



FILED

OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT

2013 AUG 16 P 12:35

Fax: (360) 664-2782

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

Hearings Unit, DIC
Patricia D. Petersen
Chief Presiding Officer
Kelly A. Cairns
Paralegal
(360) 725-7002
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of)
)
COORDINATED CARE CORPORATION,) **Docket No. 13-0232**
) **NOTICE OF HEARING**
)
A Health Maintenance Organization.)
_____)

TO: Jay Fathi, M.D., President and
Chief Executive Officer
Coordinated Care Corporation
1145 Broadway, Suite 300
Tacoma, WA 98402

Katic Rogers, Vice President of
Compliance and Reg. Affairs
Coordinated Care Corporation
1145 Broadway, Suite 300
Tacoma, WA 98402

Marin Norton, Esq.
Stoel Rives LLP
600 University Street, Suite 3600
Seattle, WA 98101-4109

Barbara Nay, Esq.
Stoel Rives LLP
900 SW Fifth Ave., Suite 2600
Portland, OR 97204-1268

COPY TO: Mike Kreidler, Insurance Commissioner
James T. Odiome, J.D., CPA, Chief Deputy Insurance Commissioner
Molly Nollette, Deputy Commissioner, Rates and Forms Division
AnnaLisa Gellermann, Esq., Deputy Commissioner, Legal Affairs Division
Charles Brown, Senior Staff Attorney, Legal Affairs Division
Andrea Philhower, Staff Attorney, Legal Affairs Division
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On July 31, 2013, the Insurance Commissioner ("OIC") issued a Letter of Disapproval, disapproving the binder, form and rate filings of Coordinated Care Corporation ("Coordinated

NOTICE OF HEARING

13-0232

Page - 2

Care") for the individual market – Health Maintenance Organization, for sales relative to the new Washington State Health Benefits Exchange. The reasons provided by the OIC for the disapproval are as set forth in that Letter of Disapproval and materials included in the OIC's SERFF online service. In response, on August 2, 2013, Coordinated Care filed a request for hearing to challenge the OIC's disapproval; on August 7, Coordinated Care rescinded this request for hearing; and on August 13, Coordinated Care filed a new request for hearing. In its August 13 request for hearing, very briefly, Coordinated Care contends that some of the findings of the OIC were in error and/or inconsistent with prior feedback given by OIC, and because the OIC's findings were not made until the deadline date of July 31st, Coordinated Care had no opportunity to resolve the issues or cure the deficiencies. As its remedy herein, Coordinated Care asks the undersigned to rule after hearing, 1) that the OIC's findings that the subject filings were not in compliance with state and federal law were in error; and 2) that the OIC must provide regulatory certification to be presented to the Washington State Health Benefits Exchange as a qualified health plan for 2014.

On August 13, 2013, the undersigned held a first prehearing conference in this matter, which included all parties. The OIC was represented by AnnaLisa Gellermann, Esq., the Deputy Commissioner for OIC's Legal Affairs Division, as well as Charles Brown, Senior Staff Attorney, and Andrea Philhower, Staff Attorney, in the OIC's Legal Affairs Division. Coordinated Care was represented by its outside legal counsel Maren Norton, Esq. and Barbara Nay, Esq. of Stoel Rives LLP law firm in Seattle Washington and Portland, Oregon, respectively. Also in attendance on behalf of Coordinated Care were its President and Chief Executive Officer Jay Fathi, MD, and Katie Rogers, Vice President of Compliance and Regulatory Affairs. The undersigned reviewed procedure to be expected at hearing and answered all questions and concerns of the parties. Of significance: 1) Based at least in part on some question on or about August 7 regarding whether Coordinated Care would be allowed to make a new filing, the OIC agreed that it would not contest the Coordinated Care's right to refile its request for hearing as it did on August 13. 2) The parties agreed that this hearing should be held on August 26, 2013. 3) The OIC advised it would file a motion with the undersigned seeking a determination on the proper burden of proof to be applied in deciding this matter. Accordingly, on August 15 the OIC filed its OIC Staff's Motion to Determine Order and Burden of Proof with arguments and authorities. Coordinated Care agreed to file its responsive brief before commencement of the hearing on August 26. However, as stated during the prehearing conference, it would be appreciated if Coordinated Care could file its responsive brief earlier so that the undersigned has additional opportunity to carefully consider Coordinated Care's arguments prior to the hearing date. The undersigned will rule on this issue as soon as she has the opportunity to consider both parties' written arguments. At the latest, the ruling will be made at the beginning of the hearing on August 26. Finally, in order to accommodate Coordinated Care - particularly given the existing deadlines for making these filings and obtaining certification - the OIC has requested that this proceeding be handled on an expedited basis. Therefore, this matter has been handled on an expedited basis since the original filing with the undersigned on August 5, and will continue to be handled on an expedited basis throughout this proceeding.

NOTICE OF HEARING

13-0232

Page - 3

The parties are advised that should they have further questions or concerns prior to the hearing date, or to schedule another prehearing conference which would include all parties and the undersigned, they should contact the undersigned's paralegal, Kelly Cairns, at (360)725-7002 or KellyC@oic.wa.gov.

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on Monday, August 26, 2013, at 9:00 a.m. Pacific Daylight Time.** The purpose of this hearing, which will include all parties, is to consider whether Coordinated Care's filings should be approved as a qualified health plan for the individual market of the Exchange, or additional time given to Coordinated Care to cure any deficiencies in its proposed plans, or whether the OIC's disapproval of Coordinated Care's filings for the individual market of the Exchange should be upheld.

The OIC will appear by and through AnnaLisa Gellermann, Deputy Commissioner, Legal Affairs Division, along with Staff Attorneys Charles Brown and Andrea Philhower. Their address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255. Ms. Gellermann's telephone number is (360) 725-7050; Mr. Brown's is (360) 725-7044; and Ms. Philhower's is (360) 725-7063. Ms. Norton and Ms. Nay will appear on behalf of Coordinated Care. Ms. Norton's address is 600 University Street, Suite 3600, Seattle, WA 98101-4109, and her telephone number is (206) 386-7607. Ms. Nay's address is 900 SW Fifth Avenue, Suite 2600, Portland, OR 97204-1268 and her telephone number is (503) 294-9643.

Patricia D. Petersen, Esq., Presiding Officer, who serves as Chief Presiding Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her paralegal, Kelly Cairns, at the same address. Ms. Cairns' telephone number is (360) 725-7002.

The hearing will be held under the authority granted by the Insurance Commissioner under Chapter 48.04 RCW. The basic facts relied upon are those set forth above, which are more specifically included in the OIC's above-referenced findings letter and in Coordinated Care's above-referenced Demand for Hearing.

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. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

As required by RCW 34.05.434(2)(i), you are advised that 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.

NOTICE OF HEARING

13-0232

Page - 4

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. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

Based upon the above activity,

IT IS HEREBY ORDERED that the adjudicative proceeding in this matter shall commence on August 26, 2013, at 9:00 a.m. Pacific Daylight Time, continuing on each successive day until terminated, in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, WA.

ENTERED AT TUMWATER, WASHINGTON, this 16th day of August, 2013, pursuant to Title 48 RCW and specifically RCW 48.04 and 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: Jay Fathi, M.D., Maren Norton, Esq., Mike Kreidler, James T. Odiome, Molly Nollet, Annalisa Gellermann, Esq., Charles Brown, Esq., and Andrea Philhower, Esq.

DATED this 16th day of August, 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. 13-0232 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: _____