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## INTRODUCTION

Pursuant to Chapter 48.04 RCW, Chapter 34.05 RCW, RCW 48.31C.030, and Chapter 284-18A WAC, and after notice to interested parties and persons (see notice detailed below), the above-entitled matter came on regularly for hearing before the undersigned commencing at 10:00 a.m. Pacific Standard time on Tuesday, March 27, 2012, in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, Washington 98501. All persons to be affected by the above-entitled matter were given the right to be present at such hearing during the presentation of testimony, and had reasonable opportunity to inspect all documentary evidence, to examine witnesses and present oral and written statements. The Office of the Insurance Commissioner ("Commissioner") was represented by Charles D. Brown, Esq., Senior Staff Attorney in the Legal Affairs Division. Ronald J. Pastuch, Holding Company Manager, Company Supervision Division, testified for the Commissioner's Office. The Applicants,

Humana Inc. ("Humana") and Humsol, Inc. ("Humsol") – also referred to collectively as the "Applicants" – were represented by Gary P. Timin, Esq. of Squire Sanders (US) LLP, and Washington co-counsel Jeffrey Gingold, Esq. of Lane Powell PC. Testifying on behalf of the Applicants were Joseph C. Ventura, Legal Counsel & Assistant Corporate Secretary of Humana, in person; Cory S. Capps, Ph.D., of Bates White, LLC, antitrust consultant offering testimony as expert witness, by telephone; and Joan O. Lenahan, Vice President & Corporate Secretary of Humana, who submitted written testimony. Arcadian Management Services, Inc. and Arcadian Health Plan, Inc. were represented by Robert W. Hoffman, Esq. of SNR Denton, and testifying on their behalf was James Novello, Senior Vice President and General Counsel of Arcadian Management Services, Inc. and Arcadian Health Plan.

### NATURE OF PROCEEDING

On August 24, 2011, Humana contracted to acquire Arcadian Health Plan, Inc. ("Arcadian"), a Washington domestic health care service contractor, through its acquisition of control of Arcadian's parent corporation, Arcadian Management Services, Inc. Humana is a publicly traded Delaware for-profit corporation with its common stock listed on the New York Stock Exchange, and which along with its subsidiaries is one of the nation's largest health carriers with approximately 11.2 million covered individuals in its medical benefits plans, 7.3 million covered individuals in its specialty products and approximately \$36.8 billion in revenue in 2011. On September 22, 2011, Humana and its wholly owned subsidiary, Humsol, filed a Form A Statement Regarding the Acquisition of Control of a Domestic Insurer with the Commissioner, requesting approval of its proposed acquisition of Arcadian. On December 30, 2011, the Commissioner determined that the Form A Statement contained all of the documents and information required to be included therein, and transmitted the Form A Statement to the undersigned with the request that the undersigned conduct an adjudicative proceeding and make the final decision either approving or denying the Applicants' application for approval of this proposed acquisition.

Documents filed with the Applicants' Form A, supplemental documents filed herein including all orders of the undersigned and all written communications to and from the Commissioner and the undersigned to the parties, were made available to the public (with the exception of limited documents discuss in written correspondence which is also published, based on the Commissioner's determination that these limited documents were confidential) at [http://www.insurance.wa.gov/orders/hearings\\_proceedings.shtml](http://www.insurance.wa.gov/orders/hearings_proceedings.shtml) and remain available to the public upon request in the hearing file or at the above site. These documents include: 1) the Agreement and Plan of Merger dated August 24, 2011 with attached Exhibits A through D; 2) Disclosure Schedules; 3) Pre- and Post-Closing Organizational Charts of Humana and Arcadian; 4) List of Directors and Executive Officers of Humana (and Humsol) and biographical information for same; 5) Humana (and Humsol) Boards of Directors' Resolutions; 6) Written Consent Action of Arcadian Management Services, Inc. Shareholders; 7) Annual Reports of Humana for calendar years 2006 through 2010; and 8) Quarterly Report of Humana, Form 10-Q, filed with the U.S. Securities and Exchange Commission for the period ending June 30, 2011. Also included are 9) the Commissioner's November 4, 2011 letter requesting additional information from the Applicants and the Applicants' responses thereto with Exhibit A attached;

10) the parties' Letter Agreement dated January 19, 2012; and 12) Amended and Restated First Amendment to Agreement and Plan of Merger, undated, ("Restated Amendment") which modifies and replaces the first amendment to Agreement and Plan of Merger; and 11) various U.S. Department of Justice ("DOJ") documents pertaining to DOJ's investigation of its antitrust concerns relative to this proposed acquisition, File No. 60-524114-0045, and to United States Department of Justice, Case 1:12-cv-00464, filed in United States District Court for the District of Columbia, also concerning the DOJ's antitrust concerns about this proposed acquisition (see below), and include the DOJ's March 21, 2012 letter to the undersigned concerning its case, the DOJ's Complaint in this case, Competitive Impact Statement, Plaintiff United States' Explanation of Consent Decree Procedures, and Asset Preservation Stipulation and Order filed in resolution of this Case 1:12-cv-00464. The documents specified above, and others also included in the Form A and all other communications between the Applicants and the Commissioner, and between the Applicants, Arcadian Management Services, Inc., Arcadian, the Commissioner and the undersigned, are published at the referenced website, are included in the hearing file, have been and will remain available to the public, and were entered into evidence in this proceeding.

Pursuant to RCW 48.31C.030(5), the Commissioner shall approve an acquisition of a domestic health carrier unless, after a public hearing thereon, it is found: 1) that after the change of control, the domestic carrier would not be able to satisfy the requirements for registration as a health carrier; and 2) the antitrust section of the office of the Attorney General and any federal antitrust enforcement agency has chosen not to undertake a review of the proposed acquisition and the commissioner pursuant to his or her own review finds that there is substantial evidence that the effect of the acquisition may substantially lessen competition or tend to create a monopoly in the health coverage business; 3) the financial condition of an acquiring party is such as might jeopardize the financial stability of the health carrier, or prejudice the interest of its subscribers; 4) the plans or proposals that the acquiring party has to liquidate the health carrier, sell its assets, consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to subscribers of the health carrier and not in the public interest; 5) the competence, experience, and integrity of those persons who would control the operation of the health carrier are such that it would not be in the interest of subscribers of the health carrier and of the public to permit the merger or other acquisition of control; 6) or the acquisition is likely to be hazardous or prejudicial to the insurance-buying public. The hearing herein, therefore, was scheduled to receive evidence related to these issues.

#### **FINDINGS OF FACT**

Having considered the written and oral evidence presented at the adjudicative proceeding, and the documents filed herein, including the Applicants' application for approval of their proposed acquisition ("Form A Statement"), the exhibits to the Form A Statement, supplements and amendments to the Form A Statement, written communications from counsel, evidence filed by the U.S. Department of Justice, the entire hearing record including the arguments of the parties, the undersigned finds as follows:

1. The Commissioner has duly and properly appointed the undersigned to conduct the adjudicative proceeding in this matter and to make the final decision herein. Further, the hearing was duly and properly convened and all substantive and procedural requirements under the laws of the State of Washington have been satisfied.
2. The Applicants are Humana Inc. and its wholly owned subsidiary, Humsol, Inc.. Humana Inc. is a publicly traded Delaware for-profit corporation, organized in 1964, with its common stock listed on the New York Stock Exchange. [Ex. 1, Applicants' Form A Statement; Live and Written Testimony of Joseph C. Ventura, Legal Counsel and Assistant Corporate Secretary, Humana Inc.]
3. Humsol, Inc. was incorporated on August 11, 2011 as a Delaware general business corporation wholly owned by Humana Inc. Humsol, Inc. was formed solely to facilitate this proposed acquisition transaction with the intent that it will be merged out of existence at closing of this proposed transaction ("Closing"). [Ex. 1, Applicants' Form A.]
4. The Applicants seek to acquire, insofar as this proceeding is concerned, Arcadian Health Plan, Inc. and its parent corporation, Arcadian Management Services, Inc.
5. Arcadian Health Plan, Inc. holds a Washington Certificate of Registration, issued by the Washington State Insurance Commissioner in 2004, authorizing it to operate as a health care service contractor in Washington State. Arcadian is a wholly owned subsidiary of Arcadian Management Services, Inc., a privately held Delaware corporation. Arcadian currently engages exclusively in the business of Medicare Advantage - Prescription Drug ("MA-PD") plans pursuant to its contract with the Center for Medicare and Medicaid Services ("CMS"). [Ex. 1, Applicants' Form A.]
6. As set forth in the above-referenced Agreement and Plan of Merger, dated August 24, 2011, as amended by Amended and Restated First Amendment to Agreement and Plan of Merger (undated as of March 27, 2012), Humana Inc. proposes to acquire Arcadian Health Plan, Inc. by a statutory merger of Humsol, Inc. with and into Arcadian Management Services, Inc. in accordance with the parties' Agreement and Plan of Merger, dated August 24, 2011, as amended by the First Amendment to Agreement and Plan of Merger, dated January 31, 2012. Said First Amendment was modified and replaced with Amended and Restated First Amendment to Agreement and Plan of Merger (undated as of March 27, 2012). Humsol, Inc. will be merged out of existence at Closing, at which time Humana Inc. will own all of the then issued and outstanding capital stock of Arcadian Management Services, Inc., and thus will indirectly own all of the then issued and outstanding capital stock of Arcadian Health Plan, Inc. and all of Arcadian Management Services, Inc.'s other wholly owned subsidiaries, specifically, (1) Arkansas Community Care, Inc., domiciled in Arkansas and qualified in Oklahoma and Texas, (2) Arcadian Health Plan of North Carolina, Inc., domiciled in North Carolina, (3) Arcadian Health Plan of Georgia, Inc., domiciled in Georgia, (4) Arcadian Health Plan of Louisiana, Inc., domiciled in Louisiana, and (5) Arcadian Health Plan of New York, Inc., domiciled in New York. [Ex. 1, Form A; Testimony of Ventura.]

7. Humana will pay the purchase price with cash on hand. No borrowed funds will be used to pay the purchase price. [Ex. 1, Form A; Testimony of Ventura.]
8. After the proposed acquisition is approved, the result would be that, upon Closing, Humana Inc. would be the direct parent corporation of, and own all of the issued and outstanding stock of, Arcadian Management Services, Inc., which in turn wholly owns Arcadian Health Plan, Inc. and five other subsidiaries identified above. All of the presently issued and outstanding capital stock of Arcadian Management Services, Inc. will be cancelled and (except for such stock which may be owned by Arcadian Management Services, Inc. itself) converted into the right to receive the Closing consideration per share balance specified in the Agreement and Plan of Merger, dated August 24, 2011, and the Amended and Restated First Amendment to Agreement and Plan of Merger, based upon type and number of shares held. Further, Arcadian Management Services, Inc. will continue to own all issued and outstanding shares of its six current health plan subsidiaries specified above including Arcadian Health Plan, Inc. The now outstanding shares of Humsol, Inc. stock will be converted into stock of Arcadian Management Services, Inc. as the surviving corporation and such shares will then be the only outstanding shares of capital stock of Arcadian Management Services, Inc. [Ex. 1, Form A; Testimony of Ventura.]
9. Humana filed a current (pre-acquisition) organizational chart which sets forth the identities and interrelationships among Humana Inc. and its organizational affiliates, including, but not limited to, its insurance and health maintenance organization subsidiaries. Humana's present subsidiaries licensed and operating in Washington State include CompBenefits Insurance Company, Humana Health Plan, Inc., Humana Insurance Company, Humana MarketPOINT, Inc., Humana Pharmacy, Inc., Humana Dental Insurance Company, and Kanawha Insurance Company. Humana, Inc. has also filed a current organizational chart of Arcadian Management Services, Inc. and its subsidiaries pre-acquisition as furnished by Arcadian Management Services, Inc. Finally, Humana Inc. has filed an organization chart which sets forth the identities and interrelationships among Humana Inc. and its affiliates post-acquisition. Humana Inc. states, and there being no evidence to the contrary, that there are no court proceedings involving reorganization or liquidation pending with respect to any of its organizational affiliates. [Ex. 1, Form A.]
10. The Form A statement filed by the Applicants, along with the amendments and supplements thereto, were submitted in the form required by, and contain the information required by, the Commissioner and applicable statutes. [Live and Written Testimony of Ronald J. Pastuch, Holding Company Manager, Company Supervision Division, Office of Insurance Commissioner.]
11. After the acquisition of control by the Applicants, Arcadian Health Plan, Inc. would still be able to satisfy the requirements for registration as a Washington health care service contractor. [Live and Written Testimony of Pastuch; Live and Written Testimony of James Novello, Senior Vice President and General Counsel, Arcadian Management Services, Inc.; Written Declaration of Joan O. Lenahan, Vice President and Corporate Secretary, Humana Inc.]

12. Inquiry was made into whether it can be found that the effect of the acquisition of control by the Applicants would not be to lessen competition in the state or tend to create a monopoly in the health coverage business. While the Applicants made their filing under the Hart-Scott-Rodino Act with the U.S. Department of Justice ("DOJ") and Federal Trade Commission and asked for early termination of the waiting period, on November 14, 2011, the DOJ denied early termination and instead commenced an investigation into the antitrust effects of this proposed acquisition. After review of additional documents and information from the Applicants over the course of several months, on March 27, 2012 the DOJ entered into an Asset Preservation Stipulation and Order with the Applicants, whereby the Applicants agreed to divest themselves of various specified health insurance entities they currently own (not including any entities in Washington), and other terms. [Ex. 2, March 21, 2012 letter from Adam Gitlin of DOJ to the undersigned regarding its investigation of the proposed acquisition; Ex. 4, U.S. DOJ v. Humana Inc. and Arcadian Management Services, Inc., filed in U.S. District Court for the District of Columbia, Case No. 1:12-cv-00464), Complaint in DOJ Case No. 1:12-cv-00464, Competitive Impact Statement filed by DOJ with Complaint, Plaintiff United States' Explanation of Consent Decree Procedures filed by DOJ with Complaint, Asset Preservation Stipulation and Order filed in Case 1:12-cv-00464 setting forth terms of settlement including divestiture of certain specified health insurance entities currently owned by Humana Inc.] The federal judge in that case much sign the Asset Preservation Stipulation and Order for it to be complete, and the parties have agreed that a condition should be included herein conditioning any approval in consummation of Case 1:12-cv-00464 including entry of the Order in that case by the federal judge in that case. [Testimony and Declaration of Ventura.] Further, the expert testimony and report of Cory Capps, PhD on behalf of the Applicants, along with the testimony presented by the Commissioner and the Applicants support a finding that this proposed acquisition is not likely to have anticompetitive effects in Washington in the Medicare Advantage or Medicare insurance business. [Testimony of Cory Capps, PhD; Ex. 6, Written Statement of Competitive Impact on the State of Washington concerning this proposed acquisition; Testimony and Declaration of Pastuch; Testimony of Ventura; Declaration of Lenahan.]
13. The financial condition of the Applicants is not such as might, after completion of the acquisition, jeopardize the financial stability of Arcadian or prejudice the interests of its subscribers. [Ex. 1, Applicants' Form A; Testimony and, Ex. 8, Declaration of Pastuch; Testimony and, Ex. 5, Declaration of Ventura; Ex. 5, Declaration of Lenahan; Testimony and, Ex. 7, Declaration of Novello.]
14. There currently are no plans to declare an extraordinary dividend, to liquidate, to sell the assets, consolidate or merge with any other person or persons or to make any other material changes in the business or corporate structure or management of Arcadian that are unfair or unreasonable to Arcadian's subscribers and not in the public interest. [Ex. 1, Humana Form A; Testimony of Ventura and, Ex. 5, Declarations of Lenahan and Ventura; Testimony and, Ex. 7, Declaration of Novello; Testimony and, Ex. 8, Declaration of Pastuch.]
15. It cannot be found that the competence, experience and integrity of those persons who would control the operation of Arcadian after the acquisition are such that it would not be in the

interest of the members of Arcadian, or of the public, to ratify such acquisitions. [Testimony and, Ex. 8, Declaration of Pastuch; Testimony of Ventura and, Ex. 5, Declarations of Lenahan and Ventura; Testimony and, Ex. 7, Declaration of Novello.]

16. It is unlikely that the acquisition is hazardous or prejudicial to the insurance-buying public. [Testimony and, Ex. 8, Declaration of Pastuch; Testimony of Joseph Ventura and, Ex.5, Declarations of Lenahan and Ventura; Testimony and, Ex. 7, Declaration of Novello.]
17. The Applicants guarantee that all rights and privileges currently held by insured individuals under Arcadian health plans will be respected and preserved by the Applicants after Closing. [Testimony of Ventura; Testimony of Novello; Testimony of Pastuch.]
18. Based on its analysis of the proposed acquisition in light of the statutory standards described above, the Commissioner has recommended approval of the proposed acquisition at issue in this hearing. [Testimony and, Ex. 8, Declaration of Pastuch.]
19. The Notice of Hearing on the acquisition was published in its entirety on the Commissioner's website commencing on March 13, 2012. This Notice remained on the Commissioner's website continuously from March 13, 2012 through the date of the hearing. [Testimony and, Ex. 8, Declaration of Pastuch.] The Notice of Hearing informed and advised all interested parties that any individual or entity is permitted to submit comments on, or objections to, the proposed acquisitions to the undersigned up until 9:00 a.m. Pacific Standard Time on Tuesday, March 27, 2012, by fax, U.S. mail, or personal delivery or e-mail. All interested parties were also advised therein that they would be given the opportunity to present evidence at hearing and to examine and cross-examine witnesses and offer oral and written arguments, and in connection therewith to conduct discovery proceedings. No communications of any kind were received from outside parties by the Applicants, Arcadian Management Services, Inc. or Arcadian. [Testimony and, Ex. 8, Declaration of Pastuch; Testimony of Ventura; Testimony of Novello and, Ex. 7, Declaration of Novello.] One Objection to Approval was filed with the undersigned on March 23, 2012 by Dr. Frank Conklin and Audrey Conklin concerning Humana's failure to approve coverage of a specific pharmaceutical for its insured. [Ex. 2.] While the Objection is of concern to the undersigned it was not relevant to the issues in this proceeding. However, after presentation of the Objection to the Applicants and the Commissioner, the Applicants pledged to have said Objection reviewed and addressed as appropriate. [Testimony of Ventura.]
20. Based upon the evidence of the content of the Notice of Hearing, the Commissioner's news article and the dates through which both were published, it is here found that reasonable notice of the hearing herein was given. Based upon the content of the Conklin's Objection and the finding above, and the fact that there were no other objections filed, it is here found that no reasonable, relevant objection to this proposed acquisition exists.
21. Ronald J. Pastuch, Holding Company Manager in the Company Supervision Division of the Office of Insurance Commissioner, testified on behalf of the Commissioner and also

submitted his Written Declaration of Pastuch. Mr. Pastuch presented his testimony in a clear, detailed and credible manner and exhibited no apparent biases.

22. James Novello, Esq., Senior Vice President and General Counsel of Arcadian Management Services, Inc. and Arcadian testified on behalf of Arcadian Management Services, Inc. and Arcadian, and also submitted a Written Declaration of Novello. Mr. Novello presented his testimony in a clear, detailed and credible manner and exhibited no apparent biases.
23. Joseph C. Ventura, Legal Counsel and Assistant Corporate Secretary of Humana, testified on behalf of the Applicants and also submitted a Written Declaration of Ventura. Mr. Ventura presented his testimony in a clear, detailed and credible manner and exhibited no apparent biases.
24. Cory S. Capps, PhD, an antitrust consultant qualifying as an expert witness herein, testified by telephone, with prior permission of the undersigned, on behalf of the Applicants, and also submitted his testimony and detailed analysis in written form. Dr. Capps presented his testimony in a clear, detailed and credible manner and exhibited no apparent biases.
25. Based upon the above Findings of Facts, it is here found that there exists no basis for denial of the request by Applicants Humana Inc. and Humsol, Inc. for approval of their proposed acquisition of control in Arcadian Management Services, Inc., including Washington domestic insurer Arcadian Health Plan. Therefore it is reasonable that such acquisition and change of control be approved. Based upon the fact that on March 29, 2012 the federal judge in U.S. Department of Justice v. Humana, Case 1:12-cv-00464, has now signed the Order approving of the parties' Asset Preservation Stipulation and Order resolving that case, no condition on approval of the Applicants' proposed acquisition need be included in the Final Order herein.

### CONCLUSIONS OF LAW

1. Pursuant to Title 48 RCW and specifically RCW 48.31C, the Washington State Commissioner of Insurance has jurisdiction over the acquisition of control of Arcadian that is the subject of this hearing. Further, the undersigned has been properly delegated the authority to conduct the proceeding in this matter, to review and consider all documents and evidence presented, and to make the final determination herein. Based upon the above Findings of Facts, the undersigned makes the following conclusions of law:
2. The Applicants properly filed their Form A Statement, along with the amendments to those statements, in the form required by, and containing the information required by the Commissioner and applicable statutes of Chapter 48.31C RCW. The filings are determined to be complete.
3. The Applicants' acquisition of control would allow Arcadian to continue to satisfy the requirements of a health carrier as contemplated by RCW 48.31C.030(5)(a)(i).

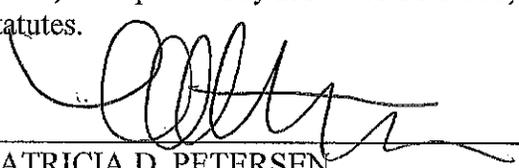
4. It cannot be concluded that after the change of control there is substantial evidence that the effect of the acquisition may substantially lessen competition or tend to create a monopoly in the health coverage business.
5. The financial condition of the Applicants is not such as might, after completion of the proposed acquisition of control, jeopardize the financial stability of Arcadian or prejudice the interests of its subscribers as contemplated by RCW 48.31C.030(5)(a)(ii)(C)(I).
6. The Applicants have no current plans to declare an extraordinary dividend, to liquidate, or to sell the assets, consolidate or merge with any other person or persons or to make any other material changes to the business or corporate structure or management of Arcadian that are unfair or unreasonable to Arcadian subscribers, or not in the public interest as contemplated by RCW 48.31C.030(5)(a)(ii)(C)(II).
7. It cannot be found that the competence, experience and integrity of those persons who will control the operation of Arcadian after the proposed acquisition are such that would not be in the interest of subscribers of Arcadian or of the public as contemplated by RCW 48.31C.030(5)(a)(ii)(C)(III).
8. The acquisition of Arcadian is not likely to be hazardous or prejudicial to the insurance-buying public as contemplated by RCW 48.31C.030(5)(a)(ii)(C)(IV).
9. A reasonable notice of this proposed acquisition was given to the public, and no reasonable, relevant objections exist.
10. The provisions of the Insurance Code of the State of Washington, Chapter 48.31C RCW and specifically RCW 48.31C.030 have been met so as to support the approval of this acquisition. Based upon the fact, found above, that on March 29, 2012 the federal judge in U.S. Department of Justice v. Humana, Case 1:12-cv-00464, has now signed the Order approving the parties' Asset Preservation Stipulation and Order resolving that case [Ex. 4], no condition on approval of the Applicants' proposed acquisition need be included in the Final Order herein. For purposes of clarity, the Applicants need not have actually complied with the terms of settlement in that case prior to Closing (for example, the requirement of divestiture of specific assets) as it is anticipated that compliance may take several months and in any case compliance with the terms of settlement is under the jurisdiction of the U.S. Department of Justice.

### **ORDER**

Based upon the Findings of Fact and Conclusions of Law, to the effect that the statutory criteria for approval of this acquisition have been met, and to the effect that approval of this acquisition by these Applicants should be granted,

**IT IS HEREBY ORDERED** that the application of the Applicants, Humana Inc. and Humsol, Inc. for the Washington State Insurance Commissioner's approval of the acquisition of control of Arcadian Management Services, Inc., an Insurance Holding Company, and Arcadian Management Services, Inc.'s wholly owned subsidiary Arcadian Health Plan, Inc., a Washington domestic health care service contractor, upon the terms included into evidence in the proceeding, is **HEREBY APPROVED**. The Order approving the Applicants' proposed acquisition herein was orally entered on March 27, 2012, and became effective on that date; however, said oral ruling determined that the proposed acquisition was approved subject to the condition that Closing of this acquisition shall not take place until the federal judge in United States Department of Justice v. Humana Inc. and Arcadian Management Services, Inc., filed in U.S. District Court for the District of Columbia, Case No. 1:12-cv-00464, had approved of and entered the Order in the parties' Asset Preservation Order and Proposed Final Judgment. Based upon the fact that the federal judge in Case No. 1:12-cv-00464 signed that Order on March 29, 2012, the undersigned's condition relating to the federal judge's entry of the Order in the parties' Asset Preservation Order and Proposed Final Judgment is hereby eliminated and Closing may take place at the convenience of the parties.

**THIS ORDER IS ENTERED** this 29th day of March, 2012, and became effective by oral order of the undersigned on March 27, 2012, at Tumwater, Washington, pursuant to Title 48 RCW, and specifically RCW 48.31C.030, Title 34 RCW, and regulations applicable to such statutes.



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PATRICIA D. PETERSEN  
Chief Hearing Officer  
Presiding Officer

Pursuant to RCW 34.05.461(3), the parties are advised that they may seek reconsideration of this order by filing a request for reconsideration under RCW 34.05.470 with the undersigned within 10 days of the date of service (date of mailing) of this order. Further, the parties are advised that, pursuant to RCW 34.05.514 and 34.05.542, this order may be appealed to Superior Court by, within 30 days after date of service (date of mailing) of this order, 1) filing a petition in the Superior Court, at the petitioner's option, for (a) Thurston County or (b) the county of the petitioner's residence or principal place of business; and 2) delivery of a copy of the petition to the Office of the Insurance Commissioner; and 3) depositing copies of the petition upon all other parties of record and the Office of the Attorney General.

Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Joan O. Lenahan, Gary P. Timin, Esq., Joseph C. Ventura, Esq., James Novello, Esq., Robert W. Hoffman, Esq., Mike Kreidler, Michael G. Watson, Carol Sureau, Esq., Charles Brown, Esq., James T. Odiorne and Ronald J. Pastuch.

DATED this 29<sup>th</sup> day of March 2012.

  
KELLY A. CAIRNS