

America's Health
Insurance Plans

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**BlueCross BlueShield
Association**

**An Association of Independent
Blue Cross and Blue Shield Plans**

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July 24, 2015

Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Conflict of Interest Rule Hearing
Room N-5655
U.S. Department of Labor
200 Constitution Avenue NW
Washington DC 20210

Re: Hearing on the Definition of the Term “Fiduciary” and Conflict of Interest Rule

Submitted Electronically: e-ORI@dol.gov

Dear Sir or Madam:

America's Health Insurance Plans (AHIP) and the Blue Cross and Blue Shield Association (BCBSA) are writing to request the opportunity to provide testimony at the hearings to be conducted by the Department of Labor (the “Department”) regarding the Proposed Rule on the Definition of the Term “Fiduciary.” The proposed definition of “investment advice” and related Prohibited Transaction Exemptions (PTEs) were published by the Department in the *Federal Register* on April 20, 2015.

America's Health Insurance Plans is the national association representing approximately 1,300 health insurance plans that provide coverage to more than 200 million Americans. AHIP's member health insurance plans offer a broad range of health insurance products in the commercial marketplace and also have demonstrated a strong commitment to participation in public programs.

The Blue Cross and Blue Shield Association is made up of 36 independent, community-based and locally operated Blue Cross and Blue Shield companies that collectively provide healthcare coverage for nearly 105 million – one-in-three – Americans. Blue Cross Blue Shield Plans offer coverage in every market and every ZIP Code in America. Plans also partner with the Government in Medicare, Medicaid, the Children's Health Insurance Program, and the Federal Employees Health Benefits Program.

The members of AHIP and BCBSA market insurance products – including coverage for health, dental, vision, long term care, supplemental, and disability income benefits - to employers and

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their employees. In addition, our two associations represent health insurers and financial institutions that offer health savings accounts (HSAs) and Archer Medical Savings Accounts (MSAs) in the group market. These arrangements are potentially impacted by the Proposed Rule and PTEs and we have a substantial interest in assuring that our members and their employer and individual customers are not negatively impacted by the application of the Department's regulations to employee welfare plans. AHIP and BCBSA filed comments in response to the Proposed Rule and PTEs on July 21, 2015.

Our testimony will address the following issues:

- Interaction of the Proposed Rule with respect to health insurance contracts used to fund health and welfare benefits.
- The application of the Proposed Rule on the marketing of health insurance products to employees.
- Development of private health insurance exchanges and the potential impact of the Department's investment fiduciary standards.
- Application of fiduciary standards in the context of HSAs and MSAs.

The testimony in substance will largely follow and expound upon AHIP's and BCBSA's written comments regarding the Proposed Rule and the PTEs.

The following individual will provide testimony on behalf of AHIP and BCBSA:

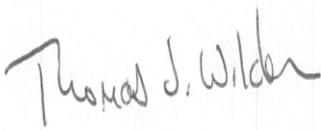
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We appreciate the opportunity to testify on this important issue. If you have any questions please feel free to contact Jane Galvin at jane.galvin@bcbsa.com or 202-626-8651 or Tom Wilder at twilder@ahip.org or 202-778-3255.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Wilder". The signature is written in a cursive style with a large initial 'T'.

Thomas J. Wilder
Senior Counsel
America's Health Insurance Plans

A handwritten signature in black ink that reads "Justine Handelman". The signature is written in a cursive style with a large initial 'J'.

Justine Handelman
Vice President/Legislative and Regulatory Policy
Blue Cross and Blue Shield Association