

July 22, 2016

Via e-mail to: rulescoordinator@oic.wa.gov



Mr. Jim Tompkins, Senior Policy Analyst
Policy & Legislative Affairs
Office of Insurance Commissioner
P.O. Box 40258
Olympia, Washington 98504-0258

Subject: OIC Rulemaking R 2016-15 Administrative Hearings

Dear Jim:

Thank you for the opportunity to provide comments on your office's CR-101 preproposal on the topic of administrative hearings. This letter is being sent on behalf of Premera Blue Cross, LifeWise Health Plan of Washington, and LifeWise Assurance Company (collectively "Premera" or "the Companies"). We look forward to working with your office further as work towards the rulemaking progresses.

Based on the CR-101 explanation of the rationale for possible amended or new rules, we offer the following considerations:

Clarity of terminology and distinctions. While the Companies do not have any current concerns regarding such clarity, we do support clarity in rule language and reserve comments until we have a better understanding of what the OIC envisions.

Administrative law judge. The Companies would like to stress their strong support for preserving the greatest degree of impartiality possible in the administrative hearings process. This, in our view, includes the ability, as it already exists, for the complainant to request an independent ALJ, and make such a request separately for each hearing or dispute. We also urge the OIC to consider whether and how the rules should address qualifications for its chief presiding officer assigned to administrative hearings.

Automatic stay. The process that has been in place has included the requirement for a hearing demand to be made before an order or decision is issued by the OIC, in order for an automatic stay to apply. This process has on occasion prompted the need for "preemptive" hearing requests in certain situations, which we believe create a distraction from the substantive issues under consideration. We respectfully urge your office to consider adding clarity in the rules on when a hearing request must be made in order for a stay to apply. We suggest defining a limited set of situations and disputes where a stay would be automatic while an OIC decision or order is being reviewed through the hearing process; we will be happy to work with you on this element.

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Other procedural issues. We support, in principle, having greater clarity around procedural matters, with the objective of leading to more efficient resolution of issues. We believe it will be useful, in this context, to address motions practice and the consolidation of matters where appropriate.

We believe the consideration by OIC of administrative hearing rulemaking presents an opportunity for better clarity as well as improved efficiency for this process, and we respectfully request that you consider the points offered above in your next steps. We would welcome circulation of a stakeholder draft for review as well as a stakeholder discussion, and we look forward to participating in the next steps on this rule subject. Please feel free to contact me if you have questions or wish to discuss our comments further.

Sincerely,

A handwritten signature in blue ink that reads "Waltraut B. Lehmann". The signature is written in a cursive style with a large initial 'W'.

Waltraut B. Lehmann
Manager, Regulatory Affairs