



48 Monroe Turnpike
Trumbull, CT 06611

Philip N. Anderson
Associate General Counsel
Legal and Regulatory Affairs Northeast

direct dial: 203-459-6121
facsimile: 203-452-4610

May 15, 2009

Honorable Christopher F. Koller
Health Insurance Commissioner
Office of the Health Insurance Commissioner
1511 Pontiac Avenue, Bldg. #69, First Floor
Cranston, RI 02920

Re: Affordability Plan Filing
UnitedHealthcare Insurance Company and
UnitedHealthcare of New England, Inc. (“UnitedHealthcare”)

Dear Commissioner Koller:

We are hereby submitting our 2009 UnitedHealthcare Affordability Plan filing. This filing applies to both UnitedHealthcare entities and to both large groups and small groups.

As previously instructed, we have generally limited our 2009 Affordability Plan submission to the topics and questions posed in OHIC’s document entitled “System Affordability Priorities and Standards for Health Insurers in Rhode Island.” In reviewing our overall affordability efforts, however, we would ask you to also consider our other numerous programs, products and initiatives that were set forth in last year’s Affordability Plan submission.

As part of this year’s submission, you have asked us to confirm that we have read and understand the priorities and standards and our obligations as a health plan as described and set forth in the previously mentioned document. We have previously expressed to you our willingness to work with you and OHIC in accomplishing these priorities and are committed to implementing the new standards for the expansion of the Patient Centered Medical Home pilot and increased support for the physician office EMR incentives. We are also targeting our efforts to meet OHIC’s new standard for a yearly one percent increase in primary care spend as demonstrated by our commitment to the previous two initiatives and our 2009 trend filings. However, we must continue to express reservations about the implementation of the primary care spend requirement and how adherence to that standard will be measured and ultimately reviewed for compliance.

The increased Patient Centered Medical Home participation and EMR incentives, which will be included in our primary care spend, have specific and measurable standards and financial commitments. Meeting the overall primary care spend requirement, however, is subject to variability of health care utilization and market forces that are not under our complete control.

Although the intent of the standard, increased preventive care, less need for specialist and inpatient care, etc., is commendable, there is no consensus that increasing primary care spend by one percent per year will necessarily translate to a quantifiable savings in overall medical costs that would result in the assumed redistribution of costs to equal the required higher percentage of spend for primary care.

Attempting to establish a fixed percentage or dollar amount as the sole measurement standard is fraught with risk for health plans, especially where there is neither a commitment on the part of primary care providers to increase quality or efficiency nor a commitment on the part of specialists or facilities to limit charges or cost increases.

We strongly believe that any such standard must include limiting specialists and facilities charges which should be tied to quality and efficiency. We are committed to making positive changes in the Rhode Island market and continuing our discussions on the impact that primary care spend will have on premium rates and access to care. Although we are voluntarily adopting this standard at the present time, we must reserve our right to contest the validity of this standard at a future date, especially if there is a decision made by OHIC to attempt to impose a financial penalty for noncompliance.

If you have any questions, please feel free to contact me at (203) 459-6121.

Sincerely,

A handwritten signature in cursive script, appearing to read "Philip N. Anderson".

Philip N. Anderson

cc. Stephen J. Farrell, CEO