

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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December 10, 2015

Ms. Julie McPeak
Commissioner of Commerce and Insurance
State of Tennessee
500 James Robertson Parkway
Nashville, TN 37243-0565

Dear Ms. McPeak:

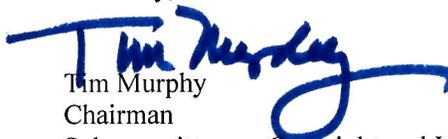
Thank you for appearing before the Subcommittee on Oversight and Investigations on Thursday, November 5, 2015, to testify at the hearing entitled "Examining the Costly Failures of Obamacare's CO-OP Insurance Loans."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Thursday, December 24, 2015. Your responses should be mailed to Dylan Vorbach, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515 and e-mailed in Word format to Dylan.Vorbach@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Tim Murphy
Chairman
Subcommittee on Oversight and Investigations

cc: The Honorable Diana DeGette, Ranking Member, Subcommittee on Oversight and Investigations

Attachment

Attachment - Additional Questions for the Record

The Honorable Tim Murphy

1. Ms. McPeak, you were instrumental in regulating the CO-OP so that premium prices were appropriate and consumers were protected.
 - a. What problems did your state's CO-OP encounter that led to its closure?
 - b. Does your state's CO-OP have enough money to support consumers and pay its claims through the end of the year? If no, then how will claims be paid?
 - c. What was the CO-OP's projected enrollment? Did they reach it?

2. CMS converted solvency loans to start-up loans in seven CO-OPs, so the loans would artificially appear more financially secure.
 - a. Did CMS approach you about converting solvency loans as start-up loans so the CO-OP would appear to have more capital on the books?
 - b. If yes, do you believe it makes sense to convert the loans? Why?
 - c. What problem would converting the loans solve?

3. CMS has created "enhanced oversight plans" as a measure to evaluate troubled CO-OPs.
 - a. Did CMS place your CO-OP under an enhanced oversight plan?
 - b. If yes, explain what the "oversight plan" entailed.
 - c. Did the "oversight plan" conflict with other guidance or feedback from CMS?

The Honorable Marsha Blackburn

1. Ms. McPeak, during the hearing you estimated that CMS enrollment projections for the TN co-op were between twelve and fifteen thousand in its first year, growing to around twenty thousand in 2015. What projection were you given for 2016 enrollment?