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COMMONWEALTH OF PENNSYLVANIA
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October 1, 2009

COPY

Joel Ario, Insurance Commissioner
Pennsylvania Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

Re: Capital BlueCross rate filings No. 09-MM, No. 09-EEE, 09-FFF, No. 09-OOO, No. 09-PPP, No. 09-QQQ; and Capital Advantage Insurance Company rate filings No. 09-JJJ, No. 09-KKK, No. 09-RRR, No. 09-SSS, and No. 09-TTT.

Dear Commissioner Ario:

We write to oppose the above referenced rate filings by Capital BlueCross and its subsidiary, Capital Advantage Insurance Company.

Capital BlueCross has requested a 27 percent rate increase for the hospitalization portion of its Traditional Nongroup Individual Direct Pay Basic Hospitalization/Medical-Surgical/Major Medical Plan. If approved, the average monthly contract would increase \$136.47 per month or \$1637 per year. In addition, Capital BlueCross and Capital Advantage Insurance Company are seeking increases ranging from 9 percent to 19 percent for five of the nongroup Medicare supplemental security plans they jointly write. We believe these increases are excessive, particularly given rates for the plans were just increased on January 1, 2009.

In all, the requested increases would affect 31,509 members in the Capital BlueCross region and generate more than \$10 million in additional premiums annually. In any economy, the requested increases are unaffordable for consumers. In the current economy, they are even more so.

For all these reasons, we respectfully ask the Insurance Department to deny the proposed rate increases for being excessive and not in the public interest. Thank you in advance for your consideration of our request.

Sincerely,



Neal P. Goodman
State Representative
123rd Legislative District



Steve Samuelson
State Representative
135th Legislative District



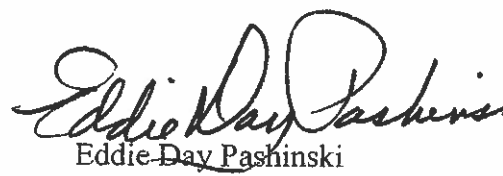
Robert L. Freeman
State Representative
136th Legislative District



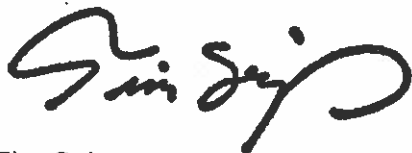
Richard T. Grucela
State Representative
137th Legislative District



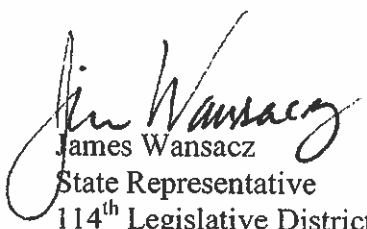
Phyllis Mundy
State Representative
120th Legislative District



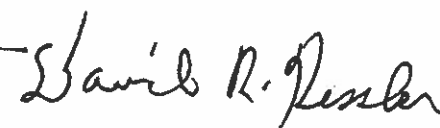
Eddie Day Pashinski
State Representative
121st Legislative District



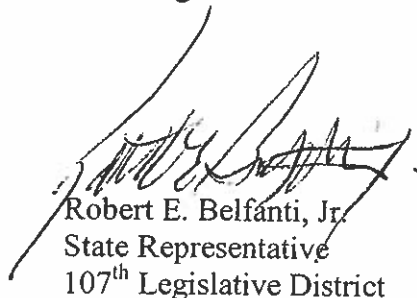
Tim Seip
State Representative
125th Legislative District



James Wansacz
State Representative
114th Legislative District



David R. Kessler
State Representative
130th Legislative District



Robert E. Belfanti, Jr.
State Representative
107th Legislative District



Richard Mirabito
State Representative
83rd Legislative District

Cc: James Sabater, Insurance Department, Insurance Product Regulation
Michael Gurgiolo, Insurance Department, Insurance Product Regulation