



September 8, 2009

RECEIVED

Honorable Gennet Purcell, Esq.  
Commissioner  
District of Columbia Department of Insurance,  
Securities and Banking  
810 First Street, NE, Suite 701  
Washington, DC 20002

2009 SEP 10 P 1:00

DEPARTMENT OF INSURANCE  
SECURITIES AND BANKING

Dear Commissioner Purcell:

I am writing to share my concern about the possible consequences of your September 10, 2009 hearing regarding CareFirst's reserve levels. While I am not able to attend in person, I wanted to submit my perspective as a small business located in the District of Columbia.

My small firm has used CareFirst for our employee health benefits for nearly a decade-and-a-half, both because it is a health insurer that is consistent in its quality of service and because it has kept its fees competitive for small business owners. Health insurance is our third biggest expense after salaries and rent. I know that CareFirst is competitive because we rely on a broker to price-shop every year when it's time to renew our contract.

I am most dissatisfied with the notion that you and the District government potentially may allocate my premium dollars that we have paid into the reserves being held on our behalf and instead use them for other purposes. You have to understand that such an action by your Department or the District Council would be a finger in the eye of every small business in the District – especially during these very tough economic times.

It is hard to believe that at a time when we are all struggling to make ends meet, the District will consider taking part of our premiums after a finding of excess reserves. If there are excess reserves, they really do belong only to those of us who paid them and should not be considered an added tax on our business. Unless you are seeking to drive small business out of the District should you take our premiums we paid in for one purpose and one purpose only – to pay the health insurance claims of our employees.

I appreciate that CareFirst should and will do all it can to help the underserved in Washington, and I know they have undertaken many good works in the past, including generous support for the Whitman Walker Clinic. I will continue to urge them to expand those practices voluntarily as the economy permits.

However, it is inconceivable to me, as I am certain it will be for many small businesses in the District, if you or the Council seeks to confiscate the money we paid into the CareFirst reserves on behalf of our employees and their families.

Sincerely,

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CEO

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