

STATE OF MAINE  
DIRIGO HEALTH AGENCY

RE: DETERMINATION OF ) APPLICATION OF THE MAINE  
AGGREGATE MEASURABLE ) AUTOMOBILE DEALERS  
COST SAVINGS FOR THE FIFTH ) ASSOCIATION INSURANCE  
ASSESSMENT YEAR (2010) ) TRUST TO INTERVENE  
) AS A MATTER OF RIGHT

NOW COMES the Maine Automobile Dealers Association Insurance Trust (“MADAIT”), by and through its undersigned counsel, and, pursuant to 5 M.R.S.A. § 9054(1), and the Notice of Pending Proceeding and Hearing issued by the Dirigo Health Agency’s Board of Directors (the “Board”) on March 20, 2009, moves to intervene in this proceeding as a matter of right. In support of this motion, MADAIT states as follows:

1. Under 5 M.R.S.A. § 9054(1), a party is entitled to intervene as a matter of right in an proceeding conducted by the Board when that person “show[s] that he is or may be, or is a member of a class which is or may be, substantially and directly affected by the proceeding.”

2. MADAIT is a multiple employer welfare arrangement (“MEWA”) that secures health insurance for approximately 3,200 employee participants, and approximately 5,800 insurable lives.

3. MADAIT has been an intervenor in the proceedings before the Board and the Superintendent of Insurance with respect to the determination of aggregate measurable cost savings for the first, second, third, and fourth assessment years.

4. MADAIT employs a third-party administrator (“TPA”) to manage and administer its health insurance program. Under 24-A M.R.S.A. §§ 6913(2)-(3), MADAIT’s TPA will be subject to savings offset surcharges of up to 4% of paid claims if the Board determines the existence of aggregate measurable cost savings for the fourth assessment year.

5. Any such savings offset surcharge will be passed on by the TPA to MADAIT. Because it does not have reserves to pay the costs passed on by the TPA, MADAIT will, in turn, be forced to pass those costs on to its participants. Therefore, any savings offset surcharge will *necessarily* result in higher health insurance costs to MADAIT's employee participants.

6. Accordingly, MADAIT, its members, and its participants are substantially and directly affected by this proceeding. In the alternative, for the foregoing reasons, MADAIT should be granted intervenor status pursuant to 5 M.R.S.A. § 9054(2), as a full participant in this proceeding.

WHEREFORE, the Maine Automobile Dealers Association Insurance Trust respectfully requests that the Board grant it intervenor status with the right to fully participate in this proceeding.

Dated: May 6, 2009

Respectfully submitted,

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