



October 29, 2007

Senator Tom George
Michigan Senate
P.O. Box 30036
Lansing, Michigan 48909-7536

Dear Senator George:

I am writing to inform you of the Michigan Chamber's opposition to House Bills 5282-85 as passed by the Michigan House. These important bills would make sweeping changes to the individual health insurance marketplace and allow the Accident Fund to enter into lines of insurance beyond worker's compensation.

Although the Michigan Chamber is opposed to the bills in their current form, we support a collaborative process to advance industry-wide individual market reform and increased flexibility for the Accident Fund—so long as the bills would not create an unfair advantage to any carrier or group of carriers.

Many of the goals set forth in HBs 5282-85 are laudable, but we believe this debate and discussion should continue through a more open and collaborative fashion, taking divergent perspectives into account. We encourage you to approach these bills with caution, and to involve not only those who sell insurance, but more importantly, those who purchase insurance in this debate.

As you carefully study this legislation, we urge you to examine the bills against the following measures, as we do the same:

- Do HBs 5282-85 increase or decrease competition in the marketplace?
- Are the bills based on free market principles and supported by sound actuarial practices?
- Do the bills add any new mandated benefits?
- Do the bills provide for greater flexibility in plan design?
- Will the bills help stabilize insurance rates?
- Will the bills provide a genuine opportunity for increasing the number of individuals with coverage?

We respectfully encourage you to make yourselves available to both proponents and opponents of HBs 5282-85 in the coming days and weeks, and welcome the opportunity to sit down with you—individually or in a workgroup setting—to provide you with further information regarding our position on this important issue. In the meantime, please do not hesitate to let me or Rich Studley know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Wendy Block".

Wendy Block
Director, Health Policy & Human Resources