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Subject: Proposed Statement by Director Farmer re. Aetna

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Rob:

Earlier today, Director Farmer and Austin spoke about Aetna Health Inc. and their plans to issue a release at 6:00 a. m. tomorrow regarding their decision to withdraw from the Federally Facilitated Marketplace in South Carolina and in other states as well. We anticipate calls early tomorrow morning. Please see the draft statement below that Director Farmer is prepared to make if asked by the press. Thank you for your time and let me know if we can provide additional information.

Sincerely,

Ann

*August 16, 2016*

*Proposed Draft Statement re. Aetna Health Inc. for Director Farmer:*

*We are surprised and disappointed by Aetna's decision to exit the Federally-facilitated Health Insurance Marketplace (FFM or Federal Marketplace). In fact, we were in the process of completing the review of their filing for the upcoming Open Enrollment Period when we learned of their decision to no longer offer Federal Marketplace coverage for South Carolina consumers.*

*Although Aetna does not participate in the FFM statewide, this decision will still have significant ramifications for those individuals that selected Aetna coverage. Based upon company information, our understanding is that approximately 8,000 South Carolinians have coverage through Aetna plans that were purchased through the Federal Marketplace. We have been told that an additional 3,000 South Carolinians (approximate) have Aetna coverage that was purchased through the private market for individuals and families (i.e., outside of the FFM).*

*This is a further illustration that the Affordable Care Act cannot work under this present structure.*

*Applications by other companies that are seeking to offer coverage through the Federal Marketplace are currently under review by the Centers for Medicare and Medicaid Services (CMS). The SCDOI will provide information on all companies that plan to offer 2017 health insurance coverage in the individual and/or small group markets once the review of all rate and form filings are completed, which we expect to be on or before October 7, 2016. The annual Open Enrollment Period begins November 1, 2016.*