



GOVERNOR OF MISSOURI

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JEREMIAH W. (JAY) NIXON
GOVERNOR

November 16, 2012

The Hon. Kathleen Sebelius
Secretary, U.S. Department of Health and Human Services
200 Independence Ave. SW
Washington, D.C. 20201

Dear Secretary Sebelius:

I write to you today in response to the November 16, 2012, departmental deadline for the states to declare their intentions with respect to the operation of a state-based health insurance exchange for 2014 under the Patient Protection and Affordable Care Act. This letter specifically addresses the issue of a state-based exchange, and does not address a state-federal partnership exchange. In response to today's departmental deadline, and under present circumstances, a state-based exchange is not an option for Missouri at this time.

On November 6, 2012, Missouri voters approved Proposition E, which prohibits the establishment of a state-based health insurance exchange absent a legislative act, an initiative petition or a referendum. Therefore, at this time, Missouri currently is unable to proceed with a state-based exchange.

We believe that regulation of the insurance market is a power best left in the hands of states. Since 1869, the Missouri Department of Insurance has fostered a fair, competitive and healthy insurance market in Missouri and protected our consumers. Further, in 2011, our General Assembly took initial steps toward establishing a state-based exchange through legislation that was passed unanimously by the House of Representatives and a Senate committee. Unfortunately, the General Assembly ultimately failed to pass that legislation. We continue to favor state, rather than federal, control of our insurance market.

We are aware of the February 15, 2013, deadline for states to apply to operate a state-federal partnership exchange. We also are aware of your recent correspondence with other Governors regarding flexibility in implementation of exchanges. The Missouri General Assembly will reconvene on January 9, 2013.

At this time, based on current state law and existing federal deadlines, Missouri will be unable to proceed with a state-based exchange.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Nixon", written over a white background.

JEREMIAH W. (JAY) NIXON
Governor