



April 22, 2010

Hon. Tim Hennessey
209 Ryan Office Building
PO Box 202026
Harrisburg PA 17120-2026

Dear Representative Hennessey,

Thank you for meeting with me as part of the Pennsylvania Association of Health Underwriters' visit. In addition to speaking with you, the subgroup of which I was part also met with Representative Milne and a member of Senator Dinniman's staff. As we discussed, our interest is on the near term implementation timeline for state-level activities associated with health care reform. These include establishment of a high-risk pool, the creation of a Consumer Advocate for Health Insurance, communication of the small business tax credit, and creation of an insurance exchange. Additionally, we expressed concern about the possibility of a sales tax being applied to professional services.

In addition to being a licensed insurance agent, I am also an actuary. I have written and reviewed numerous health care reform issue briefs for the American Academy of Actuaries. These issue briefs have been shared with Congressional staffers as they consider the impact changes to our existing system will have on the uninsured, the private insurance industry, and the budget. You can see many of these issue briefs by reviewing the Discover section of our website at www.navben.us/Discover.php.

Health care is incredibly personal for every American citizen and too important to change our existing system without an open transparent process. As part of that effort, I encourage the state legislature to be aware of the timeline for implementing health care reform as states will be a key participant in how the changes are implemented. Whether these changes are implemented via legislation, regulation, or through another method, I believe transparency and the creation of a level competitive field will yield the best results for consumers as financers and patients of health care.

As we discussed, I personally believe and actuaries have repeatedly stated that effective financing starts with an aware consumer engaged and in control of the health care budget. Health care reform creates the opportunity to further support this effort. One simple way to support this effort is to assure that federal subsidies for creating new programs are supportive of creating aware, engaged, and empowered consumers. Additionally, I believe that open communications between empowered consumers and their health care providers can go a long way to addressing physician and hospital concerns associated with decreasing reimbursements.

I welcome the opportunity to discuss these concepts with you at your convenience.

Sincerely,

Tim Luedtke, FSA, MAAA, FCA, CFA
Navigator Benefit Solutions LLC

cc: Senator Edwin Erickson
Representative Duane Milne