

June 4, 2014

Via Electronic and U.S. Mail

Jeremiah G. Dys, Esq.
Liberty Institute
2001 West Plano Parkway, Suite 1600
Plano, TX 75075

Re: *Hastings Automotive, et al. v. Sibelius, et al.*

Dear Mr. Dys:

This office represents PreferredOne Insurance Company.

PreferredOne sent me your email dated May 29, 2014 to Jennifer Pines. Within that email, you attached an order for a preliminary injunction dated May 28, 2014 in the case of *Hastings Automotive et al. v. Sibelius et al.*, No. 14-265, pending in the United States District Court for the District of Minnesota. That injunction temporarily enjoins the defendants in that lawsuit from enforcing certain federal statutory and regulatory provisions against the plaintiffs or any health insurer when offering group health coverage to the plaintiffs without coverage for all FDA approved contraceptive methods, sterilization procedures, and patient education and counseling for all women with reproductive capacity. Your email to Ms. Pines requested that PreferredOne remove coverage for certain contraceptive methods in Douglas W. Erickson's health plan while the order remains in effect. (Mr. Erickson is a named plaintiff in the above litigation.)

Pursuant to Minnesota law, PreferredOne is required to comply with the provisions of Minnesota statutory law and to provide the "essential benefits required" under the Affordable Care Act. (See Minn. Stat. § 62K.05; Minn. Stat. § 62Q.81.) Essential benefits include preventive and wellness services, and preventive services required under Minnesota law are those required to be covered by the Affordable Care Act. (*Id.*; Minn. Stat. § 62Q.46.) The rules and sub regulatory guidance issued under the Affordable Care Act provide that certain women's preventive contraception methods must be covered.

PreferredOne is subject to the regulatory control of the State of Minnesota. If PreferredOne were not to comply with the applicable Minnesota law, it could be subject to penalties, including but not limited to a loss of its state licensure. PreferredOne's certificates of coverage for the 2014 small group market—which have been approved as complying with Minnesota law by the Minnesota Department of Commerce—necessarily include certain contraceptive methods.

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Neither the State of Minnesota nor its relevant governing departments are parties to the above lawsuit or are subject to any orders issued as part of that lawsuit. PreferredOne remains required to comply with the relevant state law, and cannot, therefore, modify Mr. Erickson's health plan as requested by your May 29 email.

Please direct any future correspondence with PreferredOne to my attention.

Very truly yours,

STINSON LEONARD STREET LLP



David R. Crosby

DRC:mp