

STATE OF MAINE

DIRIGO HEALTH AGENCY

RE: DETERMINATION OF )  
AGGREGATE MEASURABLE COST )  
SAVINGS FOR THE FIFTH )  
ASSESSMENT YEAR (2010) )  
)

**FILING COVER SHEET**

**TO: Board of Trustees, Dirigo Health Agency**  
**Attn: Ruth Ann Burke**  
**Dirigo Health Agency**  
**211 Water Street**  
**Augusta, Maine**

**DATE FILED: May 22, 2009**

**PARTY: Maine Association of Health Plans**

**DOCUMENT: Application to Intervene**

**CONFIDENTIALITY: None.**



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STATE OF MAINE

DIRIGO HEALTH AGENCY

RE: DETERMINATION OF ) APPLICATION TO INTERVENE  
AGGREGATE MEASURABLE COST ) OF MAINE ASSOCIATION  
SAVINGS FOR THE FIFTH ) OF HEALTH PLANS  
ASSESSMENT YEAR (2010) )

Applicant Maine Association of Health Plans (“MEAHP”), on behalf of its member companies, through counsel, pursuant to the Notice of Pending Proceeding and Hearing issued by the Board of Trustees of the Dirigo Health Agency (the “Board”) dated March 20, 2009 and 5 M.R.S.A. § 9054(1)-(2), and hereby requests that the Board grant MEAHP intervenor status as a full party in this proceeding, pursuant to section 9054(1), or in the alternative, as a full party pursuant to section 9054(2), based upon the following:

1. MEAHP members are or may be substantially and directly affected by this proceeding; and
2. MEAHP members have a significant interest in this proceeding.

STATEMENT OF FACTS

1. Maine Association of Health Plans is an incorporated association of health plans with a principal place of business located in Cumberland, Maine.
2. MEAHP was founded in 1997 to advocate for its member health plans before the Maine Legislature and regulatory agencies.
3. MEAHP’s members are entities licensed by the Maine Bureau of Insurance and include health insurers, health maintenance organizations, and third-party administrators, including Aetna, Inc., Anthem Blue Cross Blue Shield of Maine, Inc.,

CIGNA HealthCare of Maine, Inc., Harvard Pilgrim Health Care, Inc. and its affiliates Health Plans, Inc. and HPHC Insurance Company, Inc., and United Health Group, Inc.

4. Each MEAHP member will be substantially and directly affected by the outcome of this proceeding and each has an interest in this proceeding for the following reasons:

- A. The Board is required by 24-A M.R.S.A. § 6913(1)(A) to hold an adjudicatory hearing to determine, for the fifth assessment year, “aggregate measurable cost savings [“AMCS”], including any reduction or avoidance of bad debt and charity care costs to health care providers in this State as a result of the operation of Dirigo Health and any increased MaineCare enrollment due to an expansion in MaineCare eligibility occurring after June 30, 2004.”
- B. Determination by the Dirigo Health Board of AMCS and approval of that determination by the Superintendent are prerequisites for establishing one cap on the amount of the savings offset payments (“SOP”).
- C. The SOP must be paid in the first instance by, among others, each MEAHP member company. Under Maine law, these companies may, in turn, include the amount of SOP in the calculation of the rates they charge to their customers. See, e.g. 24-A M.R.S.A. § 2736-C.
- D. In addition to the substantial and direct effect of having to pay the SOP, premium rates of customers of MEAHP member companies may be impacted by the amount of the SOP, as the SOP is used in calculating those rates. Imposition of the assessment of the SOP may necessitate an

increase in prices charged by the members of MEAHP to their customers and potential customers, and may result in loss of business due to such an increase.

- E. MEAHP and its member companies have a substantial interest in ensuring that the methodology used to calculate the AMCS includes only those savings that fall within the parameters of the Dirigo Health Act, and that all supporting assumptions and related calculations of savings are reasonable.
- F. MEAHP and its member companies also have a substantial interest in ensuring that the SOP does not exceed the actual savings that have flowed from providers, to MEAHP's member companies, and ultimately to their customers in the form of lower premium rates.
- G. For all of the reasons outlined above, MEAHP has been granted intervenor status as of right in every prior AMCS proceeding before the Board and the Bureau of Insurance.

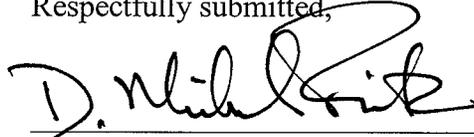
WHEREFORE, pursuant to 5 M.R.S.A. § 9054(1)-(2), MEAHP requests the Board grant it intervenor status as of right as a full party in this proceeding and seeks without limitation the following specific rights provided to other parties to this proceeding:

- 1. To be represented by counsel;
- 2. To participate in pre-hearing conferences;
- 3. To issue and receive information (discovery) requests and copies of filings and notices;

4. To stipulate facts;
5. To present evidence and oral and written arguments on legal and factual issues;
6. To pre-file testimony and exhibits;
7. To cross examine witnesses;
8. To file motions, briefs, and other pleadings; and
9. To participate in settlement negotiations.

Dated at Portland, Maine this 22<sup>nd</sup> day of May, 2009.

Respectfully submitted,



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**CERTIFICATE OF SERVICE**

I hereby certify that on May 22, 2009 by 3:00 p.m. I caused to be served via hand delivery two copies of the foregoing document upon:

Board of Trustees  
DIRIGO HEALTH AGENCY  
Attn: Ruth A. Burke  
Dirigo Health Agency  
211 Water Street  
Augusta, Maine

I further certify that on May 22, 2009 by 3:00 p.m., I caused to be served electronically a copy of the foregoing document upon the following:

Board of Trustees, Dirigo Health Agency	<u>Ruth.A.Burke@maine.gov</u>
Dirigo Health Agency	Michael J. Colleran, Asst.A.G. <u>michael.colleran@maine.gov</u>
Consumers for Affordable Health Care	Mia S. Poliquin Pross, Esq. <u>mpross@mainecahc.org</u>
Maine Automobile Dealers Association Insurance Trust	Roy T. Pierce <u>rpierce@preti.com</u>
Anthem Health Plans of Maine, Inc. d/b/a Anthem Blue Cross and Blue Shield	Christopher T. Roach, Esq. <u>croach@pierceatwood.com</u>
Maine State Chamber of Commerce	William H. Stiles, Esq. <u>wstiles@verrilldana.com</u>
Hearing Officer	William H. Laubenstein, III <u>William.Laubenstein@maine.gov</u>



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