



## SENATOR FRANK B. AGUON, JR.

Chairman, Committee on Economic Development,  
Health & Human Services, and Judiciary  
*I Mina' Trenta Na Liheslaturan Guåhan*  
(Thirtieth Guam Legislature)



September 21, 2010

**The Honorable Kathleen Sebelius**  
**Secretary**  
**U.S. Department of Health**  
**and Human Services**  
200 Independence Avenue  
Washington D.C. 20201

**Dear Madame Secretary,**

*Hafa Adai* (Greeting from Guam).

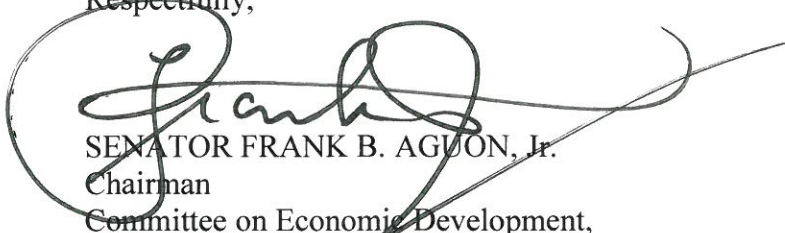
I read with great interest your comments about health insurance companies that are using the Affordable Care Act as a pretext for unwarranted increases in premiums. It is unconscionable that any company would attempt to mislead people in order to secure higher insurance rates in pursuit of higher profits

In this regard, I would like to draw your attention to a situation that is developing here on Guam as the only provider of health insurance to Government of Guam workers and retirees, Calvo Selectcare, is now seeking an almost 300% rate hike for some classes of beneficiaries. In comments to the media, Calvo Selectcare has argued that this is due to the provisions of the Affordable Health Care Act. I have asked the local Insurance Commissioner to examine this situation to ascertain whether the rate hikes were being secured appropriately. I have attached my letter for your perusal.

As you are no doubt aware, Guam is a medically underserved minority population and unwarranted health insurance profiteering will have a serious adverse impact upon our community. In light of your concern about health insurance company misrepresentations, I would respectfully ask that your office examine this situation with respect to Calvo Selectcare and the impact of their actions on our community.

*Dangkolu na si Yu'os ma'ase* (Thank you very much).

Respectfully,

  
SENATOR FRANK B. AGUON, Jr.  
Chairman  
Committee on Economic Development,  
Health & Human Services, and Judiciary

ATTACHMENT



**SENATOR FRANK B. AGUON, JR.**  
Chairman, Committee on Economic Development,  
Health & Human Services, and Judiciary  
*I Mina'Trenta Na Liheslaturan Guåhan*  
(Thirtieth Guam Legislature)



September 21, 2010

**Mr. John T. Camacho**  
Insurance & Banking Commissioner  
Department of Revenue & Taxation  
P.O. Box 23607  
GMF, Guam 96921

**RECEIVED**  
REVTAX-INSRE Section

SEP 22 2010

*T. Antton*

**Ref: Request for review of the Health Care Coverage being offered to government of Guam employees for FY-2011, and its' compliance with applicable law, rules and regulations.**

**Dear Mr. Camacho:**

As the Chairman of the Committee on Economic Development, Health & Human Services, and Judiciary, I wish to request your review and intervention in the ongoing processes relative to the health care coverage being offered to government of Guam employees and retirees for Fiscal Year 2011. Of concern, is the use of the Affordable Health Care Act as a pretext for unwarranted increases in premiums.

As the only provider of health insurance to government of Guam workers and retirees, Calvo Selectcare, is now seeking an almost 300% rate hike for some classes of beneficiaries. In comments to the media, Calvo Selectcare has argued that this is due to the provisions of the Affordable Health Care Act.

The health care policy currently being offered creates a situation whereby government employees are going to experience an excessive increase in rates. The financial impact is going to directly hurt employees and their families. As a result, we will see a significant decline in the number of employees who choose to obtain health care coverage. They are, in effect, being denied access to affordable health care.

In this regard, I respectfully request that you as the Insurance Commissioner immediately review the entire process which has resulted in the health care policy currently being offered, and ensure its' appropriate compliance with all applicable laws, rules, regulations and guidelines.

With only days remaining before we begin FY-2011, your prompt attention to this matter is urgently needed. Should you have any questions or concerns, please immediately contact my office.

*Dangkolu na si Yu'os ma'ase.*

Sincerely,

  
SENATOR FRANK B. AGUON, Jr.  
Chairperson