FILED

BEFORE THE STATE OF WASHINGTON OFFICE OF INSURANCE COMMISSIONER 2015 MAY 29 A 9: 24

| In the Matter of |) | Docket No. 15-0113 |
|--------------------|--------|-----------------------------|
| PREMERA BLUE CROSS |) | PREHEARING CONFERENCE ORDER |
| |)) | |
| | .) | |

TO: John H. Pierce, Sr. Vice President and General Counsel Premera Blue Cross P.O. Box 327 Seattle, WA 98111-0327

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

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

Premera Blue Cross ("Premera") submitted a Demand for Hearing ("Demand"), dated April 14, 2015, and filed April 15, 2015, demanding a hearing to challenge 1) January 15, 2015, disapprovals by the Office of the Insurance Commissioner ("OIC") of Premera's 2014 rate and form filings for Association Health Plans ("AHPs") offered to small business associations in Washington; and 2) possible OIC enforcement actions against Premera for allegedly noncompliant 2014 AHPs.

On May 28, 2015, the undersigned held a first prehearing conference. The OIC was represented by AnnaLisa Gellermann, Attorney at Law, Deputy Commissioner, OIC Legal Affairs Division. Gwendolyn C. Payton, Attorney at Law, of Lane Powell, represented Premera. John Pierce, Sr. Premera Vice President and General Counsel; Sven Petersen, Premera Assistant General Counsel; John Neeleman, Attorney at Law, Lane Powell; Charles Brown, Attorney at Law, Senior Insurance Enforcement Specialist, OIC Legal Affairs Division; Marta DeLeon, Assistant Attorney General for OIC; and William Pardee, OIC Hearing Officer, also attended.

The parties agree that presenting dispositive motion(s) before setting an evidentiary hearing is most efficient. The parties shall serve and file dispositive Motions on the "true employer" and "rating" issues within thirty days of the date I issue my ruling on the summary judgment motions in Washington Counties Insurance Fund, Docket No. 15-0034. The parties shall serve and file Responses to such Motions not later than three weeks after the last date on which such Motions are filed. The parties shall serve and file Replies to such Responses no later than two weeks after such Responses are filed. Oral argument will be set for the earliest reasonably convenient date after the Replies are filed. If my ruling does not dispose of this matter, a schedule may be established for briefing on Premera's challenge to the OIC's potential enforcement actions and/or on other dispositive motions.

The parties shall meet and confer to discuss discovery, consolidation, streamlining, and the status of potential enforcement actions related to allegedly noncompliant 2014 AHPs.

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.

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: Gwendolyn C. Payton, Mike Kreidler, James T. Odiorne, J.D., CPA, Molly Nollette, Charles Brown and AnnaLisa Gellermann.

DATED this 29th day of May, 2015.

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