



June 1, 2012

Theodore K. Nickel
Commissioner
Office of the Commissioner of Insurance
State of Wisconsin
125 South Webster Street
P.O. Box 7873
Madison, Wisconsin 53707-7873

Re: State-Specific Threshold Proposal

Dear Commissioner Nickel:

Thank you for your submission in response to the March 30, 2012 Guidance (Guidance) issued by the Centers for Medicare & Medicaid Services (CMS). We appreciate your interest in making the Rate Review Program work in Wisconsin. CMS has reviewed Wisconsin's proposal. Upon careful consideration, CMS has determined that we are unable to accept your proposal because it does not set forth a proposed State-specific threshold to be used to determine rate increase filings that would be subject to review in the State of Wisconsin. Instead, the proposal requested approval for a methodology and permission for the Office of the Commissioner to use the methodology to arrive at a State-specific threshold on its own. This proposed approach is not consistent with the instructions presented in the Guidance, and would not permit the announcement of a State-specific threshold by June 1, as required under 45 C.F.R. 154.200(b).

State-specific threshold proposals will be accepted each year. We encourage States' efforts to obtain data on medical costs and rate increases and will consider any such data you may provide to us in support of a proposal for a threshold specific to Wisconsin for the year beginning September 1, 2013.

Again, thank you for your application and your interest in the Rate Review Program.

Sincerely,

/Signed, GMC, June 1, 2012

Gary Cohen
Director, Oversight Group
Center for Consumer Information and Insurance
Oversight