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OFFICE OF
INSURANCE COMMISSIONER

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Kelly A. Cairns
Paralegal
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BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of the Proposed Acquisition of Control of:

SOUNDPATH HEALTH, INC., a Washington Health Care Service Contractor,

by

COLLABHEALTH PLAN SERVICES, INC., a Colorado corporation.

No. 13-0039

**NOTICE OF HEARING
ON COLLABHEALTH PLAN SERVICES, INC.'S APPLICATION FOR APPROVAL OF PROPOSED ACQUISITION OF CONTROL OF SOUNDPATH HEALTH, INC.**

TO: Timothy E. Gorman, Vice President
Legal Transactions/Senior Counsel
Catholic Health Initiatives
198 Inverness Drive West
Englewood, CO 80112

Robert B. Sullivan, Esq.
Polsinelli Shughart PC
700 West 47th Street, Suite 1000
Kansas City, MO 64112-1802

Timothy Parker, Esq.
Carney Badley Spellman, P.S.
701 Fifth Avenue, Suite 3600
Seattle, WA 98104



COPY TO: Mike Kreidler, Insurance Commissioner
Deborah McCurley, Acting Chief Deputy Insurance Commissioner
James T. Odiorne, Deputy Commissioner, Company Supervision Div.
Ronald J. Pastuch, Holding Company Manager, Company Supervision Div.
Carol Sureau, Deputy Commissioner, Legal Affairs Division
Kate Reynolds, Staff Attorney, Legal Affairs Division
Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

NATURE OF PROCEEDING

CollabHealth Plan Service, Inc. (“Applicant” or “CollabHealth”), a Colorado for-profit corporation whose ultimate parent company is Catholic Health Initiative, Inc., proposes to purchase 59% of the current issued and outstanding shares of Soundpath Health, Inc. (“Soundpath”), a for-profit Washington health care service contractor. Soundpath is currently owned 41% by Northwest Physicians Network of Washington, LLC (“NPN”), a Washington domestic limited liability company, and 59% by Physicians of Southwest Washington, LLC (“PSW”), a Washington domestic limited liability company, and the Applicant proposes to purchase 309,400 shares (34%) from NPN and 196,560 shares (22%) from PSW for a total purchase price of \$12,102,563.70. Additionally, Soundpath proposes to issue new Class R Preferred Stock, 100% of which the Applicant would purchase for approximately \$12,500,000 at the time it purchases the 56% of Soundpath’s Class A common stock described above.

The undersigned has been delegated the responsibility to conduct the adjudicative proceeding herein and to make the final determination whether the Applicant’s proposed purchase of Soundpath, on the terms described above and further detailed in the Applicant’s Statement Regarding the Acquisition of Control of a Domestic Insurer and the Stock Purchase Agreement, as amended, Class R Preferred Stock Purchase Agreement and Asset Purchase Agreement, which have all been filed herein and are published on the Insurance Commissioner’s website for public review and comment.

Soundpath holds a Washington Certificate of Registration, issued by the Washington State Insurance Commissioner in 2007 (amended in 2011 to reflect a name change), authorizing it to operate as a health care service contractor in Washington state, as defined in Chapter 48.44, RCW. Its statutory home office and main administrative office is located in Federal Way, Washington. Soundpath offers Medicare Advantage Plans through its contract with the Center for Medicare and Medicaid Services. As of September 2012, Soundpath had close to 17,000 members enrolled, and had written over \$108 million in health premiums. Soundpath experienced a net operating loss and decline in surplus in 2011.

The Applicant, CollabHealth Plan Service, Inc., is a Colorado for-profit health care corporation which is wholly owned by CollabHealth Managed Solutions, Inc., a Colorado for-profit health care corporation. CollabHealth Managed Solutions is, in turn, wholly owned by Catholic Health Initiatives, Inc., a non-profit Colorado corporation. [Attachment 2, November 21, 2012 letter to OIC from CollabHealth.] The Applicant and CollabHealth Managed Solutions, Inc. were both formed on October 17, 2012 for the purpose of acquiring Soundpath.

All documents filed with CollabHealth's application for approval of this proposed acquisition, and all supplemental documents and information referenced herein, including those documents and materials which CollabHealth had initially claimed to be confidential and therefore not subject to public disclosure, are disclosed for public review and comment, and can be found at <http://www.insurance.wa.gov/laws-rules/administrative-hearings/judicial-proceedings/s-t/> or by contacting Kelly Cairns, Paralegal to the undersigned, at the above addresses and telephone number. These documents and materials include, among other documents, 1) Stock Purchase Agreement dated October 18, 2012, Stock Purchase Agreement Amendment dated October 31, 2012, Class R Preferred Stock Purchase Agreement dated October 18, 2012, and Asset Purchase Agreement dated October 18, 2012; 2) Pre- and Post-Closing Organizational Charts of Catholic Health Initiatives, CollabHealth and Soundpath; 3) List of Directors and Executive Officers of CollabHealth, Catholic Health Initiatives, and Soundpath (post-acquisition) and biographical information for same; 4) Promissory Note, Stock Pledge and Security Agreement between NPN and CollabHealth; 5) Employee Lease Agreement between Soundpath and CollabHealth; 6) Opening Balance Sheets for CollabHealth and CollabHealth Managed Solutions, Inc.; 7) 2013 First Quarter Financial Statement for Catholic Health Initiatives; 8) Financial Statements of Catholic Health Initiatives for calendar years 2006-2012; 9) listing of all current material litigation in the United States involving Catholic Health Initiatives and its subsidiaries (not including normal subrogation actions); 10) a three-year financial forecast for Soundpath; and 11) current market and market share information of Soundpath. Included also are 12) the Insurance Commissioner's October 30, 2012 letter requesting further information to supplement the Applicant's Application originally filed on October 19, 2012; 13) CollabHealth's letters dated November 21, 2012 and December 21, 2012, transmitting supplemental information; and 13) CollabHealth's Memorandum dated December 21, 2012 requesting confidential treatment of many of these documents (which was ultimately withdrawn). The documents specified above, and others also included in CollabHealth's Application, all written communications between CollabHealth and the Insurance Commissioner; and between Soundpath and the Insurance Commissioner which were filed in this matter are published at the referenced website and shall be entered into evidence in this proceeding.

I. Identity of CollabHealth (the Applicant); identity of Soundpath; Supplemental Information to be filed.

• **Identity of CollabHealth, Inc. ("CollabHealth" or "the Applicant"):** CollabHealth is a Colorado for-profit corporation which was formed on October 17, 2012 for the purpose of facilitating the acquisition of Soundpath. CollabHealth's ultimate parent company is Catholic Health Initiatives ("CHI"), which was formed on July 1, 1996 and is a nationwide Catholic sponsored non-profit organization which owns First Initiatives Insurance, Ltd., which is a captive property and casualty insurer formed in 1997 that provides property and casualty insurance to CHI including hospital professional liability, commercial general liability, workers' compensation, employment practices liability, property & boiler and machinery, surety bonds and medical equipment extended warranty coverages. CHI is also the largest shareholder of Preferred Professional Insurance Company, a property and casualty insurer domiciled in Omaha, Nebraska formed in 1985 which provides medical liability insurance. Finally, CHI owns and operates a captive management company, Captive Management Initiatives, which provides bookkeeping, financial reporting, client advocacy and insurance consulting to First Initiatives Insurance, Ltd. and third party captives. CHI has never owned any health insurers,

any health care service contractors such as Soundpath, or any health maintenance organizations.

- **Identity of Soundpath Health, Inc. (“Soundpath”)**: Soundpath is a for-profit Washington domiciled health care service contractor with its administrative and statutory home office in Federal Way, Washington. Soundpath was formerly known as Puget Sound Health Partners. Currently, 41% of the issued and outstanding shares of Class A stock of Soundpath is owned by Northwest Physicians Network of Washington, LLC (“NPN”) and 59% owned by Physicians of Southwest Washington, L.L.C. (“PSW”). There is no other stock of Soundpath.

Supplemental Information: current and past states’ regulatory actions involving CollabHealth, its ultimate parent company CHI or any of their past or current affiliates, or Soundpath, in the past two years. CollabHealth was just formed on October 13, 2012 to facilitate the proposed acquisition of Soundpath; apparently for this reason CollabHealth was not requested, and did not provide any meaningful information on this issue. In the Insurance Commissioner’s October 30, 2012 deficiency letter/request for further information, the Insurance Commissioner directed CollabHealth to provide information about *“pending or ongoing litigation between SPH [Soundpath], CHI, or its affiliates against any Washington state agency.”* In its November 21, 2012 response, CollabHealth advised that it *was not aware of any litigation other than the issues with the Insurance Commissioner [which include two pending administrative hearing involving Soundpath’s appeals of the Insurance Commissioner’s regulatory actions alleging Soundpath currently has insufficient reserves/capital surplus].* However, the Insurance Commissioner’s October 30, 2012 deficiency letter does not require the appropriate information: the appropriate instruction is to direct CollabHealth to provide *“detailed information about all current and past states’/federal government’s regulatory actions against CHI, SPH [Soundpath], CollabHealth or any entity which is or has been affiliated with CollabHealth in the past two years.”* **CollabHealth is now directed to provide this information within five working days of the date of entry of this Notice of Hearing.**

Supplemental Information: current and past litigation involving CollabHealth, its ultimate parent company CHI or any of their past or current affiliates, or Soundpath, in the past two years. CollabHealth was just formed on October 13, 2012 to facilitate the proposed acquisition of Soundpath; apparently for this reason CollabHealth was not requested and did not provide any meaningful information on this issue. In its October 13, 2012 deficiency letter/request for further information, the Insurance Commissioner directed CollabHealth to *“provide any information regarding any pending or ongoing litigation against SPH, CHI or any of its affiliates.”* In its November 21, 2012 response, CollabHealth apparently determined to narrow this instruction, on its own volition, and only provided information about *“material litigation involving a CHI subsidiary with potential losses whose expected effects on the consolidated financial statements would be more than \$2,000,000.”* CollabHealth therefore responded to its own instruction by advising that *We are not aware of any material litigation involving SPH [Soundpath].* CollabHealth’s response to its own instruction is not meaningful: the appropriate instruction is to direct CollabHealth to provide *“detailed information about all current or past states’/federal government’s regulatory actions against CHI, SPH [Soundpath], CollabHealth or any entity which is or has been affiliated with CollabHealth in the past two years.”* **CollabHealth is now directed to provide this information within five working days of the date of entry of this Notice of Hearing.**

II. Details of Proposed Acquisition; Consideration to be Paid; Financing; and Result of Proposed Acquisition

Proposed Acquisition.

1. Northwest Physicians Network of Washington, LLC (“NPN”) owns 41% of the issued and outstanding shares of Class A stock of Soundpath, and Physicians of Southwest Washington, L.L.C. (“PSW”) owns 59% of its stock. Pursuant to the Stock Purchase Agreement for Class A Shares (“Master Purchase Agreement”), and subject to the approval of the undersigned on behalf of the Washington State Insurance Commissioner and the satisfaction of other conditions specified therein, CollabHealth has agreed to acquire 56% of the issued and outstanding Class A Shares of SoundPath by purchasing 309,400 Class A Shares from NPN and 196,500 Class A Shares from PSW for a total purchase price of \$12,102,563.20. [Ex. 1 to Application, Stock Purchase Agreement.] At the closing of the transaction, NPN and PSW will each place a portion of the proceeds from such sale into separate security reserve accounts that will be controlled jointly with Soundpath. It is anticipated that such amounts in the security reserve accounts will be sufficient to satisfy fully those incurred but not reported claims arising from NPN’s or PSW’s respective capitated Soundpath provider contracts as of the closing date. Pursuant to such provider agreements, NPN and PSW will maintain funds in these respective security reserve accounts equal to the IBNR Reserves on an ongoing basis and the funds in the security reserve accounts will be maintained and disbursed as set forth in the security reserve amendment to such provider agreements. The final and binding amounts of the IBNR Reserves are set forth in the Master Purchase Agreement.

2. Soundpath and CollabHealth have also entered into a Class R Preferred Stock Purchase Agreement (“Class R Agreement”) [Application, Ex. 19, Class R Preferred Stock Purchase Agreement.] The Insurance Commissioner has already issued a solicitation permit to Soundpath allowing it to issue these Class R Preferred Shares contingent upon the undersigned’s approval of this proposed acquisition. [Insurance Commissioner’s solicitation permit dated February 6, 2013.] As of the closing date, Soundpath will authorize and issue a new class of preferred shares, “Class R Shares,” which will be sold only to CollabHealth, for an amount intended to meet Soundpath’s reserves as required by law but not to exceed an amount equal to \$12,500,000 less the amount paid for certain assets of Soundpath. Soundpath, CollabHealth, NPN and PSW have all agreed that the proceeds from the sale of the Class R Shares will be maintained as reserves and not used for working capital or for any other purpose. Soundpath will not withdraw the Class R Share Reserves until such time as Soundpath has withdrawn all other funds in its reserves. At such times as determined by the Board of Directors of Soundpath, Soundpath will pay directly all interest or investment income generated by such reserves to CollabHealth with any necessary prior approval of the Insurance Commissioner, with certain exceptions. Over the seven years following the closing date, Soundpath is expected to build its own needed reserves through operations and, unless otherwise consented to by CollabHealth, redeem all of the issued and outstanding Class R Shares at face value with any necessary prior approval of the Insurance Commissioner. No dividends shall be distributed to Class A shareholders until all class R Shares are redeemed and the Class R Shares shall have preferential rights with respect to the Class A shares in the event of a sale, merger or dissolution of Soundpath.

3. Pursuant to the Asset Purchase Agreement [Application, Ex. 20, Asset Purchase Agreement], on the closing date, CollabHealth will purchase all of Soundpath’s assets that are related to Soundpath’s

insurance administration capabilities – assets related to processes, workforce in place, intellectual property, rights under personal property leases, real property leases, software, etc., not including Soundpath's Washington health care service contractor's license, cash, cash equivalents, reserves, fixed income investments, capital and surplus, provider contracts and other such contracts related to the delivery of insurance products. The purchase price for these assets is \$415,800, based on a fair market value assessment, and the proceeds will be maintained by Soundpath as reserves to meet Soundpath's required reserves.

Consideration to be Paid. As detailed above, first, CollabHealth will pay \$12,102,563.20 for 309,400 Class A Shares from NPN and 196,500 Class A Shares from PSW, and thereby acquire 56% of Soundpath. Soundpath will retain the remainder of its Class A Shares. Second, at the same time, CollabHealth will pay a total not to exceed \$12,500,000 for the newly issued Class R Shares of Soundpath. Third, CollabHealth will pay \$415,800 for the assets of Soundpath specified above.

Financing. The total amount to be paid by CollabHealth to Soundpath in consideration for this acquisition – i.e., the purchase of the Class A Shares for \$12,102,563.20; the purchase of the Class R Preferred Shares, not to exceed \$12,085,000; and for the Purchased Assets, \$415,800, will be paid from internal funds available to CollabHealth. No part of the purchase price will come from funds borrowed for the purpose of the acquisition. [Application.]

(More details of this proposed acquisition, and all documents referenced herein, can be found in the Stock Purchase Agreement [Ex. 1]; the Class R Preferred Stock Purchase Agreement [Ex. 19] and the Asset Purchase Agreement [Ex. 20] and related documents, at <http://www.insurance.wa.gov/laws-rules/administrative-hearings/judicial-proceedings/s-t/>.)

Result of Proposed Acquisition. Should this proposed acquisition be approved, upon consummation of the acquisition, CollabHealth will own the controlling interest, 56%, of all of Soundpath's Class A stock and Northwest Physicians network of Washington, LLC and Physicians of Southwest Washington, L.L.C. will own the remainder. Further, CollabHealth will own Soundpath's newly issued Class R Preferred Stock, as well as its Purchased Assets as defined above. The parties intend that Soundpath will continue to operate under its own name and Washington domestic health care contractor's license. Collabhealth advises that it believes it is in the best interests of Soundpath to maintain its focus on Medicare Advantage plans although Soundpath is authorized to offer many other health coverage plans as well. Collabhealth believes that the transactions contemplated by the three purchase agreements in this proposed acquisition will significantly strengthen Soundpath and will allow Soundpath to meet and maintain the capital reserves and surplus required under the Washington Insurance Code. [Ex. 25, Soundpath's financial projections.] With regard to management of Soundpath, the Treasurer and Secretary will be replaced but the Chief Executive Officer will remain. Collabhealth will have the right to appoint the majority of the Board of Directors of Soundpath, and as of the closing date CollabHealth will appoint at least five members to the Board and PSW and NPN will collectively appoint four members to the Board. The NPN and PSW appointees will be allocated based on their proportional ownership of Soundpath. [Ex. 24, list of all proposed officers and directors of Soundpath as well as biographical affidavits.]

After the closing, CollabHealth will provide all administrative services for Soundpath, including care

management, claims adjudication, customer service and premium collection. [Ex. 10, Administrative Services Agreement.] Care management services are currently provided to Soundpath by NPN and claim services are provided by PSW. For a limited time after the closing, CollabHealth will provide these services through NPN and PSW but then these responsibilities will be handled by CollabHealth staff. Other than care management and claims adjudication services, as of the date of closing, CollabHealth will handle all other services [Ex. 10, Sched. A, list of services] through individuals currently employed by Soundpath, leasing their services through an Employee Lease Agreement with Soundpath [Ex. 28, Employee Lease Agreement] and ultimately CollabHealth advises that these employees will eventually be hired by Collabhealth. [Form A Application, p.8.] Finally, CollabHealth states that it has no plans for Soundpath to declare an extraordinary dividend, liquidate Soundpath, sell its assets to or merge it with any person or to make any other material change in its business operations, corporate structure or management. Finally, more details concerning the corporate structure of these entities before and after this proposed acquisition – including revised provider agreements with NPN, PSW and Franciscan Health System, an Amended and Restated Shareholder Agreement, Soundpath's Amended and Restated Articles of Incorporation and Amended and Restated Bylaws which have been revised in anticipation of approval of this proposed merger, and non-competition agreements and other documents - can be found in the exhibits to the Stock Purchase Agreement. [Exs. 2-18, attachments to Ex. 1, Stock Purchase Agreement.]

III. Documents to be filed and hearing procedure.

Pursuant to RCW 48.31C.030(5), the Insurance 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.

Toward this end, the parties are advised that the Insurance Commissioner or his duly authorized representative is expected to testify as to whether he has given reasonable advance notice to the public of the hearing scheduled herein and whether he or any members of his staff has received any objections or concerns relative to this proposed acquisition and provide details of these objections or concerns. The Insurance Commissioner or his duly authorized representative is also expected to testify as to 1) the conclusions the Insurance Commissioner has reached during his examination of CollabHealth's Form A Application and all related documents and communications filed either before or after the Form A

Application; 2) as to what the Insurance Commissioner's position is on the above stated issues 1) through 6); and 3) as to whether the Insurance Commissioner or any member of his staff has received any objections or concerns regarding this proposed acquisition and what specifically those objections and concerns are. Further, a duly authorized representative of CollabHealth is expected to testify as to 1) what its position is as to the above stated issues 1) through 6) and why; and 2) as to whether CollabHealth or any of its affiliates has received any objections or concerns regarding this proposed acquisition and provide details of these objections and concerns. Additionally, a duly authorized representative of Soundpath is expected to testify as to 1) Soundpath's position on the above stated issues 1) through 6); and 2) as to whether Soundpath or either of its owners has received any objections or concerns relative to this proposed acquisition. Finally, while live testimony from the Insurance Commissioner, CollabHealth, and Soundpath will be taken during the hearing as to the above identified issues, written declarations from the parties and the Insurance Commissioner must be filed at least three working days prior to the date of the hearing. Further, oral opening statements and closing arguments from CollabHealth and Soundpath are expected to be filed at least three working days prior to the date of the hearing. Duly authorized representatives of CollabHealth and Soundpath can include officers and/or directors of the companies, or in-house counsel employed by the companies; while testimony of outside counsel or others may be presented, it will be in addition to the testimony of those duly authorized representatives specified above.

YOU ARE HERBY NOTIFIED that a hearing will be held commencing at 10:00 a.m. Pacific Standard Time on Friday, March 1, 2013, in the Office of the Insurance Commissioner, 5000 Capitol Boulevard, Tumwater, WA 98501, to consider CollabHealth's request for approval of the proposed acquisition of Soundpath Health, Inc. by CollabHealth Plan Services, Inc. under the terms specified in Stock Purchase Agreement dated October 18, 2012, as amended on October 31, 2012, Class R Preferred Stock Purchase Agreement dated October 18, 2012, and Asset Purchase Agreement dated October 18, 2012, and documents filed subsequent thereto, which are referenced above and are all published on the Insurance Commissioner's website at <http://www.insurance.wa.gov/laws-rules/administrative-hearings/judicial-proceedings/s-t/>.

The hearing will be held under the authority granted the Insurance Commissioner by Chapter 48.04 RCW and RCW 48.31C.030, and shall have as its purpose consideration of the Applicants' request for approval of the proposed acquisition of Soundpath Health, Inc. by CollabHealth Plan Services, Inc. The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. A party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

The Insurance Commissioner has not taken, and will not take, any position on this matter prior to entry of the Findings of Facts, Conclusions of Law and Final Order to be entered by the undersigned after hearing.

YOU ARE FURTHER NOTIFIED that all interested individuals may attend the hearing in this matter without prior approval as this is a public proceeding. Further, interested parties may also listen to or otherwise participate in the hearing by telephone by dialing (877) 668-4493, followed by access code number 231 993 38. YOU ARE FURTHER NOTIFIED that all interested individuals and entities may present questions about, and submit comments on or objections to,

this proposed acquisition to the undersigned. Said comments or objections, which will be included in the hearing record and will be considered by the undersigned prior to her making her final decision in this matter, must be submitted by 9:00 a.m. Pacific Standard Time on Friday, March 1, 2013, by fax, U.S. Mail, personal delivery, or email to Judge Petersen. Her fax number is (360) 664-2782; her U.S. Mail address is PO Box 40255, Olympia, WA 98504-0255; her personal delivery address is 5000 Capitol Boulevard, Tumwater, Washington 98501; and her email address is that of her Paralegal, Kelly A. Cairns, which is KellyC@oic.wa.gov. YOU ARE FURTHER NOTIFIED that, pursuant to RCW 48.31C.030(4), any interested person may present evidence and argument on all issues involved, examine and cross-examine witnesses, and offer oral and written statements, and in connection therewith may conduct discovery proceedings.

The Insurance Commissioner will appear by and through Kate Reynolds, Esq., Staff Attorney in his Legal Affairs Division. She can be reached at (360) 725-7179 or KateR@oic.wa.gov. CollabHealth Plan Services, Inc. will be represented by Robert B. Sullivan of Polsinelli Shughart PC, 700 West 47th Street, Suite 1000, Kansas City, MO 64112-1802. He can be reached at (816) 360-4151 or rsullivan@polsinelli.com. Soundpath Health, Inc. will be represented by Timothy J. Parker, Esq. of Carney Badley Spellman, P.S., 701 Fifth Avenue, Suite 3600, Seattle, WA 98104. He can be reached at (206) 622-8020 or parker@carneylaw.com.

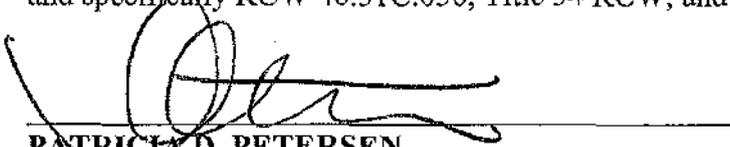
Based upon a delegation of authority from the Insurance Commissioner, the undersigned will conduct the hearing and will make the final decision and enter the final order relative to this matter without input from the Insurance Commissioner or his staff or any other individual who has knowledge of the issues herein, except as will be presented as evidence in the hearing. Her address is Office of the Insurance Commissioner, Hearings Unit, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7105. All questions or concerns should be directed to Kelly A. Cairns, Paralegal to the undersigned, who may be reached at the telephone and fax numbers, e-mail or U.S. Mail addresses set forth above.

On February 11, 2013, the undersigned held a first prehearing conference in this matter. Participants included: Kate Reynolds, Esq.; OIC Staff Attorney, Ronald J. Pastuch, OIC Holding Company Manager; Robert B. Sullivan and Jeanie Botkin of Polsinelli Shughart PC, outside counsel for CollabHealth; Mark Bjornson, CEO/President of CollabHealth; Linda DuPuis, Esq., counsel for Catholic Health Initiatives; Christine Tomcala, CEO of Soundpath; Robin Larmer, Esq., counsel for Soundpath; and Timothy J. Parker, Esq. of Carney Badley Spellman, P.S., outside counsel for Soundpath. During said first prehearing conference, the undersigned identified the parties and statutes involved, reviewed procedure to be expected at hearing, and responded to all questions and concerns of the parties. As stated above, **should any party or any interested individual have any further questions or concerns prior to the hearing date, they are advised to telephone or e-mail Kelly A. Cairns, Paralegal to the undersigned, for assistance** or to schedule a second prehearing conference if necessary.

Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English-speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. Following this Notice is a form you may use to advise the Chief Presiding Officer of your

need for an interpreter.

ENTERED at Tumwater, Washington, this 13th day of February, 2013, pursuant to Title 48 RCW and specifically RCW 48.31C.030, Title 34 RCW, and regulations applicable thereto.



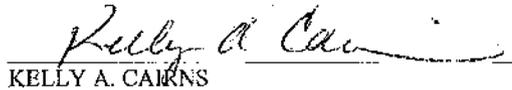
PATRICIA D. PETERSEN

Chief Presiding Officer

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: Timothy E. Gorman, Robert B. Sullivan, Esq., Timothy J. Parker, Esq., Mike Kreidler, Deborah McCurley, Carol Sureau, Esq., Kate Reynolds, Esq., James T. Odiorne and Ronald J. Pastuch.

DATED this 14th day of February, 2013.



KELLY A. CAIRNS

HEARINGS UNIT
Fax: (360) 664-2782

Patricia D. Petersen
Chief Presiding Officer
(360) 725-7105

Hearings Unit
Paralegal
(360) 725-7002
Hearings@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Presiding Officer
Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

REQUEST FOR INTERPRETER

I am a party or witness in Matter No. 13-0039, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is _____ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: _____ Signed: _____

Please print or type your name: _____

Address: _____

Telephone: _____