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ATTORNEY GENERAL OF WASHINGTON

800 Fifth Avenue #2000 • Seattle WA 98104-3188

January 31, 2013

Sent Via Electronic Mail and U.S. Mail

Ron Pastuch
Holding Company Manager
Company Supervision Division
Washington State Office of the Insurance Commissioner
PO Box 40249
Olympia, WA 98504-0259

RECEIVED
Hearings Unit, DIC
Patricia D. Peterson
Chief Hearing Officer
01/31/2013

INSURANCE
COMPANY SUPERVISOR

Re: Catholic Health Initiative – Southpath Health, Inc. Acquisition

This letter responds to your October 26, 2012 letter to the Antitrust Division of the Attorney General’s Office regarding the proposed acquisition of Soundpath Health, Inc. (Soundpath) by Catholic Health Initiatives (CHI). Your e-mail requests, pursuant to RCW 48.31C.030, that the Antitrust Division undertake a merger review of the proposed acquisition.

We understand that, at the time the acquisition was announced, Soundpath, a Medicare Advantage carrier, operated exclusively in Washington State. We also understand that CHI is a non-profit organization that does not own any health carrier doing business in Washington, and is the sole parent of the Franciscan Hospital System.

At this time, based on a review of the information that has been provided to us, there does not appear to be sufficient evidence to conclude that the proposed acquisition of Soundpath warrants legal action by the Attorney General’s Office. However, this review is without prejudice to any further action by this Office in this matter, if such action is determined to be necessary at a later date, and this letter should not be construed as a waiver of the Attorney General’s ability or authority to take further action, as necessary. This letter also should not be construed as an opinion, formal or otherwise, of the Attorney General.

Please feel free to contact me if you have any concerns or questions about this letter.

Sincerely,

JONATHAN A. MARK
Assistant Attorney General
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