

FILED

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

2015 MAR -5 P 12:34

In the Matter of)	Docket No. 15-0034
)	
WASHINGTON COUNTIES)	PREHEARING CONFERENCE ORDER
INSURANCE FUND)	
)	
)	

TO: Maren R. Norton
 Stoel Rives LLP
 600 University Street, Suite 3600
 Seattle, WA 98101

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, Deputy Commissioner, Legal Affairs Division
 Charles Brown, Sr. Insurance Enforcement Specialist, Legal Affairs Division
 Office of the Insurance Commissioner
 PO Box 40255
 Olympia, WA 98504-0255

The Washington Counties Insurance Fund ("WCIF") submitted a Demand for Hearing ("Demand"), dated and filed February 11, 2015, demanding a hearing to challenge January 15, 2015, Office of Insurance Commissioner ("OIC") disapprovals of 2014 rate and form filings by Premera Blue Cross ("Premera") and Group Health Cooperative ("Group Health").

The Demand states that WCIF is a multi-employer non-profit trust fund providing fully insured benefit plans through Premera and Group Health to participating county government employees and eligible dependents. In summary, WCIF challenges OIC's disapprovals on the following grounds: 1) No basis under state law or federal law exists for the OIC's position that a Bona Fide Association ("BFA") such as WCIF must be treated as a single employer for rating purposes. 2) OIC's disapprovals will unfairly prejudice WCIF, Participating Employers, and Members -- WCIF relied on the OIC's express representations that it had no issues with prior rates when it quoted 2015 rates. 3) If the OIC's proposed remedy -- that all current enrollees be transitioned to a compliant plan as soon as possible -- is implemented, Members may be forced onto plans with reduced benefits and/or higher premiums. 4) The OIC's proposed remedy does not flow from its disapproval of the filings -- disapproval of 2014 Filings cannot logically obligate Premera and Group Health to transfer current enrollees in 2015 plans to new plans. 5) Imposition of the OIC's

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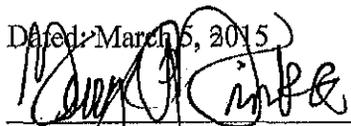
proposed remedy would contravene the purpose of the Affordable Care Act -- to provide access to affordable health care.

On March 5, 2015, the undersigned held a first prehearing conference. The OIC was represented by Charles Brown, Attorney at Law, Senior Insurance Enforcement Specialist, OIC Legal Affairs Division. Maren R. Norton, Attorney at Law, of Stoel Rives, represented WCIF.

The parties agree that presenting a dispositive motion or motions before setting an evidentiary hearing is most efficient. By April 1, 2015, the parties shall serve and file dispositive Motions. By April 29, 2015, the parties shall serve and file Responses to such Motions. By May 19, 2015, the parties shall serve and file Replies to such Responses. Telephonic oral argument is set for 10 AM May 27, 2015. At either party's written request, communicated to Kelly Cairns by May 19, 2015, oral argument may be in-person at my offices, Judicial Dispute Resolution, Seattle. If my ruling does not dispose of this matter, an evidentiary hearing will be set for the earliest reasonably convenient date.

All case related documents and correspondence shall be directed to the Hearings Unit, Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to the Hearings Unit paralegal, Kelly Cairns, at the same address. Ms. Cairns' telephone number is (360) 725-7002.

Dated: March 5, 2015



JUDGE GEORGE FINKLE (Ret.)
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: Maren R. Norton, Mike Kreidler, James T. Odiome, J.D., CPA, Molly Nollette, Charles Brown and AnnaLisa Gellermann.

DATED this 5th day of March, 2015.



KELLY A. CAIRNS