



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR
GOVERNOR

700 CAPITOL AVENUE
SUITE 100
FRANKFORT, KY 40601
(502) 564-2611
FAX: (502) 564-2517

July 10, 2012

The Honorable Kathleen Sebelius
Secretary of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

This letter serves as notice of my intention to establish a state-run Health Benefit Exchange in the Commonwealth of Kentucky, as outlined in the Affordable Care Act. This Exchange will facilitate the purchase and sale of health insurance for individuals and small businesses, provide one-stop shopping for health consumers to enroll in qualified health plans or other federal and state health care plans, and will provide tax credits and cost-sharing reductions for qualified businesses and individuals.

Since the law was signed, my administration has been contacted repeatedly by interest groups representing employers, health insurers, insurance agents, health care providers and health care advocates who all have expressed that the Commonwealth should run its own Exchange.

Therefore, Kentucky has been systematically preparing to meet the implementation deadlines set forth in the law. With significant federal grant funding, we have already done a great deal of preliminary work to establish the Exchange. Now that the U.S. Supreme Court has found the law constitutional, I will soon issue an Executive Order to create the state health insurance exchange so Kentucky will be prepared to operate it by the date the law requires. In addition, we are developing plans for a series of forums to gather input from around the state.

Thank you for your assistance in our work to meet the required deadlines. We look forward to further guidance to ensure we are meeting the health care needs of Kentuckians.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven L. Beshear".

Steven L. Beshear

