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**Anthony Mader**  
Vice President  
Public Policy

December 13, 2014

VIA EMAIL TO [REGCOMMENTS@FHFA.GOV](mailto:REGCOMMENTS@FHFA.GOV)

Alfred M. Pollard, Esq., General Counsel  
Attention: Comments/RIN 2590-AA39  
Federal Housing Finance Agency  
400 Seventh Street SW, Eighth Floor  
Washington, D.C., 20024

**RE: Notice of Rulemaking and Request for Comments – Members of Federal Home Loan Banks (RIN 2590-AA39)**

Dear Mr. Pollard:

Anthem, Inc. (Anthem) appreciates the opportunity to comment on the Federal Housing Finance Agency's (FHFA) notice of proposed rulemaking and request for comments on "Members of the Federal Home Loan Banks" published on September 12, 2014. The proposed rule reviews current statutory and regulatory provisions governing Federal Home Loan Bank (FHLBank) membership, proposes regulatory changes to the eligibility requirements for membership, and invites comments on all aspects of the rule.

Anthem is working to transform health care with trusted and caring solutions. Our health plan companies deliver quality products and services that give their members access to the care they need. With nearly 69 million people served by its affiliated companies, including more than 37 million enrolled in its family of health plans, Anthem is one of the nation's leading health benefits companies. Anthem companies serve members as the Blue Cross licensee for California; and as the Blue Cross and Blue Shield licensee for Colorado, Connecticut, Georgia, Indiana, Kentucky, Maine, Missouri (excluding 30 counties in the Kansas City area), Nevada, New Hampshire, New York (as the Blue Cross Blue Shield licensee in 10 New York City metropolitan and surrounding counties and as the Blue Cross or Blue Cross Blue Shield licensee in selected upstate counties only), Ohio, Virginia (excluding the Northern Virginia suburbs of Washington, D.C.), and Wisconsin. Anthem, Inc. subsidiaries Amerigroup and CareMore also serve customers in many states across the U.S. Through our subsidiary companies, we are a member of the Federal Home Loan Banks of Atlanta, Cincinnati and Indianapolis.

We are concerned about the potential negative impacts of the proposed rule and respectfully request that the FHFA withdraw it. If the FHFA believes changes are still needed, we would encourage the FHFA to conduct a series of public hearings to determine the best way to achieve them. Further, since the proposed rule appears to conflict with past Congressional actions regarding FHLBank membership and access to liquidity, we believe the FHFA should consult with Congress to ensure that any proposed changes are consistent with Congressional intent.

While the proposed rule may or may not have a significant immediate impact on the majority of FHLBank members, it could negatively affect our access to a reliable source of liquidity, particularly during periods



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of market stress as occurred during the 2007-2008 financial crisis. By imposing ongoing, rigid, quantitative asset-based tests, the proposed rule could limit our flexibility to manage our business in response to changing market conditions. As an FHLBank member, we already must comply with a number of requirements that ensure our use of FHLBank funding is consistent with the FHLBank System's housing and community lending mission. Chief among these requirements is the mission-centric collateral used to secure our borrowings from the FHLBanks of Atlanta, Cincinnati and Indianapolis.

In addition, we are concerned that the proposed rule sets the precedent of a regulator effectively amending current law. The proposed rule does not recognize the actions of Congress over the last 25 years to expand FHLBank membership, mission, and members' access to liquidity. The rule, without Congressional action or approval, effectively amends those statutory provisions, reversing and shrinking FHLBank membership, mission, and access to liquidity. This sets a precedent that could pave the way for additional limitations in the future, including more restrictive asset tests for members, further changes to the definition of an FHLBank member, or the imposition of size limits for FHLBank members.

Again, we request that the proposed rule be withdrawn and that the FHFA instead engage in a series of public hearings to solicit a variety of viewpoints and alternatives to the rule from diverse stakeholders that may be impacted by this wide-ranging proposal.

We greatly appreciate your consideration of these comments. If you would like to contact me directly with any questions, I can be reached at [Anthony.Mader@anthem.com](mailto:Anthony.Mader@anthem.com) or at 916-403-0522.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony Mader".

Vice President  
Public Policy