose any health plans. In addition, our off-exchange market allows consumers to choose from different kinds of insurers, including for-profit and non-profit, HMO and PPO, local and

national, and other choices. It makes sense to allow all consumers access to that market and to use their subsidy with the insurer of their choice.

Therefore, we again reiterate the Governor's request to expand consumer choice by allowing subsidy-eligible consumers to choose from any health plan not just those offered through the FFE. The ability for consumers to access federal subsidies when purchasing any health plan, in concert with the ability to directly enroll with an insurer, will allow greater access to health insurance coverage and ease consumer frustration.

I look forward to hearing from you on how we can move forward with the direct enrollment pilot program in this state and look forward to your response on Governor Walker's request.

Sincerely,

Theodore K. Nickel
Commissioner