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April 7, 2011

**Via Email**

Allen Feezor, Chairman  
CO-OP Program Advisory Board  
c/o Center for Consumer Information and Insurance Oversight  
U.S. Department of Health and Human Services  
Hubert H. Humphrey Building  
200 Independence Avenue, SW  
Washington, DC 20201

Re: Final Report of the Federal Advisory Board on the CO-OP Program

Dear Mr. Feezor:

This follows our public testimony offered at the hearing of the Advisory Board held on March 14, 2011. As noted in our testimony and in prior submissions of United Food and Commercial Workers International Union ("UFCW"), representatives of labor organizations should be specifically referred to in the Report as individuals who can serve on a Board of Directors of a CO-OP.

While we appreciate that the most recent draft of the Report acknowledges that a CO-OP can be formed by the participation of a variety of organizations, including labor organizations, as a practical matter, labor organizations will not expend the time and resources required to sponsor a CO-OP if they do not have representation on the Board of Directors once the CO-OP is formed. The Advisory Board has acknowledged that the creation of a CO-OP will require considerable time and resources and if labor organizations expend resources in designing and creating a CO-OP that is worker-friendly, there must be ongoing representation by labor organizations in the operation of the CO-OP.

As we previously mentioned, labor organizations have decades of experience in running nonprofit health care delivery systems. Additionally, labor has the ability to deliver thousands of members to individual CO-OP arrangements because of existing ties to its membership and the community. The failure to have union representation on the CO-OP Board of Directors would operate as an impediment to union members joining a CO-OP and would be a roadblock to the success of a CO-OP arrangement.

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We suggest that Paragraph No. 4 of the Report (Page 7) provide as follows:

The remaining voting participation could come from designated groups or classes such as small employers, providers, labor organizations, or community and business leaders.

We would also like consideration of language that provides that, to the extent that a labor organization represents members in the CO-OP, a labor organization's representation on the Board would qualify as "Member" representation similar to the way a small employer would qualify as a "Member".

Finally, Page 29 of the Report should clarify that self-insured plans, including Taft-Hartley Plans, would not be considered issuers as of July 16, 2009.

We request that these edits be incorporated in the final draft of the Advisory Board Report, and we look forward to discussing these issues further with you and representatives of HHS as the CO-OP rules are developed.

Sincerely,

/ s /

Jeffrey Endick

JSE:ba:2582.01

cc: William T. McDonough  
Barbara Gilbert-Chen  
Nick Clark  
Mark Blum

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