State of Connecticut

THOMAS R. SULLIVAN
INSURANCE COMMISSIONER

P. O. BOX 816
HARTFORD, CT 06142-0816

November 30, 2007

Kevin P. Lembo
State Healthcare Advocate
PO Box 1543
Hartford, CT 06144

Re: Charter Oak Health Plan

Dear Mr. Lembo:

Thank you for your letter of November 16, 2007. I share your commitment to ensuring that the Department exercises its authority to protect the consumers of the State of Connecticut and have been clear in my desire to preserve the Department's regulatory authority over insurance products and sales under my jurisdiction.

With respect to your most recent letter, the Department's counsel and staff have once again carefully reviewed the points raised therein. However, the Department's position has not changed since its letter to you dated November 5, 2007. The Department maintains its position that the Charter Oak Health Plan is not commercial insurance subject to Department regulation; it is a social program.

Our conclusion is based on the following: (1) the availability of a state subsidy and federal funding and (2) the plan is sponsored by DSS, which is statutorily charged with administering a wide variety of social programs including health care programs such as the HUSKY plan and Medicaid.

While it appears that we have differing opinions concerning the jurisdiction of the Insurance Department as it relates to the Charter Oak plan, the Department stands ready to provide appropriate assistance to protect consumers. For this reason, the Department is in the process of exploring ways in which Connecticut consumers eligible for Charter Oak can be assured the same consumer protections offered to HUSKY participants.

Sincerely,

Thomas R. Sullivan
Commissioner

cc: Commissioner Mike Starkowski, DSS