

MIKE KREIDLER  
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



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OFFICE OF  
INSURANCE COMMISSIONER  
HEARINGS UNIT

Fax: (360) 664-2782

2014 MAY -8 P 1:29

HEARINGS UNIT  
PATRICIA D. PETERSEN  
CHIEF PRESIDING OFFICER

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

Kelly A. Cairns  
Paralegal  
(360) 725-7002  
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON  
OFFICE OF INSURANCE COMMISSIONER

In the Matter of	)	<b>Docket No. 13-0293</b>
	)	
<b>Seattle Children's Hospital,</b>	)	NOTICE OF HEARING
	)	
A Washington Not-For-Profit Corporation,	)	
	)	
and	)	
	)	
<b>Bridgespan Health Company,</b> a Health	)	
Services Contractor; and <b>Premera Blue</b>	)	
<b>Cross,</b> a Health Services Contractor,	)	
	)	
Intervenors.	)	
	)	

**TO:** Michael Madden, Esq.  
Bennett, Bigelow & Leedom, P.S.  
601 Union Street, Suite 1500  
Seattle, WA 98101  
*Attorney for Seattle Children's Hospital*

Gwendolyn C. Payton  
Lane Powell, PC  
1420 Fifth Avenue, Suite 4200  
Seattle, WA 98111-9402  
*Attorney for Premera Blue Cross*



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Timothy J. Parker, Esq.  
Carney Badley Spellman, P.S.  
701 Fifth Avenue, Suite 3600  
Seattle, WA 98104  
*Attorney for Bridgespan Health Company*

**COPY TO:** Mike Kreidler, Insurance Commissioner  
James T. Odiorne, 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, Sr. Staff Attorney, Legal Affairs Division  
Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255

**NATURE OF PROCEEDING**

Under the federal Affordable Care Act (“ACA”) and state law, the Washington State Office of the Insurance Commissioner (“OIC” or “Commissioner”) has the duty to ensure that all individual health care plans intended to be sold through the Washington State Health Care Exchange (“Exchange plans”) meet the requirements of the ACA and state law. In July and September, 2013, the OIC reviewed and approved the individual market Exchange filings of Molina Healthcare of Washington, Inc. (“Molina”), Coordinated Care Corporation (“CCC”), Premera Blue Cross (“Premera”) and Bridgespan Health Company, a subsidiary of Regence BlueShield (“Bridgespan”). Thereafter, SCH filed a Demand for Hearing to contest the OIC’s approvals of these Exchange plans alleging that, contrary to the requirements of the ACA and state law, they do not include SCH in their networks. CCC, Premera and Bridgespan subsequently requested and were granted the right to intervene. SCH amended its Demand for Hearing on April 30, 2014, withdrawing its demand as to Molina and CCC, and on May 5, 2014, CCC withdrew as an intervenor from this proceeding. Premera and Bridgespan remain as intervenors and will collectively be referred to herein as “Intervenors” unless otherwise indicated.

Following presentation of argument on the Intervenors’ Motion for Summary Judgment, SCH’s Motion for Partial Summary Judgment and the OIC’s Motion to Dismiss on February 3, 2014, and subsequent entry of orders on those motions,<sup>1</sup> on April 2, 2014, SCH filed a Motion to Set Hearing Date and Prehearing Schedule, and for Protective Order. As the parties were notified in letter clarifying the issues in this proceeding dated May 5, 2014, the hearing has been scheduled to commence on June 9, 2014 and shall continue on subsequent days until terminated. A

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<sup>1</sup> Order on Insurance Commissioner’s Motion to Dismiss, filed February 20, 2014; Order on Intervenors’ Joint Motion for Summary Judgment, filed February 20, 2014; and Order on Seattle Children’s Hospital’s Motion for Partial Summary Judgment, filed March 14, 2014.

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prehearing conference will be held on Wednesday, May 14, 2014 at 10 a.m. to address SCH's motion for a protective order and set a schedule for other prehearing matters.

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](mailto:KellyC@oic.wa.gov).

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on Monday, June 9, 2014, at 10:00 a.m. Pacific Daylight Time.** The purpose of this hearing, which will include all parties, is to consider whether the OIC erred in approving the filings of Premera and Bridgespan as qualified health plans for the individual market of the Exchange when the plans did not include Seattle Children's Hospital in their networks, and, if so, what the remedy should be. The issues are more specifically set forth in letter clarifying issues in this proceeding dated May 5, 2014 which has been filed herein.

The OIC will appear by and through Charles Brown, Esq. with the OIC Legal Affairs Division, along with Deputy Commissioner AnnaLisa Gellermann, Esq., and Andrea Philhower, Esq. of the OIC Legal Affairs Division. Their address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255. Mr. Brown's telephone number is (360) 725-7044; Ms. Gellermann's is (360) 725-7050; and Ms. Philhower's is (360) 725-7063. Michael Madden, Esq. and Carol Sue Janes, Esq. of Bennett Bigelow & Leedom, P.S., will represent Seattle Children's Hospital. Their address is 601 Union Street, Suite 1500, Seattle, WA 98101-1363; and their telephone number is (206) 622-5511. Gwendolyn Payton, Esq. of Lane Powell, PC, will represent Premera at the hearing. Her address is 1420 Fifth Avenue, Suite 4200, P.O. Box 91302, Seattle, WA 98111-9402, and her telephone number is (206) 223-7000. Timothy J. Parker, of Carney Badley Spellman PS, will represent Bridgespan. His address is 701 Fifth Avenue, Suite 3600, Seattle, WA 98104-7010, and his telephone number is (206) 622-8020.

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 SCH's above-referenced Demand for Hearing, and the pleadings which have been filed in this case to date.

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

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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.

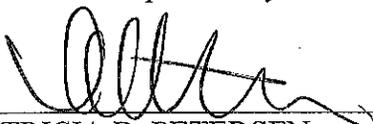
Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by 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 June 9, 2014, at 10:00 a.m. Pacific Daylight Time, continuing on each successive day until terminated, in the Office of the Insurance Commissioner, 5000 Capitol Boulevard, Tumwater, WA, or other location as may be later noted.

ENTERED AT TUMWATER, WASHINGTON, this 8<sup>th</sup> day of May, 2014, 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: Michael Madden, Esq., Gwendolyn C. Payton, Esq., Timothy J. Parker, Esq., Mike Kreidler, James T. Odiome, J.D., CPA, Molly Nollette, AnnaLisa Gellerman, Esq., and Charles Brown, Esq.

DATED this 8<sup>th</sup> day of May, 2014.

  
\_\_\_\_\_  
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](mailto: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

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**REQUEST FOR INTERPRETER**

I am a party or witness in Matter No. 13-0293 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: \_\_\_\_\_