

Group Health and Kaiser Merger - Secured

Reference #	8658789
Status	Complete
Name	Liliana Calimlim
Email	mandujanocat@gmail.com
Phone	206-244-0098
City	Seattle
State	Washington
Your comment	I am concerned about the joining of Group Health and Kaiser Permanente. I have my parents that live in Maryland who have very poor care by Kaiser Permanente. I myself have used their services when I go to the east coast and find myself wasting time trying to make an appointment. It feels that Kaiser only cares about the money and not the customers. This would totally change the philosophy of Group Health which is for the people and by the people.
Last Update	2016-08-18 15:35:48
Start Time	2016-08-18 15:29:48
Finish Time	2016-08-18 15:35:48
IP	184.217.114.149
Browser	Other
OS	Mobile
Referrer	https://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/comments/

EXHIBIT OIC-5

From: [Seabourne-Taylor, Dorothy \(OIC\)](#)
To: [OIC Hearings Unit](#)
Subject: Note from Sean Corry re Kaiser - sent to Commissioner's public inbox
Date: Friday, July 22, 2016 9:46:47 AM

-----Original Message-----

From: Sean Corry [<mailto:sean.corry@SIGinsures.com>]
Sent: Thursday, July 21, 2016 5:19 PM
To: Kreidler, Commissioner (OIC) <MikeK@OIC.WA.GOV>
Subject: Kaiser

Commissioner Kreidler,

This news available through the link below is disturbing and should be a very important consideration in your review of the Kaiser takeover of Group Health and affiliated companies. Please see the article through this link:

http://www.law360.com/health/articles/317683?nl_pk=cc186ca5-41b3-46b5-81e5-07bfe9013b61&utm_source=newsletter&utm_medium=email&utm_campaign=health

Thank you,

Sean

Sean Corry

* Required field

Your question or problem

What type of insurance coverage is your question or problem about?

Other

If other, please explain

RE: Proposed Group Health Acquisition

What is your question or problem? *

Dear Commissioner Kreidler,
RE: Proposed Group Health Acquisition

Thank you for your work on consumer protection and your support for all Washingtonians to maintain affordable care. I am a member of the cooperative community we want to ensure the Group Health Cooperative legacy is not lost during the Kaiser Permanente acquisition. We urge you to consider the following proposals put forth by a Task Force of Cooperative representatives from around Washington State.

Since its inception in 1945, GHC members have valued the right to have a voice in its governance through democratic member representation. Cooperatives and their members have played an instrumental role in ensuring GHC succeeded. The new Foundation presents an opportunity to raise the level of awareness and actively promote the strength of cooperative action which served GHC's mission.

I respectfully submit the following requests for consideration as you deliberate the proposed acquisition of Group Health by Kaiser Permanente:

1. If you find the acquisition in order and allow the acquisition to take place, please include a directive, or strong recommendation, for the new GH Community Foundation to set aside funds from the initial \$1.8 Billion for cooperative development. We ask that a dedicated portion of funds in the new GH Community Foundation be set aside for the sole purpose of providing financial and technical resources to groups seeking to solve common basic needs through cooperative businesses, for these reasons:

-Group Health Cooperative survived its launch because it was backed by the cooperators and cooperatives of Washington State, like the Builders Co-op, the State Grange, and Pacific Supply.

-Cooperatives inherently bring people together to create enterprises that serve the common good.

-Dedicated funds for cooperative development will deepen the new Foundation's total community health strategy. For example, Kaiser Permanente already prioritizes supplier diversity, purchasing more than \$1.5 billion from women and minority-owned firms in 2014 alone. Worker owned co-ops in Washington could potentially be a part of this supply source.

2. Cooperatives, like Group Health, are often born out of adversity. They are an innovative grassroots tools for communities to address market failures and meet basic needs such as access to shelter, healthy food, and sustainable work. We ask that the new GH Community Foundation's board of directors include seats for members of the cooperative community. The role of cooperatives in ensuring GHC's past success shouldn't be overlooked. GHC's legacy, through the new GH Community Foundation, will be its commitment to communities faced with growing public health issues. These issues span physical, service, and social environments that have been linked to mortality, general health status, disability, birth outcomes and other important health indicators. Cooperatives usher in practices and principles that will add strategic value to Foundation's goals to improve health and wellness for all and to continue to serve the mission set forth by Group Health's founders.

Whether it's a consumer, producer, worker, or multi-stakeholder co-op, cooperative businesses stabilize communities because they are community-based business anchors. We urge you to support our proposal, thank you for your time and consideration.

Sincerely,

Shevanthi Daniel-Rabkin

"We need to collaborate with local business and community leaders, and even our competitors, to create communities that are among the healthiest in the nation." —Bernard Tyson CEO, Kaiser Permanente

Task Force Participants

Aaron Jones, Northwest Cooperative Development Center Advisory Board
Chris Jennings, Group Health Cooperative Member
Dan Coyne, Washington State Council of Farmer Cooperatives
Dave Warren, Northwest Cooperative Development Center Board
David Thompson, Twin Pines Cooperative Foundation
Diane Gasaway, Northwest Cooperative Development Center Staff
Joel Merkel, Cooperative Attorney
John McNamara, Northwest Cooperative Development Center
Kent Lopez, Washington Rural Electric Cooperative Association & NWDCDC Board
Mark Johnson, Northwest Cooperative Development Center Advisory Board
Mark Minickiello, NW Credit Union Association
Mary Kay Chess, Pinchot University
Shevanthi Daniel, Democracy at Work Institute

Tim Palmer, Democracy at Work Institute
Mike Skinner, Center for Inclusive Entrepreneurship
Thomas Bowen, National Cooperative Business Association
Randy Lee, PCC
Juan Aguilar, Washington State Micro Enterprise Association

Your contact information

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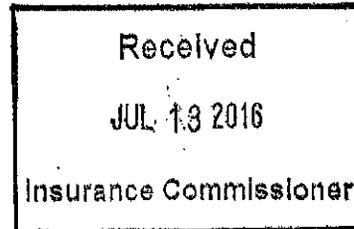
rabkinshev@gmail.com

Phone *

206-930-3993

Rick (Richard M.) Finch, MD
1030 76th Ave NE
Olympia, WA 98506

Commissioner Mike Kreidler, O.D.
Washington State Insurance Commission
P. O. Box 40255
Olympia, WA 98504



7/7/2016

Dear Dr. Kreidler:

I hope that you will remember me as a colleague in Family Practice at the Group Health Cooperative, beginning 1977. I'm writing to ask that you consider removing yourself from the decision role regarding the merger of Group Health with Kaiser, and appoint a neutral third party. I'd also like to be sure that the decision maker regarding the proposed merger be aware of all the financial aspects of the transaction-- specifically that abandonment of promised retiree medical benefits to approximately 300 retirees is a key element in the transaction. Instead, individual provider employees of Group Health Physicians are to receive "bonus" payments which are described as reimbursements for "intellectual property" [isn't the intellectual property something created by the service of current retirees in greater degree than newly hired staff?] amounting to \$30M, and additional amounts of approximately \$120,000 over the next 4 years if a "non-compete" contract is signed.

I would be happy to provide further details regarding the inappropriate actions involved in the merger. Kaiser is a good fit regarding the philosophy and quality of care for the Group Health Patients, but it's not right that the merger be paid for by violating contractual promises made to long serving retirees. Please reconsider your plan to make the decision about this application, based on your long association as an employee of Group Health Cooperative.

Yours truly

A handwritten signature in black ink that reads "Richard M. Finch MD".

Rick (Richard M.) Finch, MD

* Required field

Your question or problem

What type of insurance coverage is your question or problem about?

Health insurance

If other, please explain

What is your question or problem? *

I am a Seattle resident who is a member of Group Health.

The proposed acquisition of Group Health by Kaiser Permanente is being reviewed by you in your role as the Washington State Insurance Commissioner.

When doing your review, one very important factor to take into consideration is the transition of computer systems, which could be a major task, with the potential for serious glitches. If the transition of computer systems is not implemented properly, it could be a real mess.

In fact, Group Health has recently encountered major problems when upgrading their Pharmacy Services computer system. It is not clear why these problems happened or why the new computer system was not sufficiently tested before it was put into use by Group Health Members and Employees. Since these problems, which have been severe, happened with a transition within the Pharmacy Services computer system, it is critical to ensure that similar problems will NOT occur if Group Health is acquired by Kaiser Permanente.

Therefore, before approving the acquisition, your office should get strong assurance AND have strong evidence, that a transition from Group Health to Kaiser Permanente would go smoothly.

In particular, what lessons were learned from the flawed Pharmacy Services computer system transition that could be applied to a possible acquisition by Kaiser Permanente of Group Health? While I appreciate the fact that the staff at Group Health is working very hard to fix the problems in Pharmacy Services, these problems could be small in comparison to what we might face in the event of a Kaiser Permanente acquisition.

So I encourage you and your colleagues to ask tough questions, to ask the right questions, to ask detailed questions and be satisfied with the answers before approving an acquisition by Kaiser Permanente.

Your contact information

Name

Richard Fuhr

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Phone *

206-524-8049

June 18, 2016

Dear Insurance Commissioner:

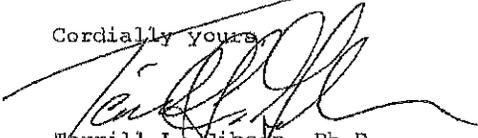
Attached please find copies of two letters I sent to the Group Health Cooperative Board regarding their pending sale to Kaiser Permanente. The second letter created enough interest that the Board President called me and asked for a direct conversation which we cordially had a month ago.

I still oppose the sale for the same reasons stated in the letters. But should you elect to approve the sale (voter suppressed) approval vote, I ask you make that sale pending one crucial proviso--that the proposed new foundation board be openly elected by all 600,000 cooperative members in an election process brokered by your office and paid for by Group Health out of sale proceeds. It was promised by the Board that this new entity would be totally agenda free and open to all who were interested. In point of fact, I discovered that the current board "interim" heads the new foundation board formation and will steer the selection of new members and the future agenda of the foundation. These decisions apparently came out of genuine "fiduciary" concerns and the desire to be system-responsible but resist recognizing such corporatist control is inherently anti-democratic.

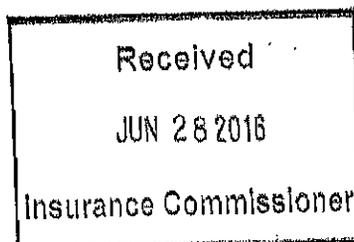
This is in clear opposition to what was promised and what is fair and healthy. You have the power to hold them to their promissory. All 600,000 members should nominate the new foundation board and decide, in openly vetted and inclusive processes, what that future should be. The President and her current Board are good, sincere people but they do not believe in or trust genuinely democratic process here-- an element core to the DNA of group health and inherent to any authentic solution to our current private, dark-capitalist ensnared, and corrupted national health care system.

You have the power to make this right. Please exercise that power and decide before the end of summer so the future of my health care is decided before the late year opportunity to elect other carriers besides Kaiser if current deeply disappointed members want another health care home. To wait too long could threaten the survival and quality of current Group Health as members fearful of the uncertainties abandon the system, precipitately threatening an unintended collapse. It is your paramount duty to prevent that catastrophic negligence.

Cordially yours



Terrill L. Gibson, Ph.D.
621 Pacific Avenue
Ste. 212
Tacoma, WA 98402
253-627-1550



Dear Sue Byington and GHC Board:

Our health is often a reflection of the congruence with which we live our lives. The health of an organization is often a reflection of the congruence with which an organization conducts itself.

At the advisory vote assembly I experienced a Board-initiated and pervasive note of self righteousness, a subtle condescension in deploying fine-print By Law prejudice against "single issue GHC voters." If ever there is a just, vibrant reason for single-issue voting, it is around the demise of our cherished Cooperative.

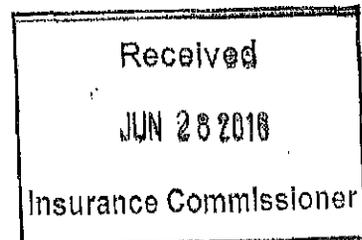
Health--physical, psycho-spiritual, organizational--is an on-going, pervasive practice of authentic transparency and open integrity. A real democracy does not restrict who votes or how often or why. It simply seeks constant, universal inclusion. The GHC Board's attitude seems to imply that only the insider old guard are wise enough to decide on our shared health care system. The over-worked single parent, the exhausted line worker, the distracted elder--these ignoble uniformed cannot be trusted for wise counsel and vote.

In addition, many, like me, have poured decades of conscious effort, as intense a commitment as any GHC board member, into ceaselessly seeking health care justice. I and my employing 501-c-3 agency have been fierce single-payer advocates for decades. I have served in the past on my Congressperson's Progressive Advisory Council, focused primarily on universal, single-public-payer health coverage. I regularly visit Washington, DC, for citizen advocacy around this issue with Washington's congressional delegation and other representatives. To suggest I do not have enough wisdom to vote on this critical GHC closure issue is insulting. I deeply resent the oft-expressed bias against uninformed "single-issue members" that floated deeply and widely in the Westin halls on voting day. And to have deliberately employed a stratagem of procedural deception by announcing the advisory vote 45 days before a 60-day, required voting registration process was painfully inauthentic. It was Hamiltonian legalism run amok.

Health care reform is an essential democratization of health care. You failed to serve that ultimate goal in this tragic decision, as Kaiser, regardless of its non-profit status, is a "market force," business (read "capitalist") entity that will not work to achieve and does not have genuine heart for universal, single-public-payer health care.

A deeply disappointed GHC Member,

Terrill L. Gibson, Ph.D.



Dear Ms. Byington:

I am a proud Group Health member. I have deep concerns about my recent discovery of the dual process of membership [the original Wobbly street organizers would have been appalled] and particularly about the timing of the announcement of the proposed sale, a timing making it virtually impossible for mass voter registration and protest of something deeply disruptive to the core Group Health socialist/universalist health care vision. That process seems to be a calculated undercutting of mass member empowerment and voice in this profoundly upsetting proposal that affects health care and health care policy for not just Group Health members but all US citizens. Group Health is arguably the last, full-scale socialist-leaning health care entity left in the nation. The spawn of Industrialist Henry J. Kaiser does not have this vision in its veins or DNA.

I would like the exact dates, times and addresses for all upcoming public meetings regarding the pending sale of Group Health to Kaiser. I also would like copies of the board-generated Background Statement, the Pro Statement and the Con Statement. Please provide these materials as soon as possible.

Most importantly, I hope all in leadership positions at GHC reconsider, slow this process way down, launch a mass membership information dispersal effort and subsequent voter enrollment drive, and then enable a genuine, broad, in-depth, democratic "Town Hall" conversation. Information dispersal should include genuine Pro and Con side-by-side statements generated by members with positions on this matter authentically firing in their bellies, not by hermetically-sealed Board members or staff. The Town Hall meeting must be one for which all one needs for both voice and vote is a Group Health enrollee card. Your process, as it now stands, is neither just nor inclusive. It appears to be simply a closed-loop, highly-managed, top-down, capitalist-style maneuver to make more centralized, profitable, and money-structured organization and to undercut ever more deeply genuine depth/relational health care.

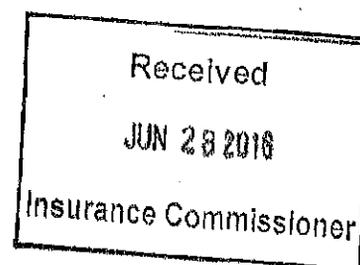
It's time finally to say, "Enough." It's time for genuine universal, single payer, health care, not another "efficiency" merger.

I suspect the GHC board and staff leadership mean well. I presume you all are not even aware of the closed-circuit, philosophical echo-chamber within which you operate. I imagine most of you genuinely believe this sale is for the Better Good. Hopefully, since I believe you are good-willed human beings, you might now step back from this precipice and see what a precious gift you are about to throw away. In such a predatory, inhumane, trumped society it is easy to lose one's way individually and collectively.

I look forward to your response.

Cordially,

Terrill L. Gibson, Ph.D.
Group Health Cooperative Member



My name is Don Glickstein, and I've been a Group Health member for 34 years, I also worked for Group Health for 26 of those years, not because it was a job, but because it was a calling, I was also a member of KP Colorado for a year,

In considering this sale and disbanding of the Cooperative, the OIC should ~~ask~~ ^{consider the} three things related to cost, clinical quality, and consumer rights:

First:

1) Will the sale reduce competition, thereby decreasing pressure to keep costs low? Since KP and Group Health don't compete right now, the answer is that competition won't be reduced. If anything, given KP's greater resources and its much better business systems, it will contribute to a slowing ~~up~~ the rate of premium increases.

The second ~~question~~.

2) Will the sale reduce clinical quality? I think it's fair to say that in many, if not most, areas, KP has better clinical quality than Group Health.

For example, KP doesn't put up with its medical center snack bars selling ~~nutritional~~ crap—like the pizza and pastry Group Health sells. That's a small example, but it permeates throughout its system.

The third question.

3) Will the sale diminish consumers' ability to effect change. Despite KP's pledge to maintain the senior caucus, and create advisory groups, the answer is that yes, our ability to effect change will be diminished.

For example, any Group Health member can speak before the Cooperative's Board of Trustees. I know, I've done so when I've disagreed with some of management's actions.

^{ask} I ~~use~~ the OIC to require KP's regional governing board to have and publicize at least three public sessions a year at which consumers can talk about policy issues or management practices.

The last question.

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JUN 29 2016
INSURANCE COMMISSIONER



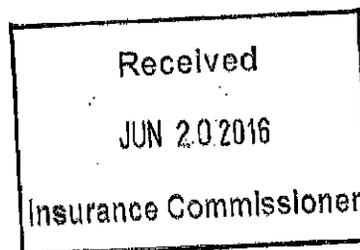
4) Does Group Health have another long-term option ~~it can use~~ so it can *better* compete against the for-profit and de facto for-profit insurance companies?

It does. It can enter into a deep alliance with the Catholic healthcare system. But that would have a terrible consequence of reducing the right of members to get abortions, birth control, and death with dignity. A purchase by non-secular KP avoids that danger.

To summarize, I believe the advantages of the purchase outweigh the disadvantages, and the OIC can mitigate the major disadvantage by requiring more channels consumers can use so their voice is heard by KP management.

Christine O. Gregoire
Former Governor of Washington State

Mike Kreidler, Insurance Commissioner
Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504



RE: Kaiser Permanente Acquisition of Group Health Cooperative

Dear Commissioner Kreidler,

I am writing to offer my full support of the proposal before you concerning Kaiser Permanente's acquisition of Group Health Cooperative.

Group Health is a great asset to the people of the state of Washington. I believe this will only be enhanced through the acquisition by Kaiser. Group Health's high quality integrated system of care delivery and financing has served as a model for our state and was very much a part of the thinking behind our state's efforts to implement the Affordable Care Act, something both you and I strongly supported. Since Kaiser's approach is very similar we can expect that their investments in care delivery will help grow and strengthen this excellent system of care. That will be a good thing for all consumers in the state.

I believe that Kaiser's commitment to keep the management of the new non-profit organization in Washington State is also very important. Local management helps assure local decision-making. That is the best guarantee we can have that decisions will continue to be responsive to the health care needs of its patients and to the health of our communities.

Consumer input and engagement in policymaking has been a cornerstone of Group Health Cooperative and here too Kaiser will take steps to preserve what's good. The new Member Advisory Committee will help assure that a unique and strong consumer voice continues to speak out on issues of social and public policy importance. Preservation of the Senior Caucus will similarly help maintain an important voice on senior issues at a time when this population is growing and its needs are increasing.

Thank you for the opportunity to speak in favor of the Kaiser Permanente acquisition of Group Health Cooperative. I hope you will act favorably and approve this transaction.

Sincerely,

A handwritten signature in cursive script that reads "Christine O. Gregoire".

Christine O. Gregoire
Former Governor

From: Halpin, Dan (OIC)
To: Pastuch, Ron (OIC)
Subject: FW: COMPLAINT 1383834
Date: Thursday, July 07, 2016 2:41:15 PM
Attachments: [Image001.png](#)

Here is a follow-up letter from Mr. Hanna regarding the GHC/Kaiser merger.



Dan Halpin
Compliance Analyst
Washington State Office of the Insurance Commissioner
1-800-562-6900 (office)
DanH@oic.wa.gov

Protecting Insurance Consumers

www.insurance.wa.gov | twitter.com/WA_OIC | wainsurance.blogspot.com | [email/text alerts](#)

From: lawrence hanna [mailto:13thiowa@gmail.com]
Sent: Thursday, July 07, 2016 1:42 PM
To: Office of the Washington State Insurance Commissioner <CAP@OIC.WA.GOV>
Subject: COMPLAINT 1383834

Dear Dr. Kreidler et. al. , When the first rumblings of this process began in October 2014, I contacted you by phone and was given basically the same information. I took your advice to heart and formally filed with ERISA, WHOSE RESPONSE was to contact GHC, whose lawyer spokesman, a gentleman named Ladd Leavens wrote a reply stating that I and others were "not a retiree because I was too young" based on a redefinition of what a retiree is, based on an alleged undocumented secret meeting that supposedly occurred in 1993, 12 years before I was required to sign up for Medicare, and 19 years into a full time career, apparently with an unstated date of implementation in some vague future time, and condemning hundreds of then living breathing working people to a potential loss of deferred compensatory medical care used as "bait" to get people to accept well below market salaries, The offer was long after still used as a hiring ploy for NON UNION staff employees and assurances were given by both GHP AND GHC leadership that this would never actually happen, a takeaway i.e. Therefore we are left in a reverberating circuit, as it were, with jurisdictional fog intentionally introduced to block actionable remedial action.

Therefore, I still contend that this places a lien on the intended merger. demonstrating decades of conscious cheating by first GHC, then joined by GHP in a collusion fueled by greed, and in service of dishonest insurance business and employer /employee relations. Please bring these thoughts to the attention of the commissioner himself, even though his public disclaimer calls into question his distance from the need for strict impartiality in adjudicating this important matter.

I thank you for the promptness of your reply and for the time expended in looking into this admittedly complex and many faceted issue. And I would like very much for the commissioner himself to respond.

Sincerely, Lawrence J Hanna 13thiowa@gmail.com home phone 3604912505.

* Required field

Your question or problem

What type of insurance coverage is your question or problem about?

Health insurance

If other, please explain

What is your question or problem? *

re; complaint 1383834, I,d like to ask Dr., Kreidler if he has seen the referenced manual and if he has aSked to see any of the documentation from either GHC OR GHP JUSTIFYING THE TAKEAWAY OF HEALTH INSURANCE FROM RETIREES GROUP B & C in order to facilitate the merger?

Your contact information

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Phone *

3604912505

My Notes for Testimony on Bill SB 6323

Mr. Chair and members of the committee. My name is Walter Jorgensen. I'm from Tumwater, representing myself, and here today to support passage of Bill 6323.

I have been a Group Health member since my first opportunity as a government employee with the Office of Financial Management in 1968 through the Tumwater City Council in 1999 to today as a PERS I retiree. I have always been more than satisfied with the health care service I and members of my extended family have received from Group Health as patients. I cannot say the same for their treatment of me as a customer and a second-class co-op member.

I appreciate Senator Chases' attentiveness in this matter and her appropriate remedy to employ the oversight authority of the State, I assume through the Office of the Insurance Commissioner.

This is the first essential step to re-enfranchising half a million people who thought they were members of an authentic health co-operative. 95% of Group Health's membership will not be allowed to vote on the most important issue since the organization's inception, whether to sell out to Kaiser Permanente. In the parlance of the trustees, these 95% are "one issue voters" or members of a "special interest group" because they didn't indicate *in time* that they wanted to be actual "voting" members. Under the bylaws, members must be registered to vote at least 60 days in advance. Group Health waited until 57 days before the proposed vote to announce the deal.

And predictably, Group Health has been reluctant and slow to release details of the proposed acquisition.

I know this bill isn't just about Group Health. But that's why I'm here. Just as we ask of government in our roles as citizens, give us information and let us vote. That's all we ask here.

Thank you for the opportunity to testify.



Jon Talton / Columnist

More than a name change at stake in Group Health-Kaiser deal

Originally published December 12, 2015 at 8:00 am Updated December 15, 2015 at 10:17 am If Kaiser Permanente wins approval to acquire Group Health, it will mark more than the loss of another Seattle institution. Group Health was a model for how we might push back against money driven health care:

When a key player in a merger proclaims "This is an exciting new chapter," as Dr. Steve Tarnoff, president of Group Health Physicians, said of Kaiser Permanente's pending acquisition of Group Health Cooperative, one must always ask, exciting for whom?

Oh, and define exciting.

Adding Group Health and its 600,000 members in Washington and northern Idaho to its portfolio would be a coup for Kaiser Permanente, a large, complex and storied managed-care organization.

Kaiser already operates in eight states plus the District of Columbia and claims 10 million members, 177,000 employees and 18,000 physicians. Growing out of industrialist Henry Kaiser's efforts to meet his workers' comp needs in the 1930s, it pioneered the HMO/managed-care model.

The not-for-profit Kaiser entity includes health plans and hospitals, pulling down more than \$56 billion in revenue and \$3.1 billion in net income last year. The Permanente Medical Groups are for-profit corporations or partnerships of physicians that contract exclusively with Kaiser health plans.

(The second part of the name comes from Permanente Creek, which was near Henry Kaiser's first cement plant in what is now called Silicon Valley).

In other words, everything about Kaiser Permanente is big.

How big a change this will be for Group Health patients remains to be seen. Like many aspects of the transaction, much remains to be revealed. In its news release, Kaiser said, "During this transaction process, nothing will change for Group Health patients, members and customers."

But note the perhaps telling opening words of that sentence. After the transaction process, things might change a great deal. Group Health and Kaiser have operated closely on some fronts since the late 1990s, including reciprocal member services. But the two were separate and independent even though a merger was discussed but ultimately scuttled.

I wonder how much that earlier merger failed over a clash of values as much as how the deal was structured. My experience with Group Health was much better than my previous interactions with the regimented, top-down-managed Kaiser doctors. To be fair, many people swear by Kaiser, but it would be unrealistic to expect good old Group Health to merely change the signs.

One sure shift is the loss of another important and unique locally controlled institution. Group Health

was founded in 1945 by an alliance of labor, citizens and doctors seeking a community good through cooperative effort. It was not an industrialist's pet project.

Group Health's website history says critics used the words "radical," "controversial" and "socialist" to describe it. How Seattle.

Kaiser's headquarters occupies several buildings in downtown Oakland, Calif. Group Health was never such a force in Seattle, but you can be sure the high-end decisions will soon be made in Oakland and some number of duplicative jobs here be axed. Will Kaiser use, for example, Seattle advertising firms for its promotion here? Unlikely.

Being a branch office is rarely happy, especially in terms of the high-wage jobs, talent, capital and spillover effect that headquarters bring. Seattle's experience with California (Seafirst) and New York (Washington Mutual) buyers has been particularly bitter.

We also lose Group Health's potential for innovation and growth as a stand-alone. The cooperative's achievements were enough to draw national attention, including an admiring 2009 case study from the Commonwealth Fund.

Group Health was also the co-op model cited in a New York Times editorial criticizing congressional Republicans undermining other co-ops as part of their war against Obamacare.

Finally, Group Health is a substantial part of Seattle's biomedical cluster with its research arm working with the University of Washington. Kaiser has indicated it would contribute some amount to research. But, once again, the local control and exchanging of ideas in the creative spaces of the city is lost.

Two years ago, Group Health CEO Scott Armstrong initiated serious cost cutting, including layoffs, to improve the cooperative's balance sheet. Revenues rose modestly in 2014 but revenues from premiums were lower.

A significant blow to co-ops and smaller insurers came from a little-noticed provision that Sen. Marco Rubio, R-Fla., and a presidential candidate, tucked into a spending bill last year. It severely slashed funds that would have cushioned the plans if they carried too many sick people and didn't generate enough premiums.

The health-care reporter Robert Pear wrote in The New York Times last week that Rubio's "plan limiting how much the government can spend to protect insurance companies against financial losses has shown the effectiveness of quiet legislative sabotage" of Obamacare.

An observer with expertise in the field told me that the biggest incentive driving Group Health to Kaiser is "ongoing risk concerns." Those risks ranged from the financial markets and malpractice insurance to having the funds to maintain facilities and expand.

So another local institution gets swallowed by the bigness complex. Things get bigger but not better.

Meanwhile, America's for-profit medical system and its congressional stooges are doing everything they can to roll back Obamacare. And let's not forget, this was the conservative alternative to universal single-payer, although conservatives disowned it once President Obama put it forward.

So the U.S. will continue spending more for health care than other advanced nations and getting only mediocre outcomes, except for the rich. Who benefits? Companies such as tax dodger Pfizer, which set the price for its new breast-cancer drug at \$9,850 a month.

According to a report in The Wall Street Journal, the average cost of a brand cancer drug in the United States has doubled over the past decade to around \$10,000 a month.

This is one glimpse of the many headwinds that Group Health, and even large insurers, face. So,

excited? No. How about outraged?

You may reach Jon Talton at jtalton@seattletimes.com



Commissioner Kreidler's statement that he intends to preside over adjudicative hearing concerning Kaiser Foundation Health Plan, Inc.'s proposed acquisition of Group Health Cooperative

March 2, 2016

To the citizens of the state of Washington and interested parties:

The Office of Insurance Commissioner (OIC) previously informed the public that on December 3, 2015, Group Health Cooperative (Group Health) notified the OIC that it intends to be acquired by California-based Kaiser Foundation Health Plan, Inc. (Kaiser FHP). A Group Health membership vote on the proposed acquisition is scheduled to occur between January 30, 2016, and March 9, 2016. A final announcement is expected by March 12, 2016.

If the acquisition is approved by Group Health voting members, my staff and I will be tasked with reviewing a formal application, known as a Form A, from Kaiser FHP concerning the acquisition. This review is governed by state law (RCW Chapter 48.31B), and, in particular, RCW 48.31B.015, and will require my staff and I to look closely at how Kaiser FHP's acquisition of Group Health could affect the overall stability of the health insurance market in Washington state. This includes competition and consumer choice.

The review will involve two phases. During the first phase, specialized OIC staff, including accountants, lawyers and financial examiners, will review Kaiser FHP's Form A and make a recommendation to approve or disapprove. The second phase will involve a public hearing on the evidence pursuant to RCW 48.31B.015(4)(b), including OIC staff's recommendation, and will conclude with a decision or order issued by me, approving or rejecting Kaiser FHP's proposed acquisition of Group Health, after I have applied the criteria outlined in RCW 48.31B.015(4)(a).

By law (RCW 48.04.010(1)), I am required to hold a hearing, if any provision of Title 48, the insurance code, requires it. RCW 48.31B.015(4)(b) is such a provision. Washington Administrative Code (WAC) 284-02-070, which governs administrative hearings before my agency, states in part: "Provisions applicable to adjudicative proceedings are contained in chapter 48.04 RCW and chapter 34.05 RCW, the Administrative Procedure Act, and chapter 10.08 WAC." RCW 34.05.425(1)(a) and RCW 34.05.461(1)(a) allow me to operate as presiding officer over the hearing on Kaiser FHP's proposed acquisition of Group Health, and enter a final order, approving or disapproving that acquisition.

My historical relationship with Group Health is something I wish to enter into the public record prior to the onset of any such hearing. In 1972, while a graduate student at UCLA, I interviewed

Commissioner Kreidler statement re adjudicative hearing concerning Kaiser Foundation Health Plan, Inc.'s proposed acquisition of Group Health Cooperative

March 2, 2016

Page 2

with and was ultimately hired by Group Health as an optometrist. Coincidentally in 1972, I also interviewed with Kaiser in Oregon and was offered a comparable position, which I respectfully declined.

From 1972 until 1977, I was employed full-time in my optometrist position with Group Health. From 1977 until 1984, I served in the Washington State House of Representatives, and from 1985 until 1992, I served in the Washington State Senate. During my tenure in the Legislature, or from 1977 until January 1993, I held a part-time position with Group Health as an optometrist. From January 1991 until April 1991, I was called to active duty in the Army Reserves during Operation Desert Storm. Following the legislative session in 1992, I took a sabbatical from my job with Group Health for the remainder of the year, which was permitted during that time for employees with continuous employment of at least 10 years.

During my sabbatical, I campaigned for a seat in the United States Congress (Washington's 9th District), which I ultimately won. Following my election to Congress, the medical staff - a separate entity that contracted with Group Health and was in charge of the medical professionals there - granted me a leave of absence from my position as an optometrist. When my bid for re-election in 1994 was unsuccessful, I began the process to rejoin the medical staff at Group Health, but then was offered and accepted an appointment by then-Governor Mike Lowry to serve on the Northwest Power Planning Council. During January 1995, Group Health and I parted ways on amicable terms, following my voluntary resignation from the medical staff. Since then, I have not rejoined the medical staff at Group Health as an optometrist. However, since that time, Group Health has been the health care provider for my family and myself.

For a two-year period during the 1980s, I was a founding board member of the Group Health Foundation, a nonprofit entity affiliated with Group Health that funds medical research projects and health-related activities. I no longer serve as a member of the Foundation's board. During my tenure with Group Health, I was a part of the medical staff's retirement plan, but when I left Group Health, I withdrew any interest I had in the plan.

I currently have no retirement plan administered by Group Health, the medical staff, or Kaiser FHP. My family and I have no economic or ownership interest in Group Health or Kaiser FHP. None of my family members are employed by Group Health or Kaiser FHP. The sole connection my family and I have to Group Health is the same as anyone who is a subscriber to one of its medical plans.

Washington state law (RCW 34.05.425(3)) states that any individual serving as presiding officer "is subject to disqualification for bias, prejudice, interest, or any other cause provided in this chapter or for which a judge is disqualified." In the administrative law context, three types of bias require disqualification:

1. Prejudgment concerning issues of fact about parties in a particular case;

Commissioner Kreidler statement re adjudicative hearing concerning Kaiser Foundation Health Plan, Inc.'s proposed acquisition of Group Health Cooperative

March 2, 2016

Page 3

2. Partiality evidencing a personal bias or personal prejudice signifying an attitude for or against a party as distinguished from issues of law or policy; and
3. An interest whereby one stands to gain or lose by a decision either way.

See *Faghth v. Dep't of Health, Dental Quality Assurance Comm'n*, 148 Wn. App. 836, 842-843 (2009), rev. denied 166 Wn.2d 1025 (2009). I have no such bias that disqualifies me from presiding over the hearing mandated by RCW 48.31B.015(4)(b).

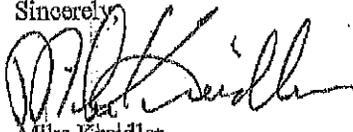
Washington Code of Judicial Conduct Canon 2.11(A) disqualifies a judge from presiding over a matter if the judge's impartiality might reasonably be questioned, including among other things:

1. The judge has a personal bias or prejudice concerning a party or a party's lawyer, or personal knowledge of facts that are in dispute in the proceeding;
2. The judge knows that the judge or his family is a party to the proceeding, or an officer of either party, acting as a lawyer in the proceeding, has more than a de minimis interest that could be affected by the outcome, or could be a material witness in the proceeding;
3. The judge or his family has an economic interest in the subject matter of the proceeding.

RCW 4.12.040 also dictates that a judge not preside over an action if the judge is prejudiced against any party or attorney appearing in the proceeding. As previously stated, the limited interest my family and I have in Group Health as subscribers to its medical plan does not violate the legal benchmarks. Therefore, I plan to preside over the adjudicative hearing regarding Kaiser FHP's proposed acquisition of Group Health.

When presiding over the hearing, I will be fully impartial. I have no prejudice for or against either Group Health or Kaiser FHP that would prevent me from doing so.

Sincerely,



Mike Kreidler

Washington State Insurance Commissioner



Group Health Cooperative
Board of Trustees
POLICY

Number: 000-101
Adopted: 7/13/05
Revised: 6/13/07
Last Review: 6/13/07

SUBJECT: Voting Membership

POLICY: Membership in Group Health Cooperative shall be open to those consumers 18 years of age or older, current in monthly premiums, who believe in its purposes and in democratic cooperative principles, and who indicate the same by applying for membership.

Management shall develop the necessary procedures to implement this policy.

EXPLANATION:

The Group Health Cooperative Bylaws set several goals which include serving the greatest possible number of people under consumer cooperative principles without discrimination. All consumers who believe in the Cooperative's purposes are encouraged to become voting members and participate in governing the Cooperative. The Board of Trustees shall establish requirements and procedures for consumers to become members and a consumer shall become a member upon compliance with such requirements and procedures.

I. Admission to Voting Membership

Admission to voting membership does not affect a person's or a family's agreement with the Cooperative for receipt of medical or hospital services. The Board approves voting membership qualifications and reviews or delegates to the Cooperative Development Committee authority to review appeals of denials of voting membership. Management establishes necessary procedures for processing voting membership applications, publicizes the advantages of voting membership, and encourages individuals to become voting members. Management presents reports of its activities and consults with the Cooperative Development Committee on a regular basis.

II. Refund of Membership Fees and Capital Dues

Persons admitted to membership prior to October 1, 1989 were required to pay membership fees and capital dues, which included an entrance fee of \$25, a lifetime membership fee of \$75, and \$100 for capital dues. Persons admitted to membership on or after October 1, 1989, and prior to February 1, 1999 were required to pay a one-time non-refundable entrance fee of \$25. Persons admitted to membership on or after February 1, 1999 are not required to pay an entrance fee, but are required to register to vote by submitting a membership application.

The membership fees and capital dues, less the entrance fee amount, for those members joining the Cooperative prior to October 1, 1989, shall be refunded when the member terminates health care coverage. Such refunds shall be made within 30 days of termination. The Bylaws give the Board authority to provide for refunds of any portion of the membership fees and to determine policy and procedures for the refund of capital dues.

SUBJECT: Voting Membership

III. Dual Membership Status

Cooperative members who, prior to February 1, 1999, received their coverage under a group contract and paid in full, or were in the process of paying their membership fee and capital dues, have dual membership status.

Dual status members retain the rights and responsibilities of all Cooperative members, e.g., the right to serve as trustee, the right to vote. Health care benefits are determined by the group contract. As of February 1, 1999, dual membership status is closed to new members.

To maintain dual membership status, the Cooperative member shall be responsible for being current in payments on membership fees and capital dues. Once a dual status member leaves Group Health and does not elect to obtain Group Health coverage within 30 days, his or her dual membership status is cancelled.

IV. Expulsion of Members

Any member may be expelled from membership upon two-thirds (2/3) vote of the Board, after notice and hearing before the Board. Grounds for expulsion are neglect or refusal to comply with the Bylaws or with any regulation duly adopted by the Board or by the membership.

Any member so expelled shall have the right to appeal, with notice and hearing, at the next succeeding annual meeting of the members or at any special meeting called for that purpose, if a notice of appeal is filed with the Secretary within 30 days after expulsion. The expulsion shall be confirmed, or reinstatement effected, by majority vote of the members present at such a meeting.

Group Health power play subverts members' interests

By Sen. Maralyn Chase

Group Health Cooperative is one of the three largest health insurers in Washington State with more than 518,000 policyholders, 17.5 percent of the market and assets worth more than \$2 billion in the form of long-term securities, land, buildings and equipment, and a surplus of more than \$888 million in cash.

The co-op was organized and operated under consumer cooperative principles in 1947, but those principles are now in jeopardy.

Co-op managers have proposed a plan to dissolve the cooperative, stripping the consumer members of their interests in the co-op's \$888 Million of statutory surplus and eliminating their voting interests and control of the co-op. At the same time, the plan would divert \$1.8 billion in acquisition proceeds to a new foundation with no members' voting rights or control.

The co-op managers named themselves the managers of the new foundation and the diverted \$1.8 billion. This not only raises serious questions of conflict of interest, it is fundamentally unfair to the co-op's members.

Under the co-op's bylaws, the managers are required to provide members with "relevant information necessary for the members to make an informed decision including, but not limited to, any changes concerning the health care services to consumers and members, staff, facilities, the scope of consumer governance, and the financial impact on the cooperative." But this has not been the case.

The managers have refused to provide information necessary for members to cast an informed vote. Areas of omission include alternative transactions that were considered by the co-op's managers, the pros and cons of each, and the Evercore strategic analysis of alternatives that asserts that the dissolution of the co-op is fair from a "financial" point of view. Consumer members want a transparent process and continue to ask for full and timely disclosure of the records used to justify the necessity for dissolving the cooperative and stripping the members of the cash surplus, voting rights and control.

This is an undemocratic, fast-track approach on the part of the co-op's managers. Co-op members have been denied access to the necessary information, facts and implications, and consequences, of the acquisition as well as the opportunity to cast an informed vote. What kind of democratic organization allows fewer than 9 percent of its members to vote on an issue?

To that end, I am introducing legislation to establish a series of safeguards, including a requirement for 120 days advance notice of any such action to ensure that members have the opportunity to fully assess and challenge any potential changes that would affect them.

The result should be a cooperative that is governed democratically, that stands by its policies and values, and upholds its commitments to its members.

Sen. Maralyn Chase represents Washington's 32nd Legislative District.

WHAT A YES VOTE MEANS

Make no mistake - you are being asked to end Group Health Cooperative. This vote dissolves our co-op and ends any chance for a future vote and any chance for local control.

DON'T BE FOOLED BY THE BOARD'S SCARE TACTICS. We have been in existence for almost 70 years and have been in the forefront of managed care. We are looked on nationally as a model of effective health care.

THE BOARD HAS YET TO PROVIDE FACTUAL EVIDENCE THAT GHC'S SITUATION IS SO DIRE THAT WE NEED TO DISSOLVE OUR CO-OP. The Co-op's membership has not declined, despite their claims; only the outside arms, such as Options, have lost members. Our financials are strong, as the Board admits elsewhere.

Why did the management and board of GHC announce the Kaiser acquisition after the deadline for members to register to vote, thus excluding the vast majority of members?

WHY IS THERE AN EARLIER CEASE AND DESIST ORDER AGAINST KAISER PRACTICING IN OUR STATE?

THE ACQUISITION PROCEEDS OF \$1.8 BILLION DON'T COME TO THE MEMBERSHIP. If this vote passes, they'll go to a new foundation over which members have no control - the Board has set itself up to run it.

WE NEED TIME TO INVESTIGATE THE ISSUES. If Kaiser wants to buy GHC they can wait 3 months while the membership gets all the facts & figures, and has time to study our options.

WHAT GUARANTEES DO WE HAVE against future rate increases by Kaiser to recoup their acquisition costs?

Please vote **NO** on this plan to dissolve the Cooperative.

Contact us at:
saveghc@gmail.com

Visit the "Group Health Concerns" website: <http://www.ghconcerns.org/>

XFINITY Connect

waltjorgensen@comcast.net
+ Font Size -

Re: Good NEWS

From : waltjorgensen@comcast.net
Subject : Re: Good NEWS

Fri, Jan 22, 2016 08:31 PM

To : Maralyn <maralynchase@gmail.com>, Sharron Coontz <sharroncoontz@gmail.com>
Cc : Susan Ahlschwede <seaolympia@gmail.com>, Chuck Bean <chuckcBEAN@hotmail.com>, Gerald Betts <eagle178@msn.com>, Carln Chase <carlnchase@gmail.com>, Chris Chisolm <chris@wolfcamp.com>, Mike Coday <mike@smallblueplanet.org>, Thad Curtz <curtzt@nuprometheus.com>, Curt Fackler <fackler@jgilde.net>, James Hauser <jameshauser1943@gmail.com>, Peter Henry <hanty_pat@msn.com>, Kate Hubbard <hubbardkate@hotmail.com>, Kate Hunter <kateahunter842@gmail.com>, Bob Jacobs <JacobsOly@aol.com>, Dennis Julnes <djulnes@aol.com>, Frank Kroger <frankkroger@gmail.com>, Jim Lazar <jlm@jmlazar.com>, Steven MacDonald <steven.c.macdonald@comcast.net>, Brian McCulloch <Brian.McCulloch@yahoo.com>, Victoria (Vicki) Neumeler <neumelerV@msn.com>, John Newman <jnw@surveyqc@cs.com>, Elaine Phelps <efphelps@earthlink.net>, Julie Popper <julie.popper@gmail.com>, Anne Stadler <Anne.m.stad@gmail.com>, Aaron Stadler <aaron.stad@gmail.com>, Cynthia Stewart <stewdah1@comcast.net>

Maralyn, Sharron, et al,

Firstly, thanks to you *all* for the amazing response to this predictable but despicable corporate maneuver to nullify our rights as members of a co-op enterprise.

(Image two more paragraphs of the usual rhetoric for the choir here.)

Secondly, as part of that Olympia contingent, I commit to helping supply room-filler at the hearing on the 27th, i.e., I will be there to testify. That could be me reading a statement prepared by one of the more knowledgeable among us or conjuring up my own. As Sharron noted for the hearing (27th) as well as the meeting (30th), I will need talking points to inform the substance of my remarks. I'm equally comfortable and practiced in either. Means I have to wear a clean shirt on two days in the same week, but I'll manage.

Thirdly, as you can see (copied below), I have received an invitation from Group Health to attend the meeting on the 30th. That invitation includes the following text:

Important Information

As an eligible voting member, you can participate in an advisory vote at the meeting. The advisory vote is non-binding, and is used as a recommendation to the voting membership. The final and binding vote will take place via mail-in ballot, which will be sent to you in February.

Am I missing something? Does this represent a big turn-around in Group Health's interpretation of the rules and manipulation of the membership? This notification tells me that I get to vote both in the January 30th advisory vote and the February binding vote. Heretofore, I thought that I and other dormant members had been cleverly cut out of the vote by not telling us about it until it was conveniently too late for us to become "voting" members in time to qualify.

I'll start thinking like an newly empowered co-op citizen until I hear differently from you.

Ever hopeful,

Walt

Walter R. Jorgensen
823 North St SE
Tumwater, WA 98501-3526
waltjorgensen@comcast.net
360-489-0764 (home)
360-819-0678 (cell)

P.S.: In the past, TVW has covered at least a couple of our (The Carnegie Group) forum events broadcast live from the Senate Hearing Room. I *did* get some feedback from Washingtonians on the other side of the mountains, but I think some of the 4 million might have had to catch it on reruns.

From: "Group Health Governance Services" <governance@grouphealthcares.org>
To: waltjorgensen@comcast.net
Sent: Friday, January 22, 2016 7:45:47 PM

Subject: Your confirmation for the Jan. 30 Special Meeting

Important details for the Special Meeting of the Membership | [View Online](#)



Special Meeting of the Membership
REGARDING GROUP HEALTH JOINING KAISER PERMANENTE

Your meeting reservation

Thank you for registering to attend the upcoming Special Meeting of the Membership. Your participation is key to Group Health's future. Please check your reservation below.



Important Information

As an eligible voting member, you can participate in an advisory vote at the meeting. The advisory vote is non-binding, and is used as a recommendation to the voting membership. The final and binding vote will take place via mail-in ballot, which will be sent to you in February.

Our members have shown tremendous interest in this event. We expect to reach maximum capacity, and seating at The Westin will be reserved for members who are eligible to vote. A second location at the nearby Paramount Theatre has been added to accommodate all other attendees and overflow from The Westin if needed.

You are registered as an eligible voter. Please arrive at The Westin as early as possible to allow time for registration and seating.

Your reservation for Jan. 30:
Vikki Valdez

SATURDAY, JAN. 30
The Westin Seattle, 1900 5th Ave.
7:30 a.m. Registration begins
9:00 a.m. Meeting program begins

Meeting agenda (PDF)
Parking and directions (PDF)

Registered for childcare: No

Registered for transportation: No
Please allow enough time to account for

MORE INFORMATION

Check for meeting updates and other voting member information at ghc.org/specialmeeting

Learn more about the acquisition at ghcnews.org

Questions about voting eligibility? Call toll-free **1-855-413-1611**

If you can no longer attend the meeting, please e-mail governance@ghc.org

traffic and parking congestion.

Disabled parking: No

QUESTIONS?

Please call 1-855-413-1611 or go online to ghc.org/specialmeeting.



GroupHealth.

This email was sent to: waltjorgensen@comcast.net

This e-mail is compliant. You are receiving this email because you have opted in to receive communications from Group Health.

[Unsubscribe](#) | [Update Profile](#) | We respect your right to [privacy](#).

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Seattle, WA, 98109, US
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16-ADM-1179

From: "Sharron Coontz" <sharron.coontz@gmail.com>
To: "Maralyn" <maralynchase@gmail.com>
Cc: "Susan Ahlschwede" <seaolympia@gmail.com>, "Chuck Bean" <chuckcBEAN@hotmail.com>, "Gerald Betts" <eagle1178@msn.com>, "Carin Chase" <carinchase@gmail.com>, "Chris Chisolm" <chris@wolfcamp.com>, "Mike Coday" <mike@smallblueplanet.org>, "Thad Curtz" <curtzt@nyprometheus.com>, "Curt Fackler" <fackler@iglide.net>, "James Hauser" <jameswhauser1943@gmail.com>, "Peter Henry" <henry_pet@msn.com>, "Kate Hubbard" <hubbardkate@hotmail.com>, "Kate Hunter" <kateahunter842@gmail.com>, "Bob Jacobs" <JacobsOly@aol.com>, "Walt Jorgensen" <waltjorgensen@comcast.net>, "Dennis Julnes" <djulnes@aol.com>, "Frank Kroger" <frankkroger@gmail.com>, "Jim Lazar" <jim@jimlazar.com>, "Steven MacDonald" <steven.c.macdonald@comcast.net>, "Brian McCulloch" <Brian.McCulloch@yahoo.com>, "Victoria (Vicki) Neumeier" <neumeierV@msn.com>, "John Newman" <nwsurveyqc@cs.com>, "Elaine Phelps" <efphelps@earthlink.net>, "Julie Popper" <julie.popper@gmail.com>, "Anne Stadler" <Anne.m.stad@gmail.com>, "Aaron Stadler" <aaron.stad@gmail.com>, "Cynthia Stewart" <stewdahl@comcast.net>
Sent: Wednesday, January 20, 2016 10:47:17 PM
Subject: Re: Good NEWS

I think I can be at the hearing on the 27th, but I'll need talking points from you.

ditto for the 30th - perhaps anyone here on the 27th for the hearing could get together for a bit after it and discuss?

On Wed, Jan 20, 2016 at 6:48 PM, Maralyn <maralynchase@gmail.com> wrote:

We are extremely busy (putting it kindly) in the Senate. However, I have some very good news on two fronts.

1. We will have a hearing on our bill - SB 6323 - Domestic Insurer acquisition - on Wednesday, 1:30 - January 27.
2. The main pitch will be about 15 minutes; the chair will then call for the people who have signed up to testify to come forward and will be given 2 to 3 minutes.
3. We also need to fill the room with supporters - so it would be helpful if we can contact the Olympia contingent to see if they could do that. If people come to this hearing they will be given an opportunity to testify - usually 3 minutes - We ought to be able to have sufficient people to read two minute statements so we can get our full case out there.
4. Our Op Ed will run in the Seattle Times on Monday, Jan 25 -

The public hearing that will be on TVW - TVW claims they reach 4 million people.

We also need to prepare our testimony for Jan 30 - at the Westin - which will be 5 minutes, for sure, which I am designated to deliver. The other CON statements will follow - which I think ought to be prepared so people who do get their names drawn and do not want to relinquish their spot will have something good to say.

XFINITY Connect

waljorgensen@comcast.net
+ Font Size

Group Health Acquisition by Kaiser Permanente

From : waljorgensen@comcast.net
Subject : Group Health Acquisition by Kaiser Permanente
To : Vickie Nash on behalf of Scott Armstrong, Group Health President & CEO <presidentceo@grouphealthcares.org>
Cc : Selena Davis <davis.sx@ghc.org>, GH Board of Trustees <governance@ghc.org>

Tue, Dec 29, 2015 11:32 PM
3 attachments

Vickie Nash
on behalf of Scott Armstrong, President and CEO
Group Health Cooperative

Dear Vicki,

Thank you for your timely reply to my inquiry (attached) and appropriate registration instructions. As you can see, I have completed the registration process. Am I also now part of a voting-member listserve, forum, Facebook or other interactive mechanism that will facilitate communicating with my fellow voting members. I'd like to ask them some questions and share some ideas.

Thanks for your help. I look forward to taking part in the cooperative process.

For future correspondence, my preferred medium is email. Please provide me your email address. If required by your policy, you may continue to supplement with hard copy.

About Us | Careers | Group Health Research Institute | Group Health Foundation

LOG OUT



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- Messages
- Visit & Call Summaries
- Medical Record
- Medications
- Medical Bills
- Health Profile
- Health Coverage
- FIND YOUR WAY AROUND GROUP HEALTH
- Looking For Coverage?
- Getting Started
- Provider & Facility Directory
- Specialty Care
- Health Care Services
- Pharmacy Services
- Customer Service
- Member Governance & Participation
- HEALTH INFORMATION
- Health & Wellness Resources

Thank You

You will receive a new voting member confirmation letter within 2-3 weeks.

Group Health's annual membership meeting takes place in October. If you are registered by the established annual deadline, then as a voting member, you will receive information prior to the meeting.

Walter R. Jorgensen
823 North St SE
Tumwater, WA 98501-3526
waljorgensen@comcast.net
360-489-0764 (home)
360-619-0678 (cell)

From: waljorgensen@comcast.net
To: "GH Board of Trustees" <governance@ghc.org>, "Group Health President CEO" <presidentceo@grouphealthcares.org>
Cc: "GH Member Appeals" <appealsdepartment@ghc.org>, "Selena Davis" <davis.sx@ghc.org>
Sent: Tuesday, December 15, 2015 1:27:53 PM
Subject: Group Health Acquisition by Kaiser Permanente

"GH President CEO" <presidentceo@grouphealthcares.org>
 "GH Board of Trustees" <governance@ghc.org>
 "GH Member Appeals" <appealsdepartment@ghc.org>
 "Selena Davis" <sdavis.sx@ghc.org>

Board of Trustees
 320 Westlake Ave. N., Suite 100
 Seattle, WA 98109-5233
 206-448-5790
 governance@ghc.org

Member Appeals
 P.O. Box 34593
 Seattle, WA 98124-1593
 1-866-488-5479
 appealsdepartment@ghc.org

Group Health President & Board Members,

Sorry, didn't know exactly which group or individual to address.

Hadn't thought too much about this since the article below, but am feeling that I should be involved. When is the vote and how do I get a ballot? Or maybe the election is online? (See below.)

Thanks,

Walter R. Jorgensen
 823 North St SE
 Tumwater, WA 98501-3526
 waltjorgensen@comcast.net
 360-489-0764 (home)
 360-819-0678 (cell)

Group Health to be acquired by Kaiser

Originally published December 4, 2015 at 7:30 am Updated December 4, 2015 at 9:54 am

Seattle's Group Health Cooperative will be acquired by Kaiser Permanente, a California-based health-care giant. No immediate changes in local care or coverage are planned, officials said.

By JoNel Aleccia
 Seattle Times health reporter
 Seattle's Group Health Cooperative will be acquired by California's Kaiser Permanente, forming a new region for the giant health-insurance and care provider, which already serves more than 10 million members in eight states and Washington, D.C., officials announced Friday.
 It's not yet clear what the new name will be, but the move marks a significant milestone in the nearly 70-year history of Group Health, which was formed in Seattle in 1947 with a mission of providing integrated health care and health coverage to Northwest consumers.

"This is an exciting new chapter," said Dr. Steve Tarnoff, president of Group Health Physicians, who has been with the organization for more than three decades. "This both preserves and promotes our legacy."

The deal between the two nonprofits joins Group Health's system with a like-minded, but much larger, partner to position both of them for growth in a changing health-care landscape, said Scott Armstrong, the firm's president and chief executive.
 "This is an opportunity to do more, better," Armstrong said.

No immediate shifts are planned in coverage and care for current members, officials said. The deal is subject to approval by **Group Health's voting membership** and by regulators, including the Washington state insurance commissioner and federal authorities.

The two organizations have finalized an agreement for the Kaiser Foundation Health Plan to acquire Group Health, part of a wave of hospital-system and health-insurance mergers nationwide.
 In exchange for Group Health, with 600,000 members and annual revenue of \$3.5 billion, Kaiser Permanente is contributing \$1.8 billion to set up a new Group Health Community Foundation, Armstrong said.

In addition, Kaiser plans to invest an estimated \$1 billion during the next decade in new facilities, staff, technology and research in Washington state, said Bernard J. Tyson, chairman and chief executive of the Kaiser Foundation Health Plan and Hospitals.
 Nationwide, regulators have expressed concerns that marketplace mergers may limit choices and drive up costs for consumers, issues echoed by state Insurance Commissioner Mike Kreidler, who promised to review the deal "very closely."

"My chief concern is protecting consumers in Washington. This proposal requires my approval. My job is to ensure that the proposal benefits policyholders at Group Health and all consumers buying health insurance in Washington," he said. "I want to ensure that we maintain the healthy competition and wide selection of plans we currently have in our state."

It could take up to a year to finalize the move, which has been under discussion for about six months, said Armstrong and Susan Byington, chair of Group Health Cooperative's board of trustees.
 Armstrong, who earns more than \$2 million a year, said he expects to stay on, and is "very confident" the acquisition will be approved.
 Group Health, which faced cuts of \$250 million in 2012, has regained a robust financial position and is moving forward with the acquisition out of a position of strength, not weakness, Armstrong said.

The acquisition is supported by Tarnoff, who leads the physicians group, which includes about 1,400 doctors and other health-care providers in the Northwest. The group contracts with Group Health Cooperative to offer care.
 Based in Oakland, Calif., Kaiser Permanente has \$60 billion in annual revenue and about 10.3 million members in seven regions, including Colorado, Georgia, Hawaii, the mid-Atlantic states, Northern California, Southern California and the Northwest, including Oregon and parts of southwest Washington. The Group Health acquisition will form Kaiser's eighth region and boost enrollment to nearly 11 million.

Joining an organization that has national reach, but allows local control, will help make health care more accessible and affordable for consumers, Tarnoff said.

"For those of you who have counted on Group Health to provide you with amazing physicians and clinical teams, and the coverage for your family needs, you will continue to receive the best care and coverage available," he said.

Group Health officials planned to notify the organization's 7,000 employees about the plans Friday morning.
 JoNel Aleccia: 206-464-2906 or jaleccia@seattletimes.com. On Twitter @JoNel_Aleccia

undefined
 34 KB

XFINITY Connect

waltjorgensen@comcast.net

+ Font Size -

Why Am I at the Paramount Rather Than the Westin?

From : waltjorgensen@comcast.net

Tue, Jan 26, 2016 05:24 PM

Subject : Why Am I at the Paramount Rather Than the Westin?**To :** Group Health Governance Services <governance@grouphealthcares.org>**Cc :** GH President CEO <presidentceo@grouphealthcares.org>, GH Board of Trustees <governance@ghc.org>, Selena Davis <davis.sx@ghc.org>

"Group Health Governance Services" <governance@grouphealthcares.org>

"GH President CEO" <presidentceo@grouphealthcares.org>

"GH Board of Trustees" <governance@ghc.org>

"Selena Davis" <davis.sx@ghc.org>

After I registered as a voting member, I was informed on Friday, January 22, 2016 7:45:47 PM that I could vote.

As an eligible voting member, you can participate in an advisory vote at the meeting. The advisory vote is non-binding, and is used as a recommendation to the voting membership. The final and binding vote will take place via mail-in ballot, which will be sent to you in February.

Now, on Tuesday, January 26, 2016 3:07:11 PM, I'm told that I will be seated in the overflow location because seating at the Westin will be reserved only for members who are eligible to vote.

Update to your reservation

Thank you for registering to attend the upcoming Special Meeting of the Membership.

... seating at The Westin will be reserved only for members who are eligible to vote.

A seat has been reserved for you at our overflow location: The Paramount Theatre, 911 Pine St. in Seattle

I am eligible to vote. Why have I been diverted to the overflow location at the Paramount Theater?

Walt

Walter R. Jorgensen

823 North St SE
Tumwater, WA 98501-3526
waltjorgensen@comcast.net
360-489-0764 (home)
360-819-0678 (cell)

From: "Group Health Governance Services" <governance@grouphealthcares.org>
To: waltjorgensen@comcast.net
Sent: Tuesday, January 26, 2016 3:07:11 PM
Subject: Your confirmation for the Jan. 30 Special Meeting - Second location added

[Important details for the Special Meeting of the Membership](#) | [View Online](#)



Special Meeting of the Membership
REGARDING GROUP HEALTH JOINING KAISER PERMANENTE

Update to your reservation

Thank you for registering to attend the upcoming Special Meeting of the Membership.



A seat has been reserved for you at our overflow location: The Paramount Theatre, 911 Pine St. in Seattle

Our members have shown tremendous interest in this event. We expect to reach maximum capacity, and seating at The Westin will be reserved only for members who are eligible to vote. A second location at the nearby Paramount Theatre has been added to accommodate all other attendees and overflow from The Westin. Please see your reservation details below.

- At the Paramount, you will be able to participate in the same activities taking place at The Westin via webcast.
- If you registered for on-site childcare or transportation, those services will still be available for the Paramount location.
- Group Health will cover the cost of parking at the Washington State Convention Center garage, which is just one block away.

Your reservation for Jan. 30:
Walter Jorgensen

SATURDAY, JAN. 30
The Paramount Theatre, 911 Pine St.
7:30 a.m. Registration at the Paramount and
breakfast
9:00 a.m. Meeting program begins

Meeting agenda (PDF)
Parking and directions (PDF)

Registered for childcare: No

Registered for transportation: No
Please allow enough time to account for
traffic and parking congestion.

Disabled parking: No

You can also watch a live webcast of the meeting if you cannot attend in person. Go to ghc.org/specialmeeting on Jan. 30, to view.

QUESTIONS? Please call **1-855-413-1611** or go online to ghc.org/specialmeeting.



GroupHealth.

This email was sent to: waltjorgensen@comcast.net

This e-mail is compliant. You are receiving this email because you have opted in to receive communications from Group Health.

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Seattle, WA, 98108, US
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16-ADM-1193

From: "Group Health Governance Services" <governance@grouphealthcares.org>
To: waltjorgensen@comcast.net
Sent: Friday, January 22, 2016 7:45:47 PM
Subject: Your confirmation for the Jan. 30 Special Meeting

Important details for the Special Meeting of the Membership | [View Online](#)

Your meeting reservation

Thank you for registering to attend the upcoming Special Meeting of the Membership. Your participation is key to Group Health's future. Please check your reservation below.

Important information

As an eligible voting member, you can participate in an advisory vote at the meeting. The advisory vote is non-binding, and is used as a recommendation to the voting membership. The final and binding vote will take place via mail-in ballot, which will be sent to you in February.

Our members have shown tremendous interest in this event. We expect to reach maximum capacity, and seating at The Westin will be reserved for members who are eligible to vote. A second location at the nearby Paramount Theatre has been added to accommodate all other attendees and overflow from The Westin if needed.

You are registered as an eligible voter. Please arrive at The Westin as early as possible to allow time for registration and seating.

Your reservation for Jan. 30:
Vikki Valdez

SATURDAY, JAN. 30
The Westin Seattle, 1900 5th Ave.
7:30 a.m. Registration begins
9:00 a.m. Meeting program begins

Meeting agenda (PDF)
Parking and directions (PDF)

Registered for childcare: No

Registered for transportation: No

MORE INFORMATION

Check for meeting updates and other voting member information at ghc.org/specialmeeting

Learn more about the acquisition at ghcnews.org

Questions about voting eligibility? Call toll-free **1-855-413-1611**

If you can no longer attend the meeting, please e-mail

Please allow enough time to account for traffic and parking congestion.

governance@ghc.org

Disabled parking: No

QUESTIONS?

Please call **1-855-413-1611** or go online to ghc.org/specialmeeting.

This email was sent to: waltjorgensen@comcast.net

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16-ADM-1179

Received
JUL 05 2016
Insurance Commissioner

1013 Kirkland AVE NE #4
Renton, WA 98056-3453
June 29, 2016

Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

Dear Mr. Kreidler,

I was unable to attend the Public Forum so I decided to write expressing a few of my many concerns regarding the proposal.

As a Group Health Voluntary member since 1953, RRI employed for 25 years, on Retiring slated to receive a smaller pension and complete Medical Care, which I have received so far but very concerned if taken over by Kaiser.

I contacted the Dept. of Labor as your office advised and was advised a company could indeed cancel all benefits and you could not do anything, certainly depressing news.

Recently my Primary Care Doctor retired, shortly after I received a letter from Group Health advising me that I have been assigned to a P.A. as my Primary Care Provider.

We have always been able to select another M.D. in my 63 yrs. at RRI. I have nothing against a P.A. - Have received good care from them but were used appropriately, I worry that that this is only the beginning of all changes that may be coming.

Thanks for giving members a chance to express some of these many concerns on this acquisition.

Yours truly,
Kathleen M. Kreidler

Group Health and Kaiser Merger - Secured

Reference #	8617242
Status	Complete
Name	Gina Lackey
Email	Ginalackey14@gmail.com
Phone	5098698534
City	Liberty lake
State	Washington
Your comment	Members are very concerned about this. Group Health is known for their great, fair, honest coverage of the Northwest. Kaiser is known not to cover things. They are known for not being fair. Most important they are ruthless at not covering things and this will anger people. What was Group Gealth thinking?
Last Update	2016-07-24 10:37:41
Start Time	2016-07-24 10:33:36
Finish Time	2016-07-24 10:37:41
IP	24.17.220.138
Browser	Safari
OS	Mobile
Referrer	https://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/comments/index.html

Group Health and Kaiser Merger - Secured

Reference #	8621687
Status	Complete
Name	Susan May
Email	sumay@icehouse.net
Phone	5098919324
City	Spokane Valley
State	Washington
Your comment	<p>I am opposed to the sale of Group Health to Kaiser Foundation Health. Since it was announced at the beginning of the year that this was Group Health's intent, GH has decided to run their own lab and discontinue using PAML . I believe this was done in anticipation of the acquisition. The result to me, a Medicare Advantage member, is that the negotiated cost for a single lab test went up from \$4.72 to \$19.53.</p> <p>I am also a retired health care provider and aware of the Kaiser style of health care provision. In California they hired a non-board certified MD as a pediatrician who had completed a rotating internship only, no residency in pediatrics. In Illinois they denied rehabilitation services to a patient whose rehabilitation was interrupted due to medical illness. When he recovered and was able to continue, coverage was denied to him. Kaiser was able to grow because they sold cheap plans to employers while providing poor service to patients.</p> <p>If Kaiser acquires Group Health I will be enrolling in another Advantage plan. I thought it was highly manipulative of Group Health / Kaiser to inform the public of their intent until after the 2016 Open Enrollment period.</p>
Last Update	2016-07-27 10:47:34
Start Time	2016-07-27 10:32:49
Finish Time	2016-07-27 10:47:34
IP	50.132.51.50
Browser	Chrome
OS	Windows
Referrer	https://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/comments/index.html

Group Health and Kaiser Merger - Secured

Reference #	8854702
Status	Complete
Name	Robyn Myers
Email	robyn.myers@sbcglobal.net
Phone	707-738-8324
City	American Canyon
State	California
Your comment	<p>I and my family are moving to Anacortes, Washington in 2017. Part of our decision to move included knowing Group Health and Kaiser Permanente would soon be merging. We see the Everett Group Health center as we drive north on Highway 5 knowing it is the nearest one to us. We have also been assured that Group Health / Kaiser patients can be seen at clinics in the Anacortes/ Burlington/Mt Vernon area.</p> <p>My mother and I have been Northern California Kaiser members for 50 years (since 1966), and my husband for over 30 years. Through the years we have received excellent care through Northern California Kaiser, and when travelling in Southern California and Hawaii. The Kaiser model provides preventative health care and on going treatment in a proactive and patient focused way. We have heard nothing but good things about Group Health and its facilities and physicians. My husband's retirement health care plan is with Kaiser and we are excited to be able to keep our plan in Washington.</p> <p>The upcoming merger was an important consideration in our recent purchase of a home in Anacortes, as well as placement of my elderly mother in an Anacortes Adult Family Care facility. We look forward to a smooth transition between California Kaiser and Washington Kaiser when we make our move in 2017.</p> <p>Thank you.</p> <p>Robyn Myers, Ph.D.</p>
Last Update	2016-12-19 00:51:14
Start Time	2016-12-19 00:32:43
Finish Time	2016-12-19 00:51:14
IP	99.116.54.77
Browser	Firefox
OS	Mobile
Referrer	https://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/comments/

RECEIVED
JUL 11 2016
INSURANCE COMMISSIONER

Mike Kreidler, Insurance Commissioner
302 Sid Snyder Ave SW
P.O. Box 40255
Olympia, WA 98501

July 8, 2016

Regarding sale of Group Health Cooperative to Kaiser Permanente:

Dear Commissioner Kreidler,

Trying to be brief, after going to and reading your website statement about why you feel you have no significant conflict of interest in making a decision on this issue, I must express my surprise once again. You stated that you and your family have been longtime subscribers/members to GHC. And apparently you have had close ties over the years with starting and promoting The Group Health Foundation. It would be more than naïve to think that you are not aware of how GHC has heavily promoted the sale of its assets to KP admitting this would provide better quality healthcare and more reliable delivery of service for its patients and employees. It is clear to all enrollees/members/staff and former staff that GHC would otherwise fail within a few years if this sale were not to take place, and that we would be needing to look for another delivery system to provide our healthcare and/or employment.

I cannot imagine why most people invested in their own and/or family's healthcare with Group Health Cooperative would vote for its imminent failure by **NOT** endorsing this sale to KP, and I do believe that patient care, information systems and doctors' salaries will be vastly greater given the terms of the deal plus the previous mismanagement of GHC's leadership over the last several years which got us into this mess. This is nothing to say of the underhanded way in which GHC made tenured medical staff sign agreements between 1992 and 1998 which evolved into the breaking of our hiring promises for lifetime healthcare benefits upon retirement given the agreed upon numbers of years of service. KP was not made aware of this debt owed by GHC/GHP to hundreds of retired medical staff by either GHC or GHP (the president of GHP having stated that they have no obligation to anyone but their current shareholders).

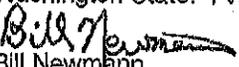
There have been 184 retired staff, including optometry and psychology clinicians who have indicated, by poll of identifiable retirees, similar disappointment and feelings of betrayal regarding broken promises made by GHC on hiring.

Mike, I urge you to respond to our letters - I know Larry Hanna (cf. his letter/email has his own perspective, which takes a different supportable tack.

Please recuse yourself from this decision-making process or even better, at least communicate directly with me and Larry Hanna, or agree to meet with the 4-8 of us who have been trying to speak for the other retirees who have been working on this with our former friends and

colleagues in GH leadership with, as with your office, getting very little feedback (the "townhall meetings" unfortunately, have been impossible for me to attend this summer).

Thank you for considering plea and the excellent work you have done for the citizens of Washington State. I very much look forward to hearing from you.


Bill Newmann

360 754-6328; 4wnewmann@gmail.com

2005 Water St. SW

Olympia, WA 98501-2855

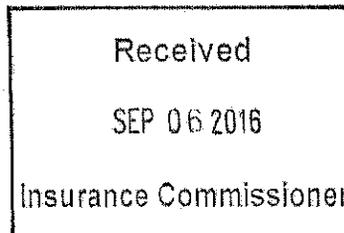
August 25, 2016
Seattle, WA

Dear Insurance Commissioner Kriedler,

I am writing you concerning the decision to approve the Group Health sale to Kaiser. I do not think that sale should be approved until Group Health has rectified the wrong they have done to their former physicians, PAs, NPs, and Optometrists. While working for Group Health, we were promised full medical coverage after retirement for ourselves and our spouses. Many of us had worked for over 20 years with that promise. While we were working those years, we were conservatively making 1/4 to 1/3 less than the community standard for our profession, but we thought that the retirement medical coverage was worth that. Suddenly, we were told weren't getting that benefit. A written promise was broken.

Please check into this and you will find this is true. I worked for Group Health for 44 years and always strongly believed in their principles, but this was not ethical.

Sincerely,

A handwritten signature in black ink that reads "James K. Albston M.D.". The signature is written in a cursive style with a large, looping initial "J".

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

Phone: (360) 725-7000



OFFICE OF
INSURANCE COMMISSIONER

FILED

2016 APR 14 A 8:40

HEARINGS UNIT
OFFICE OF
INSURANCE COMMISSIONER

January 12, 2016

Paul Pruitt
900 University St, Apt 5Q
Seattle, Washington 98101

Paul
Dear Reverend Pruitt:

Thank you for your letter of December 5, 2015, expressing your concerns about the proposed acquisition of Group Health Cooperative by Kaiser Foundation Health Plan. I appreciate your letting me know your opposition to this proposal and the reason for your concerns. As I am sure that you can imagine, all this comes with some ambivalence on my part. My first real job after the U.S. Army was Group Health.

This is just the beginning in what will be a long process of extensive review before an acquisition may occur. Reviews of mergers and acquisitions, such as the one proposed by Group Health and Kaiser, take at least six months and often longer once the proposal has been filed with my office. The companies have not yet filed a Form A - their formal application. At this point, we do not have any additional details.

I assure you that my staff and I will conduct a thorough review, governed by Washington state law. (Please see RCW 48.31B.015 *Control of Insurer—Acquisition, merger, or exchange—Preacquisition notification—Jurisdiction of courts*, and RCW 48.31B.020 *Acquisition of Insurer—Change in control—Definitions—Exemptions—Competition—Preacquisition notification—Violations—Penalties*).

My review will look closely at how this proposed sale could affect the overall stability of the health insurance market in Washington state, including competition and consumer choice. If the proposed acquisition does not meet the standards put forth in law, I will not approve it. However, as the ultimate judge on whether this acquisition can go forward, I must continue to preserve my impartiality.

To keep everyone informed of this process as it moves forward, we have created a page on our website. As we are able, we will post new information there. The webpage can be found at <http://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/index.html>.

Thank you again for taking the time to write. I appreciate your interest in this matter and share your concerns about doing what is best for insurance consumers in our state.

Sincerely,

Mike
Mike Kreidler

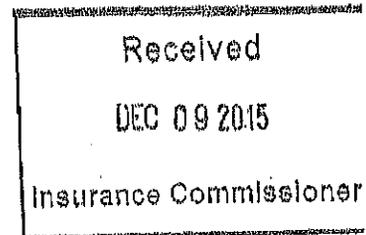
Insurance Commissioner

*my best to
Mary Margaret
- m.*

Mailing Address: P.O. Box 40258 • Olympia, WA 98504-0258
Street Address: Insurance Building • 302 14th Avenue SW • Olympia, WA 98504

December 5, 2015

Mike Kreidler
Insurance Commissioner



Dear Mike,

Mary Margaret and I are heartened to read that you will give attention to the proposed merger of Group Health Cooperative with Kaiser Permanente. We have been patients (not voting members) of Group Health for around 25 years. In that time we have been extremely satisfied with their service to us. Of real concern to me is a Seattle Times report that states the opinion that Group Health doctors favor the merger. I question the merger, but I don't know if there is any legitimacy in their position. Are they assured that the major award for them is a raise in their pay? Do you see this as a legitimate request?

I oppose the merger with the following rationale: We believe Group Health serves not only our health needs but the needs of the larger Seattle area. I do not believe they would be significantly better served by the merger. Our doctor is retiring and will be very much missed by his large number of clients. While I can see that Kaiser can offer some tempting incentives, I do not see they would be worth those incentives beyond our experience of receiving the better than average health care that we receive at the present.

I trust your judgement but my strong preference is to keep Group Health separate as it is. You may have a different opinion from mine and if so I am anxious to know what that is. Mine, and maybe it will be yours also, is that continuing as we are reflects more the desire of the greater Seattle community than the merger would.

Thanks for giving this attention, along with your many other challenges.

Sincerely,

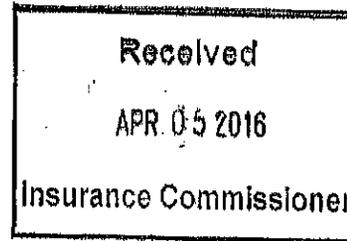
A handwritten signature in cursive script that reads "Paul".

Reference #	8651065
Status	Complete
Name *	S. Pat Royce
Email *	patroyce@gmail.com
Subject *	Policy
Comment(s) or question(s) *	I am concerned about a part of the deal that was struck between Group Health and Kaiser. The part about which I am concerned may be untrue, but if true is horrible. I have heard that board members of Group Health will get to split \$1.8 BILLION as a result of the deal. I have also heard that the members of Group Health who voted on the sale were not made aware of the board walking away with this kind of money. This came from the Facebook page of State Senator Maralyn Chase.
Upload one file per field	
Item #48	
Last Update	2016-08-15 09:16:44
Start Time	2016-08-15 09:06:06
Finish Time	2016-08-15 09:16:44
IP	24.17.171.44
Browser	IE 11
OS	Windows
Referrer	https://www.insurance.wa.gov/secure-forms/contact-policy/

1242 17th Ave East
Seattle, WA 98112

March 31, 2016

Mike Kreidler
WA Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255



Reference: Proposed acquisition of Group Health Cooperative by Kaiser

Dear Commissioner Kreidler:

Thank you for reviewing the proposed Kaiser—Group Health (GHC) transaction. This is so important, because the GHC Board has not been free to act impartially.

In your review, I urge you disregard the advisory vote of GHC members of January 30, 2016 as well as the March 9, 2016 paper ballot of GHC voting members. These votes are tainted so cannot be understood as fair indicators of GHC membership opinion. Why do I say that?

- For presumably the best of reasons, GHC has used its good offices to *promote* the transaction rather than acting as an "honest broker" to present both Pro and Con.
- It scheduled its vote by membership to effectively disenfranchise all GHC members who hadn't registered in time. But—and this is key—it informed supportive constituencies (e.g., employees and GHC doctors) in advance of the registration deadline. Whether intentional or not, this allowed them to vote in favor. Just shifting the vote by 1 week would have allowed so many more affected members a chance to also register and vote.
- Some members (including my wife) were informed throughout the discussion/review that they were *not* voting members, but actually *were* authorized. Failing to perform the basic record-keeping of this key piece of information makes one wonder, at best.

Please use the authority of your office to require new justifications for the transaction as well as important changes to the Kaiser proposal. Without them, the transaction should be denied.

Acquisition agreement changes required:

1. New Group Health Community Foundation (GHCF) Interim Board should be independent of GHC's current Board.

The new GHCF will have control of \$1.8 billion, no small amount of money. The current GHC Trustees have negotiated this transaction and also propose to put five of themselves in charge of the new GHCF. To avoid any appearance of self-interest and self-dealing, the interim GHCF board of trustees should instead be composed of a blue-ribbon panel of public officials: e.g., the directors of county departments of public health in the current GHC service area of Washington.

2. New Group Health Community Foundation (GHCF) should have a defined membership and its members should elect future members of its Board of Directors.

If Kaiser acquires GHC, undeniably the biggest loss to current members is removing our ability to elect GHC board members. This loss of control and accountability is not mitigated by Kaiser's promise to maintain "advisory" boards etc.

Retaining membership influence for the new GHCF, by providing for Board member elections, is a small but significant way to ease the pain of the Kaiser acquisition. It does not harm Kaiser in any way so shouldn't lessen their interest in concluding the deal. Yes, there are "community health foundations" in other states which have self-selecting Boards. BUT...they do not have GHC's 60+ year history of collaborative co-operative health concerns.

3. Kaiser's commitment to invest \$1 billion in capital improvements should definitively benefit GHC current service area not be spread over the region as a whole.

Kaiser's promise to invest in GHC health facilities sounds promising. GHC representatives describe this as replacing outdated equipment, refurbishing clinics and improving facilities we now depend on. But if the \$100 million/year is used instead to *expand* Kaiser's footprint in new regions, e.g. counties not now served by GHC, then it benefits us hardly at all. The proposed new "Kaiser Permanente of Washington" clearly has ambitions to grow and the current transaction agreement text does not preclude using all this capital to expand without benefiting us at all. This should not stand.

> Please insist Kaiser commit to specific capital investment \$ amounts within *current* GHC counties.

> Please ask for Kaiser's written commitment that it will not "count" intra-company payments (e.g., payments to Kaiser California for use of its HR, procurement or claims software) as fulfillment of its promise for new "capital investments" in GHC.

> Please also ask for a specific timely reporting protocol by which Kaiser will demonstrate that it is living up to this commitment.

4. Protection in case Kaiser sells its GHC operations.

No one expects Kaiser to sell its GHC operations immediately, but Kaiser's history in Ohio and other states suggests it could do so.

Should not the Kaiser-GHC agreement contain provisions to protect us, if Kaiser should sell the Plan? It currently does not. Provisions could include, e.g., additional payments to the new GHCF; releasing the GHCF from the requirement that it not offer health plans itself; giving GHCF a "right of first refusal" to purchase the Plan; etc.

Acquisition justification information required:

GHC management and board have argued that GHC, due to enrollment declines, has no choice but to find a larger health plan financial partner. Please ask GHC to provide more data to support this.

- Metrics to request: Examples:

>> Report 5 yr enrollment stats not just as a whole, but by zip code and differentiating HMO from "Options" membership. This information is critical to understanding the "Why" of enrollment trends the "necessity" of GHC finding an acquisition partner.

>> Comparative wait-times for GHC vs Kaiser. E.g., wait times to see one's general practitioner; be seen in Urgent Care; be seen by specialist; etc. This is important to support GHC's argument that standards will not decline post-acquisition.

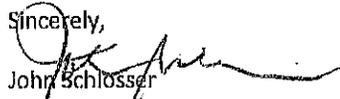
- >> Comparison of formularies. If Kaiser's is more limited, or if Kaiser assigns more pharmaceuticals to drug categories requiring higher co-pays, then the acquisition would have an obvious negative effect on current GHC members.
- >> Comparative measurements of the standards of and quality of care for Kaiser vs GHC.
- >> Comparative staff turnover rates.

I read all the literature provided by GHC, plus attended two townhall meetings, the Senior Caucus discussions, and the January 30 full membership meeting but the above *key* metrics were not really disclosed. Please require them.

- GHC costs and why:
The HMO-based, integrated care model is supposed to be cheaper than a profit-motivated system with less attention to prevention and incentives for over-treatment. So why has GHC not been more cost competitive?
- Collaboration without acquisition:
GHC already collaborates with Kaiser but without ceding ownership: e.g., GHC members can be treated in Kaiser facilities and GHC & Kaiser do some joint procurements to achieve economies of scale. Couldn't this be collaboration be extended—without a full acquisition?
- Where are the savings?
How will Kaiser recoup the \$1.8b being spent on (given to) the new GHC Foundation? Raising rates? Unlikely, given the competitive environment. So where are the operational savings that can add up to \$1.8 B? Eliminate Puget Sound IT jobs? Marginally lower interest rates paid on bonds/loans? These saving are relatively small.
Bottom line: Kaiser's offer suggests strongly that it believes it can operate GHC more efficiently than the current GHC management. How?
- Economies of scale:
It is fair to acknowledge some economies of scale as a company gets larger: e.g., lower pharmacy costs due to larger quantity orders. But there are also dis-economies of scale: e.g., transition/integration of staff/records/processes, ongoing lack of responsiveness, increased management overhead/meetings, less organizational agility. There are few who believe that bigger is automatically better.

Thank you very much, in advance, for performing a real and thorough review of the proposed acquisition. We depend on you and appreciate your efforts.

Sincerely,


John Schlosser
GHC Member #368588
jss1@sgsl.com

* Required field

Your question or problem

What type of insurance coverage is your question or problem about?

Other

If other, please explain

GHC Kaiser acquisition

What is your question or problem? *

This will be a win win for consumers who are GHC members but access issues exist due to professional staff RN lay offs, numerous MD's retiring or have retired leaving some clinics lacking providers for care. It is my hope as an employee (consulting nurse service) and a GHC medicare advantage member to have an increase in RN and MD staff to provide the integrative care necessary for all members. We are overloading our current Urgent cares when no clinic appointments are available. As enrolled numbers escalate who will provide the care? EPIC EMR was recently updated, however little was accomplished in updating computers for all front line staff with additional wide screen monitors. This has resulted in longer talk times and frustration. Can I hope that Kaiser will make it the norm that front line staff and those offering direct care have the equipment necessary to function seamlessly and without the potential of system errors. Yes that is why I cast my vote in favor of the merger. To me this will benefit all the current employees and those to be hired to have the staff necessary to support them. While I do not begrudge the 1.8 mil to the foundation where will the funds for updating technology and everyday equipment be found? Would you place your trust in an organization that has frequent Major equipment break downs, lengthy wait times for appointments or being evaluated in an Urgent Care. With GHC closing Saturday clinics in SE King County (Renton and Federal Way, that leaves the main Urgent Cares, Tacoma, Seattle and Bellevue as the go to facilities. Plus employees have been advised by Kaiser leaders that clinics should be open longer hours and probably weekends. this has the potential for increasing access for health problems that do not require a higher level of care. Kaiser has also promised to honor union contracts which is a plus for all employees. I have rarely heard any negative comments from visiting Kaiser members and likewise GHC members in a current Kaiser area. The aquisition can merge two similar systems offering not only increased local access but the potential for larger clinics in areas which lack facilities for the residents. There will be and increase in potential job growth both professional and blue collar. There is no doubt many questions will surface. In order to continue the care standards using evidence based practice, along with a new board and community input.

Thank you

Your contact information

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Group Health Cooperative of Puget Sound Cooperative Legacy Must Live On!

David J. Thompson, President, Twin Pines Cooperative Foundation

Principle 6: Cooperation among Cooperatives, International Co-operative Alliance

Principle 7: Concern for Community, International Co-operative Alliance

GHC will soon disappear and become Kaiser, but it's cooperative birthright, model and legacy must live on. The keystone contribution of GHC and over 70 years of "Cooperation Among Cooperatives" must be honored and made permanent. That should be done through a dedicated set aside of the cooperatively created assets for ongoing cooperative development in Washington State! Co-ops of all types make an important contribution to the social and economic life of people in Washington State. The State would be enhanced by cooperatives playing an even larger role.

We urge the Insurance Commissioner of Washington State to support and ensure this recommended action.

At a time when Group Health Cooperative of Puget Sound (GHC) is being taken over by-Kaiser Permanente - we need to look back at the efforts of many cooperatives that made this ground-breaking health cooperative great and take a strong stand to further its' cooperative legacy in support of the future of cooperatives in Washington State.

In July of 1945, high on a mountain top in the Sierra Nevada Mountains in California just south of Yosemite, the leaders of the California cooperative movement gathered for their annual pilgrimage at Co-op Camp Sierra. Co-op Camp Sierra was organized by the education arm of Associated Cooperatives (AC), which later became the Twin Pines Cooperative Foundation. That July of 1945, the Co-op leaders were thinking very differently about the world they lived in than the previous July of 1944.

That June of 1945, was a new day, with World War II coming to an end and weary nations meeting in San Francisco to sign the UN Charter.

The International Cooperative Alliance was proudly invited to be one of the first four international organizations to be given non-governmental organization (NGO) status at the United Nations. Wally Campbell was the US Co-op representative to the United Nations. Cooperators from all around the world attended the UN meeting in hopes of bringing forth a better world through peace and cooperation. War would soon be over, but what would that new world look like? One new Co-op, CARE (Cooperative for Remittances to Europe), was already feeding the liberated war-torn countries of Europe.

Sitting together on that mountain top, the California leaders met to discuss how cooperatives could contribute to a new society in a world without war. There were possibly a hundred participants at the daily morning study sessions. Cooperators came from all parts of California. They came from agricultural, consumer, health, housing,

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student and worker cooperatives. The attendees faced a craggy granite-faced mountain side that soared thousands of feet above them. They had no option but to look skywards as they listened, talked and thought. What a way to start a sunny day in July of 1945! The two co-leaders of the study sessions at Co-op Camp Sierra that year were from two very different parts of the country and from completely different co-op sectors. Yet by the end of that week, their ideas had intertwined and moved from thought to action. That chance meeting together on a mountain top soon brought about one of the greatest co-ops ever created in the United States of America - Group Health Cooperative of Puget Sound.

The first to make his presentation to the eager cooperators was Dr. Michael Shadid. He was an immigrant from Lebanon, who had brought about, through his passion and perseverance, the first group health cooperative in America. There, in Elk City, Oklahoma, among the dirt poor tenant farmers, Dr. Shadid had initiated a cooperative health plan. It was one of the first consumer health cooperatives to emerge from the Depression.

By the mid-1930s, the Cooperative League of the USA (CLUSA) (now the National Cooperative Business Association (NCBA), with Dr Shadid's help, had set up a Bureau of Cooperative Medicine to serve the growing co-op health sector. There was not enough time, however, for Dr. Shadid to go to every meeting in the USA about a health cooperative. However, in this case, he did want to share his message with cooperators on the West Coast.

Dr Shadid became known as the father of group health cooperatives in the United States. By the late 1940s, groups from all over America were setting up group health cooperatives based on the model put forward by Dr. Shadid. His book, "Doctor for the People," was very popular among cooperatives, church groups, granges and unions. His philosophy, practice and books on the subject all had a major impact on the field of medical care.

As a result, millions of Americans and other nationalities have benefitted from the model Shadid created. Dr Shadid was also at the center of decades of effort by CLUSA to have cooperative care be a consumer-run option in the USA. For his work in this field, Dr. Shadid was inducted into the Cooperative Hall of Fame in 1978. The Elk City Hospital that Dr. Shadid founded in Oklahoma continues to this day to provide the type of care and consumer governance he put forward.

R.M. Mitchell was the other co-leader that week at Co-op Camp Sierra. Mitchell, who was the Educational Director of the Pacific Supply Cooperative of Walla Walla, Washington, was there to talk about the future of agricultural cooperatives in a post-war economy. Mitchell had become aware of the idea of group health cooperatives through others in the Northwest who wanted a consumer-oriented health plan. The early champion in Washington State for Shadid's plan since the 1930's, was co-op activist, Addison Shoudy. Shadid's work and writings had already been brought up as part of the early conversations between Mitchell and Shoudy. So, of course, Mitchell was anxious to hear what the good Doctor had to say.

Jack McClanahan's wife, Connie, (who died in spring of 2016 in Seattle) has recounted the excitement Jack felt building during that week at Co-op Camp Sierra. The interest in cooperative health care in the northwest was rising among the cooperatives, the Grange, churches and unions. The man causing that interest was sitting right next to Jack on a rocky wall in California. Mitchell's position and status in Washington State gave him access to all the key decision makers and his cooperative spoke on behalf of thousands of farming families. The opportunity for combining their cooperative action could not be ignored.

At the end of the week at Co-op Camp Sierra, Mitchell asked Shadid to return with him directly to Washington State. Mitchell called Shoudy to tell him he was with Shadid. Then Shoudy called Shadid and got him to cancel his plans to return to Elk City, Oklahoma. With Jack McClanahan in tow, Shadid and Mitchell set off for the Northwest with one goal in mind – to start a group health cooperative in Washington State.

Read "To Serve the Greatest Number: A History of Group Health Cooperative of Puget Sound" by Walt Crowley, and you will learn of the whirlwind tour of Washington State by Dr. Shadid. From all across Washington State, many cooperative organizations, both rural and urban, hosted Dr. Shadid as a speaker, and then ardently led the fight to bring a group health cooperative into existence. To achieve their success, the cooperatives were strongly assisted by the Grange, churches, unions and many key citizens.

Group Health Cooperative of Puget Sound was not born without intense resistance nor did it get through its early years without massive opposition from the medical powers that be. Yet through all the incredible legal and organizational efforts to put it out of business, the Group Health Cooperative of Puget Sound survived because it was backed by the cooperators and cooperatives of Washington State. Not only that, but the Cooperative League of the USA had to step in with its' resources to defend Group Health.

During those difficult early years, cooperatives were the corner man for a small cooperative organization that was at the end of many a setback. Yet, Group Health Cooperative of Puget Sound, with the help and support of those in its corner, finally won the day and went on to become a paradigm of health care in the country.

We in the cooperative community do not wish to see one of the greatest cooperatives in our nation fade away. Yet, regretfully, it will. Neither do we want to see the word "cooperative" in its name die with the folding of Group Health Cooperative of Puget Sound into Kaiser.

What we urge is that a portion of the \$1.8 billion dollars that Kaiser is required to set aside be designated to stimulate cooperative development in the region. Those targeted assets should be used to stimulate new and existing cooperatives in Washington State. While one cooperative might die, we urge that from its ashes many new cooperatives in Washington State should be allowed to rise and take its place.

That \$1.8 billion in value would not exist except for a cooperative organization that was born and flourished for seventy years. That cooperative would not have been born without its being championed by the cooperative community of Washington State. The business would not have been built without the active recruiting of members from many cooperatives across the state. Being a 'cooperative' was Group Health's greatest asset. The cooperative birthright of Group Health Cooperative needs to be perpetually honored by a contribution to the future of cooperatives in Washington State.

That contribution should be required by Washington State, as part of the approval process. The new Group Health Cooperative Foundation should also have certain seats on the board to be designated to be filled by representatives appointed from the co-op sector. Only then can it be seen that while Group Health Cooperative may have died, its legacy would live on in the development of cooperatives in the same state where it was born.

By law, In Italy, upon closure, all remaining value of a co-op must be donated to an organization that develops and strengthens new and existing cooperatives.
David J. Thompson, President, Twin Pines Cooperative Foundation. 2016

Group Health Cooperative Connections

The creation of Group Health as a cooperative health care organization led to the establishment of one of the largest consumer co-ops in the USA.

Of the five inductees into the Health Care category of the Cooperative Hall of Fame, three were leaders of Group Health Cooperative of Puget Sound (Jack R. Cluck (1983), W.A Sandy McColl (1985) and Aubrey Davis (1991). One, Michael Shadid, (1978) the founder of the group health cooperative sector in the USA, was directly responsible for initiating Group Health Cooperative of Puget Sound in 1945.

The past CEO of Kaiser Permanente (2002-2013) is George C. Halvorson. Prior to serving at Kaiser, Mr. Halvorson was for 17 years the CEO of Health Partners, a health cooperative in Minnesota. Health Partners is the largest consumer governed nonprofit health care provider in the USA, serving over 1.5 million members nationally. Mr. Halvorson has written a number of books including "Health Care Co-ops in Uganda."

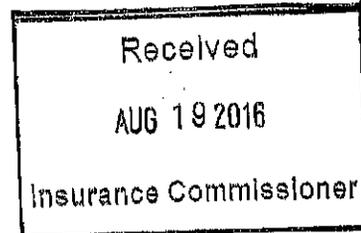
David J. Thompson is the author of this article. He was born near Rochdale, England, where the first cooperative was founded in 1844. David has written a number of books and over 400 articles about the cooperative movement. His cousin was personal secretary to the UN Secretary General, Dag Hammarskjold at the UN in NYC.

David was inducted into the Cooperative Hall of Fame in 2010. As one of the founders of the National Cooperative Bank (NCB) and Western Regional Director for the NCB, David assisted many cooperatives in Washington State. David is a former board member of REI, a former Director of the Western Region for NCBA/CLUSA and is President of the Twin Pines Cooperative Foundation.



Elson S. Floyd College of Medicine

August 10, 2016



Mike Kreidler, Insurance Commission
State of Washington
PO Box 40255
Olympia, WA 98504-0255

Dear Insurance Commissioner Kreidler,

I am writing today to give our full support of the agreement for Kaiser Permanente to acquire Group Health Cooperative. With the joining of these two organizations who are like-minded, nonprofit with a focus of affordable, integrated, evidence-based care it seems like a perfect fit for the future of health care in the state of Washington.

As I understand as a result of the purchase, the Group Health Community Foundation will be formed and will have the mission to improve health and well-being for our state. I am hoping that the new foundation will have state wide diversity of Board members and a commitment to meet the needs of the whole state to improve health.

The Elson S. Floyd College of Medicine has a similar mission of meeting needs for citizens in the state of Washington for a healthier state. With the formation of the GHCF, we look forward to collaborating with the foundation to develop innovative health care delivery systems for the entire state and particularly the rural and underserved populations.

We support the agreement for Kaiser Permanente to acquire Group Health Cooperative and we look forward to the impact the Group Health Community Foundation will have throughout our state.

Regards,

A handwritten signature in black ink that reads "John Tomkowiak".

John Tomkowiak, MD, MOL
Founding Dean, Elson S. Floyd College of Medicine
Washington State University

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NoHLA

Northwest Health Law Advocates

July 12, 2016

Mike Kreidler
Insurance Commissioner
Olympia, WA
Sent via email: mikek@oic.wa.gov

Dear Commissioner Kreidler,

We write to request your engagement in the formation of the new Group Health Community Foundation. While we recognize that your focus is on Kaiser's acquisition of Group Health Cooperative, the creation of the foundation is also worthy of your attention. It is a significant and promising opportunity to address health-related social welfare needs, and to improve the lives of the people of Washington. We are excited about the prospects but think it is important to ensure that the foundation and its resources of almost \$1.8 billion will benefit Washington residents to the greatest extent possible. And we also ask you to consider as part of your review whether this transaction as a whole, including the foundation, is at a minimum for fair market value.

Given the possibilities and the size of the new foundation, we urge you to monitor its formation to ensure that it is accountable, community-oriented, and transparent. We think this review is within your agency's purview and responsibility when considering the sale to Kaiser. The Commissioner has authority to request information needed to consider whether the acquisition is in the public interest. RCW 48.31B.015. A major component of the acquisition is the creation of the Foundation.

The foundation's current governance documents lack provisions that will establish transparency, accountability, and community-involvement mechanisms. Public oversight of the foundation is thus important to ensure that the foundation will fulfill its public mission. We understand from current Group Health staff that they have an interest in strengthening these documents, but we believe these important decisions should be publicly vetted. As I said in my testimony at the recent forum, we are relying on you to pay close attention to the development of the foundation.

Group Health has a longstanding, community-centered heritage. To build on this history, community-centered decision making should be woven into the fabric of the new foundation. While the foundation's mission statement clarifies the overall aim to "endeavor to engage communities in creating people-centered solutions," it is not yet clear how this will be achieved.

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THE ALLIANCE
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A principal mechanism that other health foundations have employed is a community advisory council.¹ Such a broadly representative group can function to elect the board, advise the board on the efficacy of programs, conduct public outreach, and review programs and grant making. A community advisory council can help the foundation forge strong links to the communities and develop a thorough understanding, with direct input from our varied communities, of health equity issues.

We need your oversight to ensure that the foundation is run well, and in an accountable way. We suggest that you review these recommendations compiled by Consumers Union and Community Catalyst for how such foundations can be effective:

http://www.communitycatalyst.org/doc-store/publications/building_and_maintaining_strong_foundations_2004.pdf. NoHLA would be interested in working with you to develop proposed parameters for the foundation. We are currently compiling additional resources on best practices of other community health foundations to inform the review process.

There is also a need to look at the foundation's governance. The current documents create a self-perpetuating board with no stated attention to the qualifications, expertise, community links or geographic distribution of the board members. The bylaws should be revised to require that Directors and board members must be knowledgeable about running a foundation, and to include experts in the health and social welfare field.² This board will be deciding what activities the foundation will pursue and how grants will be allocated to serve community needs. Thus, the foundation should also adopt a conflict of interest policy and a whistleblower policy to ensure that foundation decisions are reliable and not made based on personal interests.

As it is the foundation's mission to serve all Washington residents, a mechanism guaranteeing the geographic diversity of directors is indispensable to avoid the creation of a "Seattle-centric" foundation.

So far, the foundation is set up with limited avenues for public access. The bylaws specifically state that notices of meetings are not required. To foster transparency and an opportunity for community involvement we believe it is essential that meetings be open to the public and materials be widely available.

¹ For example, the Health Foundation of Central Massachusetts (<http://www.hfcm.org/>), and the Missouri Foundation for Health (<https://mffh.org/>) have community advisory bodies that they report are functioning well.

² This publication by Consumers Union and Community Catalyst outlines the core standards for governing boards of conversion foundations: http://www.communitycatalyst.org/doc-store/publications/conversion_foundations_standards_for_governing_boards.pdf. While the Group Health Community Foundation is not a formal conversion foundation, it is similar in its attempt to ensure the use of assets for the public benefit. As a result, similar decisions about the foundation's governing board have to be made.

This is the time to make a difference in how effective, responsible, and responsive the foundation will be. You are in the best position of any public official to oversee and exercise authority on behalf of the community. We are relying on you to guide the foundation in the right direction – towards accountability, transparency, and community-engagement.

We request the opportunity for a meeting to discuss these recommendations further.

Thank you very much for your consideration.

Sincerely,

Janet Varon
Executive Director
Northwest Health Law Advocates

Bill Daley and Mary Le Nguyen
Co-Executive Directors
Washington Community Action Network

Sean Corry
President
Sprague Israel Giles, Inc.

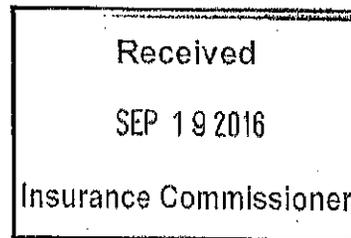


Sally Barlan Yates
Executive Vice President & General
Counsel

Group Health Cooperative
320 Westlake Ave. N., Suite 100
Seattle, WA 98109

September 14, 2016

Insurance Commissioner Kreidler
Washington State Office of the Insurance Commissioner
PO Box 40255
Olympia, Washington 98504-0255



Re: Docket No. 16-0050

Dear Commissioner Kreidler,

Thank you again for providing the community an opportunity to comment on the proposed acquisition of Group Health Cooperative by Kaiser Foundation Health Plan of Washington. I appreciate the Office of the Insurance Commissioner's thoughtful review of the proposed acquisition under RCW 48.31B.015 and RCW 48.31B.020.

It is important that the OIC have accurate information as it engages in the review process. Group Health has identified certain inaccuracies expressed during the Town Hall forums. In the interest of avoiding confusion and ensuring that the record reflects correct information, we submit the following.

1. Group Health was created and has always been organized as a nonprofit corporation under Washington law. Group Health has never been structured or regulated as a cooperative. Therefore, it is inaccurate to identify Group Health as "one of the largest cooperatives in the country" or that this acquisition will "close a cooperative business."
2. Group Health is not consumer- or member-owned. In fact, from its inception, Group Health's Articles of Incorporation have provided that no one is entitled to any financial gain or benefit by reason of membership. Instead, Group Health's governing documents provide eligible voting members with rights regarding organizational governance and certain decision-making.
3. Group Health's core purpose as reflected in its Articles of Incorporation is to improve health and health care through the provision and support of research and health care. Consumer engagement as a reflection of cooperative principles is in service of Group Health's paramount focus on health and health care.

We hope this helps to clarify the facts as the OIC completes its review. Please let me know if you or your staff have any questions.

Sincerely,

Sally Barlan Yates
Executive Vice President & General Counsel

Group Health and Kaiser Merger - Secured

Reference #	8620962
Status	Complete
Name	William D. Zimsen
Email	z7zimsen@hotmail.com
Phone	360-479-2122
City	Bremerton
State	Washington
Your comment	<p>A member of GHC since 1967, I have seen much. This acquisition smells fishy. Individual employees of GH's operations have told me that if not sold to somebody, GHC will be bankrupt soon. That has not been public knowledge. But I strongly suspect it is true, based on poor performance, penny pinching on things like labs, and annual physicals.</p> <p>The thing that most puzzles me is this. GHC (me and the other members) owns millions of dollars worth of assets. As I understand, everything will be turned over to Kaiser: hard assets, supplies, patients, good will, employees, and their union agreements ?? sub contractors (like doctors), etc, without ANY compensation to the current owners (members).</p> <p>That might be like me giving you a taxi, for which I am the part owner, if you promised to take good care of it, change oil often, exercise it frequently, and invest in improvements worth 10,000 euros over the next ten years. Oh yes, and not gouge any of the people on the list of customers I will give you. No money changing hands between current owners, and new owners.</p> <p>Fish stinks after 3 days. How does this smell ?</p> <p>If the alternatives are either to go bankrupt, or sell to Kaiser, go bankrupt.</p>
Last Update	2016-07-26 18:15:25
Start Time	2016-07-26 18:04:57
Finish Time	2016-07-26 18:15:25
IP	50.251.197.249
Browser	Firefox
OS	Windows
Referrer	https://www.insurance.wa.gov/current-issues-reform/kaiser-group-health/comments/index.html

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Guest Editorial Submission
MAX Body Word Count: 600
Current Body Word Count: 585

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**We've Been Through This Before: Why Local Residents Should Support the Group Health Acquisition
By Kaiser Permanente**

By Jim Farrell

A few weeks ago Group Health announced that pending a member vote and regulatory approvals, it will be acquired by Kaiser Permanente. Since that time I've heard numerous questions and comments from the community about why this acquisition is needed and what it means for Group Health members as well as the patients and communities it serves across the state.

I've been a Group Health member for 43 years and served on the Group Health Board of Trustees for seventeen of those years. I believe in the mission of this organization and this decision is very personal to me. However, after learning more about Kaiser Permanente and the market drivers that have led Group Health leaders to this recommendation, I fully support this acquisition and ask other Group Health members and the community to support it as well.

This acquisition would result in Group Health becoming the eighth Kaiser Permanente region—it would no longer be an independent, member-governed organization. That is a significant change but not necessarily a bad one. For instance, many of the things we love about Group Health—the patient-centered care model, our doctors and care delivery teams, and the fact that it's locally managed and understands the needs of our communities—will stay the same. Only they will have access to Kaiser's resources and network, which will allow for long-overdue investments in medical centers, technology, equipment and other services that will improve our care.

In addition to investing in our care, Kaiser has committed to engaging residents in the organization through a local governing board, a local Consumer Advisory Council that will participate in matters of policy, capital purchases, and program changes, and ongoing activities of the Senior Caucus. Kaiser follows a similar structure in its other markets to ensure that care is locally managed. This is among the many values that both non-profits share.

Sound too good to be true? I'm reminded of a small, community-based HMO called Sound Health Association that once served Tacoma and our communities. Around the time I joined the Group Health board, Sound Health was struggling amid competitive pressures as well as challenges in health policy that put its future at risk. That is, until Group Health acquired it in 1979. That acquisition also generated concerns about how a larger organization would be able to understand and meet the needs of our community as well as Sound Health had for many years. And yet Group Health has served the community of Tacoma incredibly well and has sustained Sound Health's values, relationships and local care.

Fast forward 30 plus years and I see the same thing happening again, only this time on an even greater scale. Group Health continues to be true to its mission of improving the health of individuals and communities across the state, but the current health care environment, competitive pressures, and the

need for investments make it increasingly difficult to keep premiums low and membership high. The current level of care is simply not sustainable.

I admire and appreciate Group Health's trustees for their leadership—they are looking ahead to ensure that we steward this organization and those it serves well into the future. They believe the best way to secure that future is by joining a like-minded organization like Kaiser Permanente.

I truly believe that this acquisition is necessary for Group Health to continue serving our community and the state. I will be voting in favor of the acquisition and strongly urge the members of Group Health and our community to support this as well.

Bio Information:

[insert, 30 words]

I was a school teacher and coach in the Auburn School District for 33 years. I taught social studies (economics) and coached both men's and women's swimming. I was one of three co-founders of Women's Swimming in the State of Washington in the late 60s. I am currently serving my community as a fire commissioner (Mountainview Fire and Rescue) and just finished a two year term as the President of the Washington State Fire Commissioners. I have two daughters, both born in GHC facilities, and have been married to my wife Christine for 46 years.

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JUN 29 2016

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TESTIMONY BY RICHARD SCHROCK
BEFORE THE WASHINGTON STATE OFFICE OF INSURANCE COMMISSIONER
June 29, 2016 PUBLIC FORUM at the Seattle Best Western Executive Inn

My name is Richard Schrock. I live in South Snohomish County and serve as a two-term Fire Commissioner at one of the largest, independent fire departments in this state, Snohomish County Fire District No. 1. I previously served as the Director of the Washington State Department of Commerce and Economic Development.

I appear before you tonight as a private citizen to express my concern over the broad ramifications of what is taking place here tonight and why it is likely to fall short of protecting consumers. You now have before you a request from one of the largest health maintenance organizations in the nation, Kaiser Permanente, for your approval to acquire Group Health Cooperative, a Washington non-profit health maintenance organization that has pioneered low cost medical care in our state for the past 60 years. Group Health today provides HMO coverage and services to almost 600,000 residents in Washington, including two members of my family.

If you decide to approve Kaiser's proposal to acquire Group Health, it would allow a \$60 billion, non-profit HMO to become a major player in our state's private health insurance market. The importance of this proposed buyout of Group Health was summed up accurately by the Wall Street Journal in a report last December that referred to it as a "potential bell weather for other deals like it" to come.

In another report last October, The New York Times described what is happening with combinations of large healthcare providers and health carriers as "merger frenzy." Indeed, mergers and acquisitions of large healthcare provider groups and health carriers are increasingly prevalent nationally and have resulted in multiple current investigations by the U.S. Department of Justice. Big pharmaceutical companies, hospitals and health carriers, and even drugstore chains, are all seeking to increase their size by swallowing-up smaller companies to broaden their reach to consumers. As we have seen in this state and nationally, a larger health carrier is often not a better, more consumer-oriented carrier; likewise, a larger health carrier is not likely going to result in lower health insurance premiums for consumers.

In reviewing the situation you are faced with in deciding whether you should approve Kaiser's proposal to buy Group Health, the record should be clear what is going on here. Mr. Kreidler, you have already decided whether to approve this acquisition. You have already had ex parte discussions with the corporate parties to this deal. This "hearing" is all for show on your part. You rigged the entire decision making process so that you - and you alone - autocratically rule on major buyouts such as this one. Specifically, during the 2015 Legislative Session, you requested legislation that circumvents public access to what were previously considered public records in cases like this one. Based on your incorrect statements to the legislature your bill was enacted, SB 5717, making it now impossible for the public to know the facts or details of a proposed merger and acquisition case like this one. It made future hearings like this involving mergers and acquisitions a meaningless exercise since the public has no access to the documents that provide details of what is being proposed. Your bill made secret a voluminous amount of records concerning carriers' profits, consumer care track record including disciplinary actions against them nationally and other materials which directly affect consumers. Those records are all now deemed secret and not to be disclosed even in any unrelated civil actions against the carriers. Insurance carriers loved this bill and you were there to please those carriers at the expense of the consumers you are charged with protecting.

Additionally, the public is no longer able to review relevant facts to see if your decision to approve such buyouts as this one is the correct decision. So you and your corporate insurance company allies have seen to it that no informed public testimony will be offered here tonight because no one knows the details of what is being proposed. For example, we only have claims made in the

Executive Summary that the "*Applicant also has no current intention to make material changes in the business operations, corporate structure or management of GHC, except as specifically discussed in Form A or as may arise in the ordinary course of business.*"

Because data in Form A or Form B is now inaccessible to the public, citizens and consumer advocates have no way to assess whether this or any other merger or acquisition is in the public's interest or not. In other words, this newly passed law that you requested places a top secret stamp upon the very public documents consumers needed to evaluate how these mega-deals between insurance carriers will affect the consumers that depend on them for insurance of all kinds. If members of the public had access to what are now considered secret documents, the following questions could be raised by making specific references to data contained in Forms A or B:

1. How specifically is continued access to quality, affordable health care going to be provided when this merger is fully implemented?
2. How are specific provisions of existing state and federal laws governing health plans going to be complied with?
3. How specifically will \$1.8 billion from the proceeds of this sale contributed to a new Kaiser-controlled foundation result in better more affordable care for current members of Group Health Cooperative. The \$1.8 billion is being paid from assets they own as members of the cooperative?
4. Will this merger result in narrowing of physician networks, higher premiums, higher out-of-pocket costs (deductibles, co-pays and coinsurance) and fewer health insurance choices of current GHC members or Kaiser members in Southwest Washington?
5. All healthcare is delivered locally. What is the market-by-market analysis of this buyout in terms of healthcare access?
6. Will Kaiser keep its management out of state? Is Kaiser converting Group Health into becoming part of an unaccountable holding company in Oregon? In Oregon and in many other states, holding company statements and transactions are secret because of management friendly secrecy laws, and we have no assurances that the state in which the entity resides will provide the same or better consumer and contractual protections to our Washington consumers who will purchase their old Group Health product from Kaiser.

The Insurance Commissioner's mission statement states: "*We protect consumers, the public interest and our state's economy through fair and efficient regulation of the insurance industry.*" When it comes to your unilateral approval of these proposed acquisitions and similar deals between insurance carriers such as these health carriers involved here, Mr. Kreidler, that is not being done. The legislation you requested and supported – and under which you have now given yourself the sole authority to approve or disapprove - has damaged the public's interest by playing into the hands of insurance carriers who prefer secrecy over transparency when making an application like the one before you tonight involving Group Health and Kaiser.

I propose – without ever being able to see Forms A and B of Kaiser's proposal - that to assure the public that savings from this proposed acquisition are actually passed on to those consumers who pay Kaiser's premiums for their health care coverage - that Kaiser agree to five years of enhanced rate review by the Insurance Commissioner. Under this agreement, Kaiser should be required to report its emerging utilization and trend projections, update its projected federal medical loss ratio (MLR) calculation mid-year in the individual market, and issue mid-year rebates to consumers if there is a difference between the updated projected federal MLR and the Plan's federal MLR estimate filed with the Insurance Commissioner as part of the rate review process. As a condition of your approval of this buyout, Kaiser should also guarantee it will not impose unreasonable premium increases exceeding the rate of inflation or through higher co-payments or deductibles under plans it offers in Washington during the next five years.

In addition, the Insurance Commissioner should also be vigilant when it comes to annually reviewing executive compensation related to this buyout and any "upstream" funds sent from Washington's Group Health should not affect executive compensation of the parent company, Kaiser Permanente, post-acquisition.

Self-serving claims made by insurance carriers that "bigger is better for consumers" because acquisitions increase competition, improve health care and benefit consumers are often found to be false in the years following an acquisition. In fact, often the opposite occurs: consumers are left with fewer choices of insurance carriers, face inadequate physician or provider networks and must also face higher premiums. The result of increasing consolidation and lack of competition has the potential to lead to a future healthcare crisis here in Washington and other states if state regulators do not protect consumers with meaningful and stringent safeguards.

The purpose of state insurance regulation is to protect consumers and the public. Insurance carriers – whether they be health carriers or property and casualty insurers - make money from our money spent on premiums. In this situation, we can recognize that most health carrier managers, including the folks at Kaiser and Group Health, are honorable and want to do a good job, but many state insurance regulations are esoteric and complicated yet vital. They also take a great effort and dedication on the part of the state regulator, Commissioner Kreidler, to understand them, to withstand the great pressure put upon you from the insurance industry to remain steadfast in your duty to act in the best interest of Washington consumers when it is in conflict with what is best for insurance carriers. The public could assess your performance until last year, when your bill resulted in the public no longer having access to those documents needed to assess your now-unilateral decision-making. The truth is, some insurance carriers want secrecy. Once their corporate documents no longer subject to Washington disclosure laws, there are so many ways that managers could divert and hide our money paid by consumers' premiums. Sometimes, regulators could miss a diversion or a risk. More eyes on these matters are better but the public has no idea what Kaiser plans since we are denied access to Forms A and B. Your new law will prevent public access to current public documents. These documents can include insurer filings for acquisition, registration and affiliate transactions (Form A, B and C). The new language you included in your bill should be removed. The current language has passed several NAIC Accreditation reviews. In my view, the change was neither necessary nor desirable for consumers and taxpayers.

Finally, I note that for years, Commissioner Kreidler, the decision whether to approve deal such as this one was made by an impartial, unbiased judge in an adjudicative proceeding. You were charged with the responsibility to notify the public of the proposed deal, give its specific details as well as access to most all of the vital documents, and the judge oversaw that you discharged these duties, then the public was allowed to testify at the adjudicative proceeding before the judge, all long before the judge made the final decision. Now since your bill changed the law, the public is not required to be notified of the proposal or any of its details, the vital documents are specifically kept secret from the public and you – and only you, not an impartial judge, are specifically authorized to make the final decision yourself. There is no independent judge present tonight or who will be making the decisions in this matter. . So you will decide unilaterally and to have numerous conflicts of interest.

Consumers and taxpayers need transparency and an informed voice in matters like these in order to make our own evaluations and risk assessments in the vital area of insurance. We need to continue to have proper notice and access to the pertinent documents. Now that you have determined that you will decide these matters yourself without an impartial judge, the public must have access to all pertinent documents in order to assure ourselves that you, as our elected Insurance Commissioner, are making the right decisions and for the right reasons. Since your legislation passed last year, the public can no longer be assured nor confident that you are truly making your decisions in this multi-million dollar matters in the consumers' interest and not the insurance carriers' interest.

Thank you for considering my public comments in this important matter.

SENATE BILL 5717

INSURER HOLDING COMPANIES

Chapter 122, Laws of 2015

Passed 64th Legislature 2015

Regular Session

INSURER HOLDING COMPANIES

EFFECTIVE DATE: 1/1/2016 –

Approved April 25, 2015 11:18 AM

State of Washington 64th

Legislature 2015 Regular Session

By Senators Angel, Mullet, and

Keiser; by request of Insurance

Commissioner ✓

1 AN ACT Relating to the insurer holding company act; amending RCW 2 48.31B.005, 48.31B.010, 48.31B.015, 48.31B.020, 48.31B.

Sec.13.

RCW42.56.400and2013c277s5and2013c65s5are each reenacted and amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:(8) Documents, materials, or information obtained by the insurance commissioner under RCW 48.02.065, all of which are confidential and privileged;

(9) ~~(((Confidential proprietary and trade secret information provided to the commissioner under RCW 48.31C.020 through 48.31C.050 and 48.31C.070)))~~

Documents, materials, or information obtained by the insurance commissioner under RCW 48.31B.015(2) (l) and (m), 48.31B.025, 48.31B.030, and 48.31B.035, all of which are confidential and privileged;

Sec. 14.

RCW 42.56.400 and 2013 c 65 s 5 are each amended to read as follows:

The following information relating to insurance and financial institutions is exempt from disclosure under this chapter:

(9) ~~(((Confidential proprietary and trade secret information provided to the commissioner under RCW 48.31C.020 through 48.31C.050 and 48.31C.070))~~

Documents, materials, or information obtained by the insurance commissioner under RCW 48.31B.015(2) (l) and (m), 48.31B.025, 48.31B.030, and 48.31B.035, all of which are confidential and privileged;

Testimony at Insurance Commissions hearing

I am Susan Casey, have been a GHC member since 1984 and for 10 + years have been an active member of GHC Senior Caucus. In January the Senior Caucus endorsed the proposal for GHC to be acquired by Kaiser Permanente. This is the only way to preserve the fundamentals of GHC and its philosophy of care. Both organizations are true HMOs. Because Kaiser Permanente is widespread across the country it is able to be offered by national companies, something that GHC is not able to achieve because it is very local and only covers a portion of Washington State. Starbucks is an example – it does not offer GHC as an option, even to its local employees, because it only offers plans that are available around much of the country. *Another plus ~~is~~ the big increase in Medicaid members* For the fundamentals of GHC to survive, GHC must grow to be able to support the vast infrastructure a modern healthcare system must provide and to do this it must increase enrollment. Hence the agreement to be acquired by Kaiser Permanente makes so much sense. I urge you to recommend and approve this acquisition. Thank you.

RECEIVED
JUN 29 2016
INSURANCE COMMISSIONER

* Required field

Your question or problem

What type of insurance coverage is your question or problem about?

Health insurance

If other, please explain

What is your question or problem? *

I AM A GROUP HEALTH CO-OPERATIVE MEMBER AND WANT YOU TO KNOW I SUPPORT THE PROPOSED KAISER PERMANENT/GROUP HEALTH MERGER/PURCHASE WHATEVER THE TERM.

I THINK PEOPLE WILL BENEFIT FROM THE COMBINING RESOURCES.

THANK YOU, JERI HARRIS, LACEY, WA

Your contact information

Name

JERI HARRIS

Address

3300 CARPENTER ROAD SE B33

City

LACEY

State *

Washington

ZIP

98503

Email *

lazylion09@yahoo.com

Phone *

360-491-1078

Investigation complaints - Secured

Reference #	8410847
Status	Complete
Step 1: Does this issue involve an insurance claim, billing issue or policy cancelation?	No
Complainants name (First and last)	David Kimble
Address	BOX 85
City	Manchester
State	Washington
ZIP	98353
Email	jndkimble@wavecable.com
Work phone	360-871-2007
Home phone	360-871-2007
Cell phone	412-335-0389
Which number do you prefer?	Home
Name (first and last)	David Kimble
Address	BOX 85
City	Manchester
State	Washington
ZIP	98353
Email	jndkimble@wavecable.com
Work phone	360-871-2007
Home phone	360-871-2007
Cell phone	412-335-0389
Which number do you prefer?	Home
Insurance company	Group Health Cooperative
Policy number	Member 00037812
Insurance agent or agency information	Group Health Headquarters
Company name	Group Health Cooperative
Address	320 Westlake Ave N#100
City	Seattle
State	Washington
ZIP	98109
Phone	(206) 448-5600

<p>Give a brief explanation of the problem</p>	<p>Group Health Management denied all of Coop members the vote on the proposed buy out by Kaiser. Is it possible to make them redo the voting so all members who are voters can vote and provide time for members who are not now voting members to get registered and vote on this? The billions of dollars that will be put in the hands of a foundation made up of Group Health Management is a big concern as well, and how they will pay for other costs associated with this sell out. In my opinion this sell out is ripe with potential of misuse of our funds as members and it may end up be fraudulent as well. I would like to see Group Health reverse there current decision, slow down and let the full Group Health Membership vote of this huge change. I can't help but feel someone is going to get gored in this process and that the members of Group Health will suffer due to Group Health Management trying to figure out how to take all of our banked premiums and then use affordable health care act as excuse to raise all of our premiums. I have already had two doctors I have seen quit Group Health due to this change in ownership coming. One is leaving to go to private practice and the other will retire and then do private practice as well. Both doctors asked what I thought about this change in ownership. I told them both I thought it was going to be very bad for us as consumers and as long time Group Health Coop Members. This is a bad deal for us consumers and it needs to be stopped!</p> <p>Sincerely, Dave Kimble Manchester, WA</p>
<p>Document 1</p>	
<p>Document 2</p>	
<p>Document 3</p>	
<p>Document 4</p>	
<p>By entering my name, I agree to the above terms and declare that I am the insured or an authorized representative of the insured.</p>	<p>David A Kible</p>
<p>Nature of representation (parent, guardian, power of attorney, etc.)</p>	<p>Self</p>
<p>By entering my name, I declare the information in this form is true.</p>	<p>David A. Kimble</p>
<p>Last Update</p>	<p>2016-03-14 16:41:21</p>
<p>Start Time</p>	<p>2016-03-14 16:23:00</p>
<p>Finish Time</p>	<p>2016-03-14 16:41:21</p>
<p>IP</p>	<p>Anonymous</p>
<p>Browser</p>	<p>Other</p>
<p>OS</p>	<p>Other</p>
<p>Referrer</p>	<p>N/A</p>

DuBois, Paul (OIC)

From: Office of the Washington State Insurance Commissioner
Sent: Thursday, May 12, 2016 2:16 PM
To: DuBois, Paul (OIC)
Subject: FW: GHC/KP proposed merger 1st communication 22 March 2016 apparently lost in electronic media.

From: lawrence hanna [mailto:13thiowa@gmail.com]
Sent: Thursday, May 12, 2016 1:51 PM
To: Office of the Washington State Insurance Commissioner <CAP@OIC.WA.GOV>
Subject: GHC/KP proposed merger 1st communication 22 March 2016 apparently lost in electronic media.

Mike Kreidler O.D. State Insurance Commissioner, Washington
Olympia, Wa. 14 May 2016

Dear Dr. Kreidler,

My name is Lawrence J. Hanna M.D. , and I've been a legal resident of Washington since 1970, as a military officer until 1974, and then as Group Health staff physician from '74-2005. I'm writing again to call your attention to important information regarding the proposed GHC/GHP/KP MERGER, originally conceived in the 90s as a good thing save for 2 salient facts. As background, press and propaganda notwithstanding, the underlying impetus for this merger arises directly from chronic DISSENSATION & DYSFUNCTION, primarily between the GHC CEO operations, and the Medical and associate staff, currently known as GHP [formed in 1998 for basically the same reasons, called Group Health Permanente, later changed to Group Health Physicians since there was no consummation of a then peoposed merger with Kaiser. According to Dr. Steve Tarnoff in pen staff meetings, there had been no signed agreement between GHC and GHP for over 2 years. He announced to us in Dec. 2015 that this is a corporate DIVORCE, based as most divorces are, on chronic DYSFUNCTION.

Leadership of both GHC & GHP say that if the merger doesn't happen, they are both consigned to economic failure. This despite the fact that both organizations have healthy reserves, but sadly, multi- factorial, structural dysfunction prevails.

The "con faction, a minority of voting members loosely coalesced around Washington State Senator Marilyn Chase, has spoken of a number of concerns on their web site [ghcconcerns.org] regarding the merger, excessive secrecy followed by extreme urgency, concerns regarding the assessment of sale price, terms, loss of member control, involuntary forfeiture of reserve funds.

My second point is more personal and relates directly to a few thousand non union colleagues, and a series of broken hiring and employment agreements regarding deferred compensation in lieu of well below market salaries at the time in the form of lifetime medical insurance for self and spouse. This negates years of service, even year of first hire, and relates only to the AGE of an employee in 1993, older than 55 with 12 years of service still receiving full benefit, , younger than this age with any amount of service above minimum receiving a token discount, negligible in today's competitive market. The history of this notion, allegedly, but but with unshared "secret" documentation, goes to 1993 when, in response to new FSAB rules, then GHC operations , AND STILL EMPLOYEE STATUS medical staff leaders collaborated in an end run "gentlemens' agreement" [partly to persuade unionized employees to accept lower benefits and partly to take off pressure from GHC to set aside capital reserves. Artificial groups were designated A,B,C, , later on the post millennial group D.

Staff concerns at the time were brushed aside with GHC PROMISES to set aside funds to maintain the benefit as it was still being used as a hitting lure. A one time trust fund was created, but never supplemented and a fact , poorly managed, both before and after 1998 when GHP was formed. GHC however never implemented the 1993 accord, and continued its promise to provide the benefit until October of 2014, explaining this odd

behavior by a term "zeroing out". GHP awkwardly and belatedly REINSTATED the benefit with the appreciated trust fund unused proceeds as they secretly for the entire 2015 period planned their DIVORCE.

The fund was mostly gone by Jan 2016,; no additional funding was done, but a small fraction of the KP OFFER is nominally reserved to preserve a small discount for all retirees until it is meaningless. The current deal , giving \$1,8 billion to the GHC FOUNDATION, represents neither retirees whose intellectual property and practices are being sold, nor GHC consumers and members who contributed slightly less than half this sum. Of the new money outside the tax sheltered portion \$150 million is to be distributed to active staff members as "retention bonuses, and transparently to encourage a FOR vote for the deal. . We retirees and consumers, especially artificial group B, SUBMIT THAT A MASSIVE LIEN HANGS OVER THIS TRANSACTION AND WE ARE THE LIEN HOLDERS, along with our colleagues in the mal-distribution of delayed compensation.

We therefore ask that you, and the state's legal staff, thoroughly scrutinize this proposal and suggest how we can proceed to justice. Neither GHC NOT GHP respond with any indication of resilience in this situation; they made a plan a long time ago in secret to use our earned benefit for the current leadership in power, and to bribe the current staff to vote for it at ~\$150000/ note.

Finally Dr, Kreidler; I wrote this in my first letter in March and feel obligated to repeat here, that given the facts in your own disclaimer, THE LOAs and the role you played in the founding of the Foundation, were I in your position myself with your distinguished record of service, I'd recuse myself from this ultimate decision for the same reason I'd hand over professional care of a member of my own family. I strain to accept that anyone with your record in a situation like this could be impartial, and if ever impartiality was called for, it is in this situation with ethical breaches looming all over the process and stretched over decades.

With respect, hope for fairness, gratitude for your service in OUR military, WARM PERSONAL REGARDS TO YOUR FAMILY, AND AN APOLOGY FOR THE COMPLEXITY AND LENGTH OF THIS LETTER.

Larry Hanna M.D.

1357376

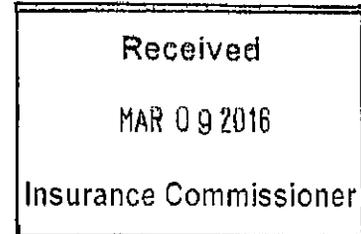
RECEIVED

MAR 09 2016

OFFICE INSURANCE COMMISSIONER
CONSUMER ADVOCACY

ZACHARY A. WRIGHT
10415 SW 116th Street
Vashon, Washington 98070
Phone: (206) 971-3350

March 4, 2016



Mr. Mike Kreidler
Washington State Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

RE: Sale of Group Health to Kaiser Permanente

Dear Mr. Kreidler:

I am writing to you about the acquisition of Group Health Cooperative by Kaiser Permanente of California. For reasons as described below, I believe any approval of this transaction by you should be conditioned on the proper use of the \$1.8 billion purchase price.

I have been an insured of Group Health for the past 11 years. Other than this, I have no affiliation or relationship to Group Health.

I have two concerns about this transaction:

1. Approval Process. I attended the special meeting of Group Health members on January 30, 2016 regarding this transaction. To put it bluntly, it was a sham. The management and others in favor of the transaction received about three hours on the stage, while the "no" group received only about five minutes to present their site. The "no" group was relegated to the floor and had not even received the Kaiser acquisition agreement in advance. The "no" Group was apparently given only two days to prepare a statement for the meeting circular.

It turns out that the Kaiser acquisition agreement essentially prohibits the current Group Health management from even discussing any negative information associated with the Kaiser acquisition. See Acquisition Agreement dated December 2, 2015, Sections 5.4(c). This seems almost as if it could be a breach of their fiduciary duty to the Group Health members/insureds to properly inform us about the advantages and disadvantages of this transaction.

While I would say that people at the meeting were able to get a general idea on the overall merits of a Kaiser acquisition, there was simply no way that the members could have understood and made an informed decision about the details of this particular transaction - particularly the application of the \$1.8 billion purchase price, or whether this is appropriate in the long run.

2. Payment of Purchase Price to New Foundation. Within these details, I believe is a major problem with the terms of the Group Health-Kaiser transaction: the use of the purchase price monies being paid by Kaiser.

The \$1.8 dollar purchase price is apparently being placed into a new nonprofit foundation. The following emerged during the January 30 meeting (barely) about this new foundation:

- This foundation has no track record whatsoever, and it has only recently been created.
- It has no board members currently.
- It is unclear who the board members of the foundation will be at this time.
- There is no mechanism in place for selecting board.
- The foundation does not have any clear stated purpose in its Articles of Incorporation.
- The new foundation will have no special duty whatsoever to Group Health organization, or its existing or future insureds. That is, despite it receiving all of the proceeds of the Group Health sale, it is completely separate from and unaffiliated with Group Health, and it will owe no obligation to GHC or its insureds.

In response to a few questions from the floor at the meeting about the application of the \$1.8 billion purchase price, we were essentially told by the Group Health management in essence, "oh don't worry, it's a foundation." The "Incorporator" of the new foundation is Susan Byington, the current Chair of the GHC board. Given the total absence of restrictions as listed in my bullets above, it sounded like she personally will then have carte blanche discretion herself in picking board members and determining a purpose and goals for the foundation.

This seems a pretty loose arrangement for \$1.8 billion.

In reality, the insurance premiums of insured members like myself have used over many years to build up the GHC organization. The vast majority of the revenue received from Group Health is from insurance premiums. That the organization is now worth a \$1.8 billion purchase price is as a result of these payments - our payments.

This value belongs to the hundred of thousands of GHC members collectively, not to a private, unaccountable foundation.

Further, all at the Group Health staff present at the January 30 meeting -- including Group Health doctors organization -- seemed to agree that the GHC organization was at present underfunded and underserved for its capital needs. The Kaiser organization has agreed to invest \$100 million per year for 10 years -- but as far as I can tell from the Group Health financials that we received at the meeting (very limited information was given to us), this is roughly what Group Health spends now on capital investment. Everyone appears to agree this is inadequate.

Given this, the obvious answer would seem to be that the \$1.8 billion purchase price should be reinvested in the Group Health organization. The foundation's purpose could easily be revised to provide that it must use these funds solely for the benefit of what will be the Washington branch of Kaiser, the former Group Health organization. These monies belong to us: the members, the insureds. They are not to become the play-thing of a few wealthy individuals in what could essentially become their private foundation.

I believe that, if you are going to approve this transaction, you should therefore condition that approval on a more specific and appropriate use of the \$1.8 billion proceeds by this new foundation. Use of these funds by this new foundation should be restricted solely to making grants for the benefit of what is now Group Health. This could include: the funding construction of new Group Health facilities; revamping the Group Health Seattle Capitol Hill campus, which is certainly in need of some updates; and/or helping to purchase the kind of very expensive healthcare computer systems that apparently lead to need for this merger.

The need for capital investment is apparently driving this sale. Why then divert \$1.8 billion in value out of the Group Health organization? If the \$1.8 billion purchase price could be added to the \$1 billion that Kaiser has promised to invest, it would address most of Group Health's capital investment needs over the next 10 years, and provide well-funded, world-class health care organization for the people of Washington.

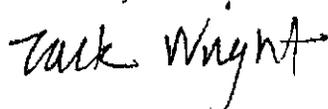
I will leave it to you to decide whether the transaction itself should be approved, or not. But if it is approved, I certainly do not think its current terms are fair to the existing Group Health insureds like myself, or the people of our state.

Mr. Mike Kreidler

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Thank you for your consideration of these comments.

Sincerely,

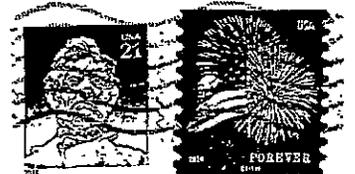
A handwritten signature in black ink that reads "Zachary A. Wright". The signature is written in a cursive style with a long horizontal stroke at the end of the word "Wright".

Zachary A. Wright

WRIGHT LAW PLLC
601 Union Street, Suite 4200
Seattle, WA 98101

SEATTLE WA 98101

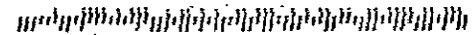
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Received *CR*
MAR 09 2016
Insurance Commissioner

Mr. Mike Kreidler
Washington State Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

985040255



Name	City	State	Your comment	Date
John Cruse	Des Moines	WA	Kaiser is destroying Group Health. After forty minutes on the phone the dial tone came on. I went to the Federal Way pharmacy and waited over two hours and the room was full of people and two or three employees strolled around in the pharmacy and occasionally gave out a prescription. I gave up. I cannot get my medicine.	2016-11-29 17:55:46
John Cruse	Des Moines	WA	Kaiser is destroying Group Health. Nothing works. After waiting on the phone for forty minutes the dial tone comes on. I cannot get my prescriptions.	2016-11-29 17:48:48
Jeri harris	lacey	WA	I support this Kaiser-group health action. i hope the conclusion comes soon as i hope to move back to whatcom county.	2016-11-24 16:14:49
			ghc is currently available in whatcom county and hope kaiser will operate there after the final determination.	
			thank you for all you do for us here in the better Washington!	
Joe Rhodes	Bremerton	WA		2016-11-23 16:00:45
			Attn: Office of Insurance Commissioner (Wash. State)	
			1. This is the second time that I have emailed your office regarding the pending sale of Group Health to Kaiser. This first contact was 6 months ago and I'm still waiting for a response! So, once again I'm emailing this office to complain about the length of time that this office is taking in deciding about the sale of GH to Kaiser. I'm a GH member and would appreciate it that this office assign a higher priority about making this decision than what is apparent now. Thank you for reading and I would appreciate a response this time!	
			Joe Rhodes	
Donna MacLean	Carlsborg	WA		2016-11-23 11:18:04
			I am a Kaiser retiree and anxious to switch my insurance to Kaiser. When will this merger be completed.	
Naomi Cassirer	Seattle	WA		2016-11-15 11:55:58
			I am concerned that the sale was done in a way that does not provide enough time for members to register to vote on the sale. This raises red flags and the commissioner should require the parties to extend the voting date to provide sufficient time for all members to register and vote.	
Linda Griffith	Longview	WA		2016-10-29 14:24:42
			I'm wondering where you are in the process of the Kaiser acquisition of the Northern WA Group Health Insurance. I am a Kaiser member and would be interested in moving north once the acquisition is completed. Is the acquisition going to be approved? When do you expect the final details to be finalized? Please advise. Thank you	
Diane Gasaway	Olympia	WA		2016-10-26 12:47:28

TO: Office of the Insurance Commission
FROM: Northwest Cooperative Development Center

As a leader of cooperative organizations in Washington State, we write in support of the Kaiser Permanente acquisition of GHC. We also request that the Insurance Commissioner recommend a certain percent of the funds in the newly formed GH Community Foundation, established as a result of the acquisition, be set-aside for the sole purpose of providing financial and technical resources to groups seeking to solve for mutual needs through cooperative businesses.

Some societal challenges cannot be addressed through the marketplace or with government support. There simply is not enough profit to be made or tax revenue available. Fortunately, citizens can often fill the void by organizing themselves and using the democratic process to establish a cooperative. Cooperatives can fill many of these gaps. These organizations rely on the democratic process and the power of ordinary citizens to collectively meet their needs.

Cooperatives are often born out of adversity and are an innovative grassroots tool in meeting basic needs such as access to shelter, healthy food, health services and sustainable work. As members and advisors of cooperatives in Washington state, we have seen cooperatives stabilize a struggling community and provide a new approach to dealing with an old problem.

For example, in 2010 there were 36 million Americans over the age of 65 and it is expected to double to 72 million by 2030. This population shift is expected to put a heavy strain on the home health care industry. Home care cooperatives are forming in our area to address the current problems faced by the home care industry and prepare for the increased need in the future. These businesses are ensuring workers get adequate training, earn a fair wage and an opportunity to have an ownership stake in the home care industry. Worker-owners are involved in setting goals and marketing their services, resulting in lower staff turnover, improved quality care and increased patient satisfaction. All of which benefits the wellbeing of our Washington communities.

Since its inception in 1945, GHC has demonstrated how cooperatives can transform lives. As a cooperative enterprise, GHC members and leaders understood the importance of engaging the diverse community it serves. These ideals are mentioned in its bylaws preamble . . . "to serve the greatest possible number of people under consumer cooperative principles without discrimination," and "to educate the public as to the value of the cooperative method of health protection, and to promote other projects in the interest of public health."

Name	City	State	Your comment	Date
John Schlosser	Seattle	WA	<p>Now that a leading healthcare organization is about to acquire GHC we are pleased that its heritage will be supported through the Group Health Cooperative Foundation (GHCF). It is a comfort to know that those resources will be used to address the current and future public health issues such as physical, service, and social environments linked to mortality, general health status, disability, birth outcomes and other important health indicators.¹ This new Foundation also presents an opportunity to honor the cooperative spirit that led to the creation of GHC more than 70 years ago.</p> <p>Currently, co-ops of all types in Washington State meet the needs of our citizens through cooperative action. Consumer co-ops offer nutrition classes and programs to meet the needs of the lower income population; worker co-ops are taking the lead on creating home care co-ops that satisfy the needs of the disabled and elderly; farmworker co-ops employ immigrant populations with better-paying jobs; and senior co-ops are replicating housing communities like GHC's Silver Glen. In just the last couple of years, NWDC helped over 400 people in Washington state take control of their futures by facilitating resident purchases of the manufactured home communities they live in, providing technical assistance to 22 homecare workers as they launched worker owned agencies, coaching three cooperatives resulting in 31 jobs saved and strengthening another 40 co-ops through leadership training, strategic planning and other assistance critical to sustaining cooperative businesses.</p> <p>Such dedicated funding for cooperative development has the potential to be a transformative self-help strategy for all communities, both rural and urban. Cooperatives inherently bring people together to create enterprises that serve the common good. Cooperatives work, and we believe they work best when they have access to resources that support their formation and operation. With new Foundation support, what has been a well-kept secret could become a mainstream option known and available to all.</p> <p>Thank you for your time and attention. We would be pleased to provide you with additional information to support our request.</p> <p>Respectfully submitted on behalf of the Northwest Cooperative Development Center,</p> <p>Diane Gasaway Executive Director</p> <hr/> <p>¹UCSF Center on Social Disparities in Health, Robert Wood Johnson Foundation, and the Build Healthy Places Network. Making the Case for Linking Community Development and Health. 19 Oct. 2015. Issue Brief Report.</p>	2016-09-22 15:29:15

Thank you for reviewing the proposed Kaiser—Group Health (GHC) transaction. Your impartial review is particularly important because the vast majority of testimony given at public hearings is from self-interested entities such as GHC employees, its corporation of doctors and GHC retirees. Kaiser has carefully taken care of job security, union representation and retirement concerns of these interest groups. This is not bad, but does mean their testimony is tilted toward Kaiser, due to their personal financial interests.

Similarly, the GHC Board has not been free to impartially present the Pro's and Con's to GHC member/consumers due to restrictions in the legal agreement signed by Kaiser & GHC. This agreement requires the GHC Board to *promote* the transaction—a very different matter than presenting the advantages and disadvantages to GHC consumers.

In contrast, your office, the Office of the Insurance Commissioner, has a much broader charge: the responsibility of representing the interests of GHC member/consumers and, more broadly, those of the citizens of Washington State. So I am grateful for your effort and your critical attention to the details of this proposed transaction.

In your review, please do not give undue weight to the advisory vote of GHC members of January 30, 2016 or the March 9, 2016 paper ballot. These votes are tainted by lack of information and the personal self-interest of GHC doctors, nurse & employees as noted, so cannot be understood as fair indicators of GHC membership opinion. There are other reasons, too:

- For presumably the best of reasons, GHC has used its good offices to *promote* the transaction rather than acting as an "honest broker" to present both Pro and Con.
- It scheduled its vote by membership to effectively disenfranchise all GHC members who hadn't registered in time. But—and this is key—it informed supportive constituencies (e.g., employees and GHC doctors) in advance of the registration deadline. Whether intentional or not, this allowed them to vote in favor. Just shifting the vote by 1 week would have allowed so many more affected members a chance to also register and vote.
- Some members (including my wife) were informed throughout the discussion/review that they were *not* voting members, but actually *were* authorized. Failing to perform the basic record-keeping of this key piece of information makes one wonder, at best.

Please use the authority of your office to require new justifications for the transaction as well as important changes to the Kaiser proposal. Without them, the transaction should be denied.

Name City State Your comment Date

If you do opt to approve the transaction in general form, please act to ensure there are specific changes in the details—to ensure that the implied benefits to Washington State actual have the beneficial effects that Kaiser promises.

Acquisition agreement changes required:

1. New Group Health Community Foundation (GHCF) interim Board should be independent of GHC's current Board.

The new GHCF will have control of \$1.8 billion, no small amount of money. The current GHC Trustees have negotiated this transaction and also propose to put five of themselves in charge of the new GHCF. To avoid any appearance of self-interest and self-dealing, the interim GHCF board of trustees should instead be composed of a blue-ribbon panel of public officials: e.g., the directors of county departments of public health in the current GHC service area of Washington.

2. New Group Health Community Foundation (GHCF) should have a defined membership and its members should elect future members of its Board of Directors.

If Kaiser acquires GHC, undeniably the biggest loss to current members is removing our ability to elect GHC board members. This loss of control and accountability is not mitigated by Kaiser's promise to maintain "advisory" boards etc.

Retaining membership influence for the new GHCF, by providing for Board member elections, is a small but significant way to ease the pain of the Kaiser acquisition. It does not harm Kaiser in any way so shouldn't lessen their interest in concluding the deal. Yes, there are "community health foundations" in other states which have self-selecting Boards. BUT...they do not have GHC's 60+ year history of collaborative co-operative health concerns.

3. Kaiser's commitment to invest \$1 billion in capital improvements should definitively benefit GHC current service area not be considered "fulfilled" simply by investments in facilities *elsewhere*.

Kaiser's promise to invest in GHC health facilities and equipment sounds promising. GHC representatives describe this as replacing outdated equipment, refurbishing clinics and improving facilities we now depend on. But if the \$100 million/year is used instead to *expand* Kaiser's footprint in new regions, e.g. counties not now served by GHC, then it promotes corporate market expansion—not a benefit to current membership. The proposed new "Kaiser Permanente of Washington" clearly has ambitions to grow and the current transaction agreement text does not clearly preclude using all this capital to expand without benefiting us at all. This should not stand.

> Please insist Kaiser commit to specific capital investment \$ amounts within *current* GHC counties.

> Please ask for Kaiser's written commitment that it will not "count" intra-company payments (e.g., payments to Kaiser California for use of its HR, procurement or claims software) as fulfillment of its promise for new "capital investments" in GHC.

> Please also ask for a specific timely reporting protocol by which Kaiser will demonstrate that it is living up to this commitment.

4. Protection in case Kaiser sells its GHC operations.

No one expects Kaiser to sell its GHC operations immediately, but Kaiser's history in Ohio and other states suggests it could do so.

Should not the Kaiser-GHC agreement contain provisions to protect us, if Kaiser should sell the Plan? It currently does not. Provisions could include, e.g., additional payments to the new GHCF; releasing the GHCF from the requirement that it not offer health plans itself; giving GHCF a "right of first refusal" to purchase the Plan; etc.

Acquisition justification information required:

GHC management and board have argued that GHC, due to enrollment declines, has no choice but to find a larger health plan financial partner. Please ask GHC to provide more data to support this.

-Metrics to request: Examples:

>> Report 5 yr enrollment stats not just as a whole, but by zip code and differentiating HMO from "Options" membership. This information is critical to understanding the "Why" of enrollment trends the "necessity" of GHC finding an acquisition partner.

>> Comparative wait-times for GHC vs Kaiser: E.g., wait times to see one's general practitioner; be seen in Urgent Care; be seen by specialist; etc. This is important to support GHC's argument that standards will not decline post-acquisition.

>> Comparison of formularies. If Kaiser's is more limited, or if Kaiser assigns more pharmaceuticals to drug categories requiring higher co-pays, then the acquisition would have an obvious negative effect on current GHC members.

>> Comparative measurements of the standards of and quality of care for Kaiser vs GHC.

>> Comparative staff turnover rates.

I read all the literature provided by GHC, plus attended two townhall meetings, the Senior Caucus discussions, and the January 30 full membership meeting but the above *key* metrics were not really disclosed. Please require them.

-GHC costs and why:

The HMO-based, integrated care model is supposed to be cheaper than a profit-motivated system with less attention to prevention and incentives for over-treatment. So why has GHC not been more cost competitive?

Name	City	State	Your comment	Date
			<p>-Collaboration without acquisition: GHC already collaborates with Kaiser but without ceding ownership: e.g., GHC members can be treated in Kaiser facilities and GHC & Kaiser do some joint procurements to achieve economies of scale. Couldn't this be collaboration be extended—without a full acquisition?</p> <p>-Where are the savings? How will Kaiser recoup the \$1.8b being spent on (given to) the new GHC Foundation? Raising rates? Unlikely, given the competitive environment. So where are the operational savings that can add up to \$1.8 B? Eliminate Puget Sound IT jobs? Marginally lower interest rates paid on bonds/loans? These saving are relatively small. Bottom line: Kaiser's offer suggests strongly that it believes it can operate GHC more efficiently than the current GHC management. How?</p> <p>-Economies of scale: It is fair to acknowledge some economies of scale as a company gets larger: e.g., lower pharmacy costs due to larger quantity orders. But there are also dis-economies of scale: e.g., transition/integration of staff/records/processes, ongoing lack of responsiveness, increased management overhead/meetings, less organizational agility. There are few who believe that bigger is automatically better. Thank you very much, in advance, for performing a real and thorough review of the proposed acquisition. We depend on you and appreciate your efforts. Sincerely, John Schlosser GHC Member #368588 jss1@sgsi.com</p>	2016-09-20 20:56:03
			<p>I'm not convinced this sale is the best thing for the people of Washington. To keep it simple, I'll list my concerns in bullet format:</p> <ul style="list-style-type: none"> - Hasn't Group Health been awarded several times in the recent past for customer service, best Health Plan in the nation, etc.? Why sell to a California company with all these awards? Is/will Kaiser better? - Won't the job losses in Washington resulting from the sale hurt the Washington people and the economy, even if a little? Will this reduce cost for the members, or will the cost simply be replaced by cost from California, Kaiser's headquarters. - How has Kaiser performed in regions outside of California? Both financially and on quality? Hasn't Group Health been one of the few health plans in Washington to make money in the past few years? Hasn't membership grown this year? Hasn't Group Health performed better financially, on quality, and growth than Kaiser regions outside of California? Will Group Health end up subsidizing poor performing Kaiser regions rather than lowering cost for Washington consumers? - Didn't the DOJ reject the major acquisitions nationally? Humana, Anthem, Cigna, Aetna, etc.? Aren't the big carriers pulling out of the ACA exchange? Shouldn't the state promote more competition rather than less? Who better to service the people of Washington than a company focused and from Washington. - Several articles have cited no benefits, e.g. lower cost to consumers, from healthcare consolidations. Healthcare seems to be better off by having more players and competition for consumers, rather than less. This seems to have worked for the cell phone industry, e.g. Tmobile and the price reductions for consumers. New cell phone plans and innovation has been spurred by rejecting AT&T's bid to buy Tmobile. - Kaiser's \$1B investment over 10 years into Washington, is that on top of what Group Health was investing in Washington or in lieu of? I believe I've seen annual reports from Group Health that shows annual capital spend of around \$100M per year. Isn't that \$1B over 10 years? - Isn't the Kaiser model purely HMO, i.e. limit network choice? At least Group Health offers a PPO product in addition to their HMO. Are we promoting limited choice as the future of Washington healthcare? - At the end of the day I think one can just look at how Kaiser has performed in Oregon or Colorado compared to Group Health in Washington over the past few years to really understand if this is the right decision for Washington. 	
Joe Rhodes	Bremerton	WA	<p>Hello, I'm a Group Health member and in favor of Kaiser Foundation purchasing Group Health (GH). However, I'm growing weary of the State of Washington not providing ANY updates to the public or GH membership concerning the status of the State's review/process. I would appreciate an update, as I know other GH members are waiting for periodic updates. I assume that I will receive some feedback to this communication.</p> <p>Sincerely, Joe Rhodes</p>	2016-09-20 18:11:00

Name	City	State	Your comment	Date
Diana Everist Cox	Kingston	WA	It would be a major mistake to allow Kaiser to buy Group Health in my experience. I can cite numerous cases where Kaiser placed cost savings over care. For example, I came to one of their ERs internally hemorrhaging and collapsed (nearly did so on freeway) from what an intern believed was an ectopic pg based on tests and portable ultrasound, but since the ultrasound tech had gone home they did not want to pay for him to come back (they told me this). So they sent me home. I came back the next night with severe pain again and again they sent me home with no follow-up! After over a week of excruciating pain I called a nurse who scheduled an ultrasound. Once the tech started the ultrasound he raced out and they then raced me into surgery. They had an inexperienced intern do the surgery and the results were not good. I went through almost 2 weeks of unbelievable pain which not only endangered my life but that of my child who I drove to school daily. I can cite other examples for myself, my mother and my daughter. Although I've known some nice physicians that worked for Kaiser early in their careers, the system is a sham to call it medical care. This is not the type of medical provider system that we want to allow to seep into Washington state.	2016-09-18 15:00:09
Laura Oliver	Sequim	WA	Please do not approve Kaiser's buyout of Group Health (GH) as it is not in the best interest of 2016 KPS subscribers living on the Olympic Peninsula, and is also most not likely not in the best interest of any KPS patients living anywhere in WA. Kaiser's purchase of GH will likely bury us by adding another layer of incompatible systems on top of GH's incompatible accounting system, along with more undertrained trained customer service representatives. We may be forced into bankruptcy as there will be no way for us to sort out another huge benefit miscalculation. We are not accountants. Since GH's purchase of KPS, KPS accounting for our care was accurate and timely; KPS accounting staff and customer care representatives were knowledgeable and very helpful. We were assured by KPS that for 2016, our benefits would be administered under our selected KPS Plan. We were assured by KPS that there would be a smooth transition during 2016. This is certainly has not been the case! GH began "administering" KPS accounts in late 2015 and now in Sep 2016, GH accounting is still consistently incorrect, generally underpaying our claims and pushing the burden on us. We are disputing thousands of dollars of charges that GH has incorrectly calculated and it's so bad that I've asked them for an audit...and I'm still receiving incorrect Statement of Benefits (SOB)! I have examples I can share with you. Our SOB from GH are consistently incorrect, causing us tremendous stress financially. At this point, we are at the mercy of our medical providers for continuing to provide care while claims are not being processed timely or correctly by GH. At this point, our account is so messed up that I have no idea where to start to figure it out...I am not an accountant Oftentimes when I have called GH Customer Service, their representatives do not appear to be knowledgeable about KPS 2016 transition and I've even been told our medical providers are not "in-network". Please do not approve Kaiser's bid for GH...instead, please audit GH and clean up the mess from their KPS buyout. Thank you, Laura Oliver	2016-09-13 09:42:34
William S. Vaughn	sequim	WA	Group Health is not suitable as a merger candidate for Kaiser. This is based on its demonstrated inability to manage its own acquisition of KPS. Without exception, every single claim my spouse has submitted since the KPS merger has been delayed as much as six months or more. More troubling, in every single instance there has been an underpayment since claims have not been processed in accordance with policy provisions. This is evidence of not just a systemic defect, but of an unmistakable institutional bias to underpay claims; had this been merely a systemic fault, there would have been a mix of underpayments and overpayments. In summary, approval of this merger will be a colossal blunder that will inflict irreparable financial injury on Washington policyholders.	2016-09-09 18:18:38
Darcy Bentley	Spokane Valley	WA	My concern and something I am dealing with right now is how group health customer service handles there insurance plain payment plain for your insurance sense they took over the washington state health exchange payment program last october and how they where not ready to take over payments in June I was terminated from my health plain with an old letter from the washington state health exchange and I was not allowed to make up that late payment now they are saying I owe over 1400 dollars in back payments when they would not even allow me to make a payment to make up for may and I filed an appeal back in June and headd nothing been in contact with executive and grievance team in phone calls and emails and no word and I have ebbn in contact with the washington state health exchange and complained to customers service many times but never allowed to make payments I we nt two months without my hypothyroidism medication and I could tell that I was not my normal self and how I was feeling so I took a risk and order my medication at the end of august but this is not right and I thought you should know	2016-09-02 21:13:54
Dan Barger	San Diego	CA	I'm a current member of Kaiser in S. Cal. they are wonderful. I've heard Group Health is equally as good. A merger would be fantastic news. Please approve this merger.	2016-09-01 17:34:17
Iorna mcfadden	Lakebay	WA	thanks	2016-08-30 20:08:59
Liliana Calimlim	Seattle	WA	I have a serious question about the Kaiser/Group Health Merger. My parents whom live in California at the moment have Kaiser, but they intend to move to Washington so that I can help care for my mother. Does this mean they don't have to change insurance companies and can still get care here at Group Health while in Washington?	2016-08-18 15:35:48
Eric Petersen	Bainbridge Island	WA	I am concerned about the joining of Group Health and Kaiser Permanente. I have my parents that live in Maryland who have very poor care by Kaiser Permanente. I myself have used their services when I go to the east coast and find myself wasting time trying to make an appointment. It feels that Kaiser only cares about the money and not the customers. This would totally change the philosophy of Group Health which is for the people and by the people.	2016-08-17 10:46:39
			I am a former GHC employee, now retired and living on a pension. I would like assurance from the OIC that in this sale, the OIC will require that all of GHC's pension obligations will be accepted and fully funded by the purchaser. Kaiser has a clear preference for providing medical services with their own doctors and clinics. I would like to know whether they intend to terminate operations in Yakima, Tri-Cities, Spokane and possibly Kitsap county where I now receive care and coverage. I think they will close these areas.	

Name	City	State	Your comment	Date
JANET SWEET	RICHLAND	WA	<p>Regarding the acquisition of Group Health by Kaiser, I used to live in California for 50 years and am very much aware of Kaiser. They had a reputation of being cheap, unreliable, with overcrowded facilities and incompetent doctors - only used by people who had no other alternative.</p> <p>I must say, I loved the paragraph in the latest email I received from Group Health, "Our commitment to high quality, safe care will not waver. The potential acquisition will not change your current health care plan, benefits, or the physician you see and trust." Gee, that sounds an awful lot like Obama when he jammed ObamaCare down our throats.</p> <p>I am 63 years old and can't wait to get onto Medicare. In the meantime, the oxymoronic "Affordable Health Care Act" has increased my premiums and deductible 10-fold over the past few years. Starting in January I will be paying close to \$600 a month in premiums for health care that covers just about nothing with a deductible I will never reach unless I get some fatal disease. To add insult to injury, under Kaiser I'm sure I'll lose Kadlec because Trios is cheaper and that's all Kaiser cares about.</p> <p>One more year til Medicare - I just hope I live long enough to be eligible for it."</p>	2016-08-15 23:04:45
S. Pat Royce	Ferndale	WA		2016-08-15 09:18:19
Russell Parks	Seattle	WA	<p>I am concerned about a part of the deal that was struck between Group Health and Kaiser. The part about which I am concerned may be untrue, but if true is horrible. I have heard that board members of Group Health will get to split \$1.8 BILLION as a result of the deal. I have also heard that the members of Group Health who voted on the sale were not made aware of the board walking away with this kind of money. This came from the Facebook page of State Senator Marilyn Chase.</p>	2016-08-11 17:52:58
Donna MacLean	Sequim	WA	<p>I feel that the use of arbitration is wrong. I would hope that this practice by Kaiser would not be allowed in Washington State. It is not good for the consumer to be tied to arbitration. It puts all the power in Kaiser's hand. My mother was the 46th member of Group Health and she is rolling over in her grave about this merger.</p>	2016-08-08 19:36:23
Thomas	BONNEY LAKE	WA	<p>I am a Kaiser retiree from California. We moved to the beautiful NW in Sequim weighing health care options. (As a retiree my partner and I had free healthcare for life) we were out of the Kaiser service area and so had to settle for inferior access and spotty competent providers. Pharmaceutical services are at best Costco. I am really hoping this sale goes through quickly. Do you have a projected date. Thank for your time.</p>	2016-08-08 18:08:32
John	Spokane	WA	<p>Hello, I have read Kaiser say there will not be significant job loss in Wa, but there is also talk about huge departments like claims, membership, and customer service being centralized out of state. These seem to contradict each other. If this takeover is approved are there any plans to stipulate that jobs have to remain in Washington, at least for a specific timeframe? If not, this will flood the market with 1000's of people looking for work.</p>	2016-08-05 17:00:28
John	Spokane	WA	<p>This buy-out/take-over is going to limit choices for me. I have family and friends who've been in the care system as well as direct employ of Kaiser Permanente. Neither friends nor family had anything positive to share regarding their experiences as patients or employees. Kaiser is effectively a corporate run system, not a membership-voting cooperative. I don't want an option for health care removed from my set of choices. Because health coverage as delivered by Kaiser is NOT an option for me and my family. This is an organization that has its roots with a California industrialist, and one that takes its bottom-line operational cues from its historical origins. We don't need the further Californization of our state. Kaiser already has a large enough presence elsewhere. Please help us maintain our range of choices, and allow us to receive care from a COOPERATIVE, not a CORPORATION!</p>	2016-08-05 17:00:14
			<p>This buy-out/take-over is going to limit choices for me. I have family and friends who've been in the care system as well as direct employ of Kaiser Permanente. Neither friends nor family had anything positive to share regarding their experiences as patients or employees. Kaiser is effectively a corporate run system, not a membership-voting cooperative. I don't want an option for health care removed from my set of choices. Because health coverage as delivered by Kaiser is NOT an option for me and my family. This is an organization that has its roots with a California industrialist, and one that takes its bottom-line operational cues from its historical origins. We don't need the further Californization of our state. Kaiser already has a large enough presence elsewhere. Please help us maintain our range of choices, and allow us to receive care from a COOPERATIVE, not a CORPORATION!</p>	

Name City State Your comment
Carl Johansen Edmonds WA

Date
2016-08-03 20:07:52

I join others in expressing opposition to the terms of the purchase and sale agreement between Group Health and Kaiser.

I am a retiree and a long term member of Group Health. I have received health care through Group Health and have high regard for its health care services.

An overwhelming majority of Group Health's voting members favor the sale to Kaiser, and an overwhelming majority of Group Health's health care providers support the sale to Kaiser. For the record, I voted against the sale to Kaiser.

Given the strong support of others for the sale, and subject to approval by your office, I understand Kaiser will take ownership of Group Health's assets and take over Group Health operations. Group Health members should enjoy seamless health care services over a much larger geographic area. We also should benefit from the greater purchasing power of a much larger organization in dealing with, among other things, pharmaceutical companies.

However, I don't agree it is in the best interest of Group Health consumers to have Kaiser spend \$1.8 billion to buy the assets from Group Health whose "successor" foundation will use that money not to help cover the costs our health care but rather for programs whose purposes its proponents acknowledge they have yet to figure out. Though the "new" foundation may eventually perform some studies or other services of use to us, Kaiser will, if the purchase terms are approved, have \$1.8 billion less money to spend on our basic health needs. That expenditure ultimately will have to be covered by increases in premiums, co-pays and deductibles; decreases in our health care services; or some combination thereof.

Were both Group Health and Kaiser for profit organizations, the \$1.8 billion purchase price may very well be the fair market value of the assets and reputation of Group Health, and the sellers would be perfectly entitled to spend the sale proceeds however they choose. But they are not for profit organizations. The purported purpose of both organizations is to provide high quality health care for a reasonable price. That purpose would best be served by Kaiser paying a substantially lower purchase price sufficient only to cover the costs of facilitating a smooth transition and possibly some reasonable re-employment assistance for administrative staff displaced by the change.

The payment of \$1.8 billion over a ten-year period smacks of a pay off to the people who have made it possible for them to be in charge of the "new" foundation. What public purpose will be served by providing \$1.8 billion for a small group of people to "play with". How will that improve Group Health/to be Kaiser health care consumers?

I urge you to find a way to send the purchase and sale agreement back to Group Health and Kaiser for re-negotiation of the terms related to the "new" foundation. Please encourage the negotiators to use the \$1.8 billion to directly improve the provision of health care services.

Marc Mora MD Seattle WA

Thank you.

2016-08-03 09:55:19

As a physician at Group Health and a member I am very excited about the acquisition of Group Health by KP. I believe it will enable me to be a better doctor and help us achieve our long term values of improving the quality of health care and making it more affordable...

David Flood Olympia WA

2016-07-31 22:14:07

I hope that the Commissioner and Staff review the secrecy and possible fraud committed by the Boards. Announcing this deal two days after any concerned member could register to vote on it and after yearly provider selection had closed, hiding all details until hours before the vote, not answering any of the objections, and finally hiding the Commissioner's public meetings from any public discussion of the sell-out. If this sell-out was actually to the benefit of the Members then all the Members should have been given information and a chance to vote on it.

Name	City	State	Your comment	Date
Christine E Clark	Deer Park	WA		2016-07-29 16:45:01
			<p>I spoke July 27 at the Spokane hearing about my concern for adequate transportation for Eastern Washington patients using Group Health which is planned to be sold to Kaiser Permanente. Our regional public transportation services are under-funded and often unavailable for people with health care needs.</p> <p>If there is to be a community foundation to improve health care for the region's residents, please consider including funding for a coalition's needs assessment study of transportation needs for the users and the residents of NE Washington who need health care services and who experience transportation barriers to health care.</p> <p>The Aging and Long Term Care of Eastern Washington has tried to supplement regional transportation needs for health care by securing funding for a quasi-volunteer transportation system: Care Cars. When all of the funding was invested in only one county of the regional area, the disservice was not helpful for the residents in other counties of the region. The current ALTCEW plan: http://www.altcew.org/files/2013/05/FINAL-2016-2019-Proposed-Area-Plan-Document.pdf</p>	
Susan May	Spokane Valley	WA		2016-07-27 10:47:34
			<p>I am opposed to the sale of Group Health to Kaiser Foundation Health. Since it was announced at the beginning of the year that this was Group Health's intent, GH has decided to run their own lab and discontinue using PAML. I believe this was done in anticipation of the acquisition. The result to me, a Medicare Advantage member, is that the negotiated cost for a single lab test went up from \$4.72 to \$19.53.</p> <p>I am also a retired health care provider and aware of the Kaiser style of health care provision. In California they hired a non-board certified MD as a pediatrician who had completed a rotating internship only, no residency in pediatrics. In Illinois they denied rehabilitation services to a patient whose rehabilitation was interrupted due to medical illness. When he recovered and was able to continue, coverage was denied to him. Kaiser was able to grow because they sold cheap plans to employers while providing poor service to patients.</p> <p>If Kaiser acquires Group Health I will be enrolling in another Advantage plan. I thought it was highly manipulative of Group Health / Kaiser to inform the public of their intent until after the 2016 Open Enrollment period.</p>	
William D. Zimsen	Bremerton	WA		2016-07-26 18:15:25
			<p>A member of GHC since 1967, I have seen much. This acquisition smells fishy. Individual employees of GH's operations have told me that if not sold to somebody, GHC will be bankrupt soon. That has not been public knowledge. But I strongly suspect it is true, based on poor performance, penny pinching on things like labs, and annual physicals.</p> <p>The thing that most puzzles me is this. GHC (me and the other members) owns millions of dollars worth of assets. As I understand, everything will be turned over to Kaiser: hard assets, supplies, patients, good will, employees, and their union agreements ?? sub contractors (like doctors), etc. without ANY compensation to the current owners (members).</p> <p>That might be like me giving you a taxi, for which I am the part owner, if you promised to take good care of it, change oil often, exercise it frequently, and invest in improvements worth 10,000 euros over the next ten years. Oh yes, and not gouge any of the people on the list of customers I will give you. No money changing hands between current owners, and new owners.</p> <p>Fish stinks after 3 days. How does this smell ?</p>	
Gina Lackey	Liberty lake	WA		2016-07-24 10:37:41
			<p>If the alternatives are either to go bankrupt, or sell to Kaiser, go bankrupt.</p> <p>Members are very concerned about this. Group Health is known for their great, fair, honest coverage of the Northwest. Kaiser is known not to cover things. They are known for not being fair. Most important they are ruthless at not covering things and this will anger people. What was Group Health thinking?</p>	

Name	City	State	Your comment	Date
Kathleen Smith	Silverdale	WA	<p>The sale of GH to KP is very beneficial to the residents of WA because even greater health coverage will be possible for the consumer. It is a new chapter for GH staff to have resources to care for our patients in a high quality system.</p> <p>I cannot say how much this sale will benefit the current patients and those seeking health care in Washington. Please move forward quickly and ignore that it is an election year in politics. If nothing is preventing the approval of this sale other than to try and wait until after the elections, then please move forward and approve this sale sooner than later.</p> <p>Thank you for listening.</p>	2016-07-22 12:59:00
steve				2016-07-19 10:52:24
Michael Wilkins	Seattle	WA	<p>Test</p> <p>Dear Mr. Kriedler:</p> <p>I am writing to express my opposition to the terms of the purchase and sale agreement between Group Health and Kaiser.</p> <p>I am a retiree and a long term member of Group Health. Most members of my immediate family and extended family receive health care from Group Health or Kaiser. All of us family members who have received health care from those two organizations have high regard for their health care services. An overwhelming majority of Group Health's voting members favor the sale to Kaiser, and an overwhelming majority of Group Health's health care providers support the sale to Kaiser.</p> <p>And I support Kaiser taking ownership of Group Health's assets and taking over Group Health operations. At the very least, we consumers will be able to enjoy seamless health care services over a much larger geographic area. We also should benefit from the greater purchasing power of a much larger organization in dealing with, among other things, pharmaceutical companies.</p> <p>But it clearly is not in the interest of us health care consumers to have Kaiser spend \$1.8 billion to buy the assets from Group Health whose "successor" foundation will use that money not to help cover the costs our health care but rather for programs whose purposes its proponents acknowledge they have yet to figure out. Though the foundation may eventually perform some studies or other services of use to us, Kaiser will, if the purchase terms are approved, have \$1.8 billion less money to spend on our basic health needs. That expenditure ultimately will have to be covered by increases in premiums, co-pays or deductibles; decreases in our health care services; or some combination thereof.</p> <p>Were both Group Health and Kaiser for profit organizations, the \$1.8 billion purchase price may very well be the fair market value of the assets and reputation of Group Health, and the sellers would be perfectly entitled to spend the sale proceeds however they choose. But they are not for profit organizations. The purported purpose of both organizations is to provide high quality health care for a reasonable price. That purpose would best be served by Kaiser paying a substantially lower purchase price sufficient only to cover the costs of facilitating a smooth transition and possibly some reasonable re-employment assistance for administrative staff displaced by the change.</p>	2016-07-16 13:06:18
Michael Redfield	Kingston	WA	<p>Despite being a member for over 30 years, I was not sent a ballot to vote on the merger. When I phoned customer service to get one, I was told I was not qualified to vote. I would have voted against it. These uncontrolled mergers and acquisitions are eliminating choices for consumers, and the competition that acts as a brake on price increases. They are taking place in the healthcare industry at an unprecedented pace. In Washington State, CHI Franciscan seems to be gobbling up everything in sight. I hope you will disapprove this sale.</p>	2016-07-15 21:14:20
carol hausmann	Mercer Island	WA	<p>I am calling on behalf of my parents who live in Yakama. This acquisition has been a major screw-up. My mother, who retired from Kaiser many many years ago has been covered in Yakima for 30 years under the arrangement that Kaiser had with group health. All of a sudden, they are "dropped" without so much as an explanation as to what the heck they should do now.</p> <p>I am furious about this. I hope you have a solution for my parents - this is a breach of contract in my opinion.</p> <p>Carol Hausmann</p>	2016-07-15 15:55:23

Name	City	State	Your comment	Date
John McNamara	Olympia	WA	<p>Thank you for your work on consumer protection and your support for all Washingtonians to maintain affordable care. As a member of the cooperative community we want to ensure the Group Health Cooperative legacy is not lost during the Kaiser Permanente acquisition.</p> <p>We urge you to consider the following proposals put forth by a Task Force of Cooperative representatives from around Washington State. Since its inception in 1945, GHC members have valued the right to have a voice in its governance through democratic member representation. Cooperatives and their members have played an instrumental role in ensuring GHC succeeded. The new Foundation presents an opportunity to raise the level of awareness and actively promote the strength of cooperative action which served GHC's mission.</p> <p>I respectfully submit the following requests for consideration as you deliberate the proposed acquisition of Group Health by Kaiser Permanente:</p> <p>1.If you find the acquisition in order and allow the acquisition to take place, please include a directive, or strong recommendation, for the new GH Community Foundation to set aside 30% (thirty) of</p>	2016-07-14 13:50:48
Karl Helmgren	Bellevue	WA	<p>The details of the proposed merger have not been shared in detail with members and the public. As a non-profit changing hands this must be public information. GHC did not pay taxes as a non-profit, thus the change in ownership demands more transparency than has been offered. The proposed charter and oversight of the new foundation is inadequate to ensure funds are used in a way consistent with the intentions of the GHC founders. I recommend giving the money to the 300,000 co-op members whose heritage was squandered by the current leadership.</p>	2016-07-09 18:21:33
John Schlosser	Seattle	WA	<p>Thank you very much for reviewing the proposed Kaiser—Group Health (GHC) transaction. This is important for many reasons, not least because the GHC Board has not been free to act impartially.</p> <p>In your review, I urge you disregard the advisory vote of GHC members of January 30, 2016 as well as the March 9, 2016 paper ballot of GHC voting members. These votes are tainted so cannot be understood as conclusive indicators of GHC membership opinion. Why do I say that?</p> <p>-For presumably the best of reasons, GHC has used its good offices to *promote* the transaction rather than acting as an "honest broker" to present both Pro and Con.</p> <p>-It scheduled its vote by membership to effectively disenfranchise all GHC members who hadn't registered in time. But—and this is key—it informed supportive constituencies (e.g., employees and GHC doctors) in advance of the registration deadline. Whether intentional or not, this allowed them to vote in favor. Just shifting the vote by 1 week would have allowed so many more affected members a chance to also register and vote.</p> <p>-Some members (including my wife) were informed throughout the discussion/review that they were *not* voting members, but actually *were* authorized. Failing to perform the basic record-keeping of this key piece of information makes one wonder, at best.</p> <p>Please use the authority of your office to require new justifications for the transaction as well as important changes to the Kaiser proposal. Without them, the transaction should be denied.</p> <p>Acquisition agreement changes required:</p> <p>1.New Group Health Community Foundation (GHCF) Interim Board should be independent of GHC's current Board.</p> <p>The new GHCF will have control of \$1.8 billion, no small amount of money. The current GHC Trustees have negotiated this transaction and also propose to put five of themselves in charge of the new GHCF. To avoid any appearance of self-interest and self-dealing, the interim GHCF board of trustees should instead be composed of a blue-ribbon panel of public officials: e.g., the directors of county departments of public health in the current GHC service area of Washington.</p> <p>2.New Group Health Community Foundation (GHCF) should have a defined membership and its members should elect future members of its Board of Directors.</p> <p>If Kaiser acquires GHC, undeniably the biggest loss to current members is removing our ability to elect GHC board members. This loss of control and accountability is not mitigated by Kaiser's promise to maintain "advisory" boards etc.</p> <p>Retaining membership influence for the new GHCF, by providing for Board member elections, is a small but significant way to ease the pain of the Kaiser acquisition. It does not harm Kaiser in any way so shouldn't lessen their interest in concluding the deal. Yes, there are "community health foundations" in other states which have self-selecting Boards. BUT...they do not have GHC's 60+ year history of collaborative co-operative health concerns.</p> <p>3.Kaiser's commitment to invest \$1 billion in capital improvements should definitively benefit GHC current service area not be spread over the region as a whole.</p> <p>Kaiser's promise to invest in GHC health facilities sounds promising. GHC representatives describe this as replacing outdated equipment, refurbishing clinics and improving facilities we now depend on. But if the \$100 million/year is used instead to *expand* Kaiser's footprint in new regions, e.g. counties not now served by GHC, then it benefits us hardly at all. The proposed new "Kaiser Permanente</p>	2016-07-08 18:44:19

Name	City	State	Your comment	Date
Deborah Ritter	Seattle	WA	<p>of Washington" clearly has ambitions to grow and the current transaction agreement text does not preclude using all this capital to expand without benefiting us at all. This should not stand.</p> <p>> Please insist Kaiser commit to specific capital investment \$ amounts within *current* GHC counties.</p> <p>> Please ask for Kaiser's written commitment that it will not "count" intra-company payments (e.g., payments to Kaiser California for use of its HR, procurement or claims software) as fulfillment of its promise for new "capital investments" in GHC.</p> <p>> Please also ask for a specific timely reporting protocol by which Kaiser will demonstrate that it is living up to this commitment.</p> <p>4. Protection in case Kaiser sells its GHC operations. No one expects Kaiser to sell its GHC operations immediately, but Kaiser's history in Ohio and other states suggests it could do so.</p> <p>Should not the Kaiser-GHC agreement contain provisions to protect us, if Kaiser should sell the Plan? It currently does not. Provisions could include, e.g., additional payments to the new GHCF; releasing the GHCF from the requirement that it not offer health plans itself; giving GHCF a "right of first refusal" to purchase the Plan; etc.</p> <p>Acquisition justification information required: GHC management and board have argued that GHC, due to enrollment declines, has no choice but to find a larger health plan financial partner. Please ask GHC to provide more data to support this.</p> <p>-Metrics to request: Examples:</p> <p>>> Report 5 yr enrollment stats not just as a whole, but by zip code and differentiating HMO from "Options" membership. This information is critical to understanding the "Why" of enrollment trends the "necessity" of GHC finding an acquisition partner.</p> <p>>> Comparative wait-times for GHC vs Kaiser: E.g., wait times to see one's general practitioner; be seen in Urgent Care; be seen by specialist; etc. This is important to support GHC's argument that standards will not decline post-acquisition.</p> <p>>> Comparison of formularies. If Kaiser's is more limited, or if Kaiser assigns more pharmaceuticals to drug categories requiring higher co-pays, then the acquisition would have an obvious negative effect on current GHC members.</p> <p>>> Comparative measurements of the standards of and quality of care for Kaiser vs GHC.</p> <p>>> Comparative staff turnover rates.</p> <p>I read all the literature provided by GHC, plus attended two townhall meetings, the Senior Caucus discussions, and the January 30 full membership meeting but the above *key* metrics were not really disclosed. Please require them.</p> <p>-GHC costs and why: The HMO-based, integrated care model is supposed to be cheaper than a profit-motivated system with less attention to prevention and incentives for over-treatment. So why has GHC not been more cost competitive?</p> <p>-Collaboration without acquisition: GHC already collaborates with Kaiser but without ceding ownership: e.g., GHC members can be treated in Kaiser facilities and GHC & Kaiser do some joint procurements to achieve economies of scale. Couldn't this be collaboration be extended—without a full acquisition?</p> <p>-Where are the savings? How will Kaiser recoup the \$1.8b being spent on (given to) the new GHC Foundation? Raising rates? Unlikely, given the competitive environment. So where are the operational savings that can add up to \$1.8 B? Eliminate Puget Sound IT jobs? Marginally lower interest rates paid on bonds/loans? These saving are relatively small. Bottom line: Kaiser's offer suggests strongly that it believes it can operate GHC more efficiently than the current GHC management. How?</p> <p>-Economies of scale: It is fair to acknowledge some economies of scale as a company gets larger: e.g., lower pharmacy costs due to larger quantity orders. But there are also dis-economies of scale: e.g., transition/integration of staff/records/processes, ongoing lack of responsiveness, increased management overhead/meetings, less organizational agility. There are few who believe that bigger is automatically better.</p> <p>Thank you very much, in advance, for performing a real and thorough review of the proposed acquisition. We depend on you and appreciate your efforts.</p> <p>Sincerely, John Schlosser GHC Member #368588 jss1@sgsi.com</p>	2016-07-05 13:42:52
			<p>I am a voting member of Group Health and voted yes. Recently, I attended a retirement seminar at the UW. We were told as retirees we have three choices of health care with Medicare A and B.</p> <p>Uniform: \$267.89/month Kaiser Permanente: \$158.70/month Group Health: \$135.80/ month</p> <p>I wonder, what makes the Uniform Plan so superior that it is almost twice the cost of the Group Health plan and what is so inferior about the current offerings of Group Health that their plan is \$22/month less than Kaisers? Could Group health's problem be that they aren't pricing their plans appropriately? I'm not sure what I think now. Maybe the "NO" responders at the meetings had some valid points. I voted "YES" based on what my doctors and the employees of Group Health felt was best for them.</p>	

Name	City	State	Your comment	Date
Bentson McFarland	Seattle	WA		2016-07-04 17:26:00
mary garvey	Seattle	WA	Please approve the acquisition of Group Health Cooperative by Kaiser Foundation Health Plan of Washington. Speaking as a long time Group Health member, I believe this acquisition is essential if Group Health is to survive. Thank you.	2016-06-30 18:49:29
Chris Gaspard	Seattle	WA	I am aware of the rules. They set the vote date so if you were not a voter you could not register in time. I thought I was a voting member and every one of the people I talked to also thought they were. The said in a public statement that they had posted for years the opportunity to register at there facilities. Not true,, No one has seen such a posting in at least 25 years. Also you did not address the amount of One BILLION FOUR HUNDRED MILLION DOLLARS and where it is going. Not to the members. Are the board of directors and officers getting commission, or bonuses?	2016-06-29 12:22:00
Jack and Donna Rice	Olympia	WA	8,000 people out of 550,000 to 600,000 got to vote, because clever timing of announcement. doctors to get \$100,000 bonus if purchase is approved. Group Health has 1.8 billion in bank. I attended a meeting where I over heard 2 doctors telling a third that since G/H had purchased their HMO in Port Angeles that they had more business then they could handle. I have not seen any reason for sale, except to rob the bank. Dear Insurance Commissioner Kreidler: Please require Group Health Cooperative and Kaiser to honor the health care coverage promises made to retired Group Health providers prior to allowing this transaction. Please see Dr. Larry Hanna's letter of June 15, 2016. As you have likely seen in the news lately Weyerhaeuser is doing a similar thing to their retirees and this is being challenged in court. Sincerely, Jack C. Rice, MD Group Health retiree 360-357-6756	2016-06-26 00:16:25
Linda Atkins	Enumclaw	WA	I have been a Group Health member for a number of years. The care generally is good quality, and GH has worked to streamline and reduce bureaucratic processes so that it is easier to access care. A big concern about GH, however, is the limited number of facilities where care can be accessed. Many communities do not have any GH facilities, requiring long commutes to clinics. The Kaiser acquisition of GH would be supportable if, and only if, Kaiser commits to making access to the Kaiser health plan available in ALL counties in WA. Particularly of concern to me is that GH withdrew from Jefferson County. My parents retired there, and were devastated to have to switch their health care from GH where they had been members for years (GH dropped Jefferson County after their retirement). Kaiser also should be required to commit to making clinical and hospital care facilities more widely available in the Puget Sound region, where traffic makes any travel increasingly difficult. For example, I live in Enumclaw, but I have to commute to Bellevue for care, including urgent care (which I had to do at 11:00 p.m. recently). Enumclaw has a very nice hospital, but GH members cannot access it readily. If Kaiser does not plan to SIGNIFICANTLY expand geographic access to physicians and hospitals, I question whether they should be allowed in to our market. The takeover would result in a loss of local control of care for GH members, and there should be a very substantial benefit to members to compensate. The HMO model streamlines care and simplifies payment (no claims, no waiting for docs to be paid), BUT it is disadvantaged by excessive geographic restrictions. The State should not approve Kaiser's acquisition of GH unless Kaiser is required to address this issue. Thank you for the opportunity to comment.	2016-06-25 17:14:56

Name	City	State	Your comment
John Patterson Blair	Vashon	WA	

Date
2018-06-22 01:46:29

Please find attached the text if a three minute talk I had intended to give at the public comments session at Tacoma on Wednesday, June 15.

On your website, I could not find any information other than the location, date and time of the meeting. So I called about how to make a comment and was told just show up, sign in and sign up to speak. I thought the person I talked to also said that the comments should be limited to three minutes, which I assiduously planned to do (2:56 to 3:06 reading quickly). When a two minute limit was announced at the beginning of the actual meeting, I left.

I had also expected to be reading my letter to at least some members of the committee in the hopes that personal contact would encourage them to read my previously submitted sixteen page comment, mine being only one of the many they have certainly received. I expected the meeting to be an exchange between interested members of the public and the committee, rather than a meaningless pro forma exercise to satisfy an archaic legislative requirement.

Please add this letter to my previous submission and to its attached letter (still unacknowledged) to Kaiser about my late brother's care.

Thank you.

The statement that was intended to be read
at the Tacoma public comment meeting

This statement consists mostly of a number of excerpts from a 16 page comment that has been previously submitted to this Commission. I'm here today to urge the commission members to read and consider my lengthy submission in its entirety.

The present submission begins:

Please find attached: an introduction, question and narrative that I send to Kaiser concerning my late brother's care. The events described in the attached give specific illustration to the focus of this letter.

The purpose of this letter is to ask this Commission to deny Kaiser's request to acquire Group Health.

On its face, insurance companies should not own hospitals.

Hospitals are businesses. They make their money by providing life-prolonging and other medical services, and then seeking payment – more services, more income.

Insurance businesses, on the other hand, get their payment "up front" and keep their money by not providing any services they don't have to – fewer services, more net income.

Medical hospitals must protect lives to prosper; insurance hospitals must protect premiums to prosper.

The best business strategy, for all health insurers, is to help their policy holders stay healthy. To that end, some insurers provide health maintenance services in their own hospitals, which improves the effectiveness of this strategy. Eventually however, everyone's health fails, and with it falls this business model. Restorative care, provided as part of health maintenance, becomes a negative feedback loop; returning the cured to a pool of increasingly-likely high cost policy-holders. At some point every successful treatment increases future costs and insurance hospital ownership becomes a likely source of substantial financial loss. In particular, the transition from health to death can be very expensive and requires skilled business and medical management.

I am focusing here on the use of palliative care and Hospice for cost control during chronic and end-of-life disability.

For the chronically and terminally ill, life-prolongation and profits cannot be permitted to be in direct conflict in the life-preserving organizations that treat these particularly vulnerable patients.

This is a moral issue. This is about protecting the vulnerable. As long as the delusion of compassionate intention can be maintained this exploitation of the trusting and vulnerable will continue to produce superior financial returns.

The next excerpt is both the opening and the closing of my previously mentioned 6 page letter to Kaiser.

Name	City	State	Your comment	Date
			<p>It's been almost two and a half years since my younger brother, David, died. I think I now understand enough of what happened to ask a question: Why, two weeks after emergency brain surgery, were David's wife and I told that there was nothing else you could do for David, when (as we now know) his Kaiser insurance entitled him to 100 days of skilled nursing care?</p> <p>A routine transfer into skilled nursing, instead of the palliative care in Hospice that Kaiser recommended for him, would have given David the possibility of recovering sufficiently to participate in decisions about his own future and, perhaps, if he so wished, to begin formal rehabilitative therapy.</p> <p>Warren Buffet has said that in business the goal is to avoid the dragons, not to slay them. So too, in regulation - the preventable should be prevented. This is the role of regulation.</p> <p>I urge you to publicly recognize this irreconcilable conflict by denying Kaiser's request to acquire Group Health.</p> <p>Insurance companies should not own hospitals. Thank you for the opportunity to express my opinion.</p>	
Linda Tieman	University Place	WA	<p>My questions: will KP require GHC to follow its model of owning its own hospitals, when that is not the GHC model?</p> <p>How independent will systems be, like the Consulting Nurse Service, etc?</p> <p>How will the effectiveness of this change be evaluated and by whom?</p>	2016-06-17 18:34:11
Linda Tieman	University Place	WA	<p>How will the effectiveness of this change be evaluated and by whom?</p>	2016-06-17 18:32:24
Nancy J. Gleason	Des Moines	WA	<p>I urge you to expedite the acquisition work, not because it will "save" GHC, or because it will line KP's coffers (both are true) but for a higher reason. The Governor and his predecessor want a healthier state: GHC has been a pioneer in much of what makes this state creative, inventive, customer-focused, and progressive in healthcare. To let GHC fail could easily mean the loss of this intellectual capital and the processes that have helped to make WA one of the healthiest states in the US. Losing great minds, a research institute, and 500,000+ people who understand about integrated care, personal accountability for health, and who care about WA, would be terrible for our state and its future.</p> <p>Good Morning Mr. Kreidler,</p> <p>Thank you for asking for public comment on the sale of Group Health to Kaiser. I was unable to attend the meeting in Tacoma last night but am fully in favor of the sale IF Kaiser is allowed to practice as they do in California. I lived in CA in the late 60s and early 70s and had many friends and relatives who were enthusiastic about the care they received from Kaiser. Today I have relatives and friends who live in CA and have Kaiser and they get the best of care. Group Health is clearly unable to compete in today's health care environment and a sale to Kaiser is the perfect solution for consumers. I will sign up with them as soon as they arrive in Washington State IF they accept Medicare Complete/AARP-United Health Care supplement and IF they are allowed to fully serve customers.</p> <p>I also am outraged that the catholic church has been allowed to buy up health care providers in Washington State and that the United States catholic bishops have decreed that EVERY provider who works with a catholic owned facility, whether catholic or not, MUST adhere to their archaic religious beliefs on no contraception, no abortion, no care for pregnant women in distress, and no death with dignity.</p> <p>Pushing their religious beliefs on the rest of us is simply criminal because OUR United States Constitution/amendments guarantee SEPARATION OF CHURCH AND STATE and protect US from having any religious belief forced on us. I have no idea why the catholic church - using OUR supposedly non-profit, untaxed and government granted money - have been allowed to use their market-based grotesque profit to buy up health care providers across America.</p> <p>The Washington State Insurance Commissioner MUST disallow their actions and bring suit against the U.S. catholic bishops and catholic church to stop this attack on the underpinnings of democracy in America. Meantime, Kaiser will give consumers an excellent choice.</p> <p>Thank you for your prompt attention to this grave problem.</p> <p>https://www.chifranciscan.org/Press-Room/</p> <p>http://www.huffingtonpost.com/julia-kaye/pregnancy-is-scary-enough-catholic-hospitals_b_9873612.html</p>	2016-06-16 14:06:50

Name City State Your comment
Harvey Seattle WA

Date
2016-06-13 18:24:54

Please consider the 2 letters I sent GHC. The 1st contained my thoughts after the 1st member meeting downtown and the 2nd was in response to a mailing from GHC staff who signed themselves as Authors.

Letter1

The acquisition of Group Health Cooperative by Kaiser Permanente may be good for GH members but I believe members were not given enough information yet. I think that the written information they provided GH members was next to useless. It was mostly scare tactics (if GH is not acquired by KP, GH will cease to exist), feel-good propaganda (this acquisition will solve all our problems), and urges to vote in favor.

The meeting was stacked with GH physicians and members of the SEIU none of whom wanted to lose their jobs if GH folded. Many of these at the meeting were loud in their pressure to vote to approve and shouted down those who had more questions. Perhaps they too were deceived by management.

GH managers claim that GH lost 70000 members but attribute it to Obamacare rather than to worse GH service such as members no longer knowing what a prescription will cost when ordering on-line. I don't know whether the change coincided with the large layoffs period or whether that is when they tried to bring a new computer system on-line (without proper testing!!) or something else.

Managers never want to believe how important specifications and documentation and thorough testing are when writing any new programs for important projects.

Another consideration for members is clinical guidelines. I think KP clinical guidelines should be as good or better than current GH usage. Denial of service is sometimes thought of as a cost-saving measure and is implemented by contractors in other parts of the country or the world without knowledge of the entire medical record for GH member. Carefully reading clinical guidelines for various conditions or diseases and making arguments based on them is only way to fight denial of service. How do present GH clinical guidelines compare with KP's?

At the meeting, someone presented the fact that KP having bought previous non-profit medical groups had been in 15 different states or regions but now in only seven. KP sold off the resources, often to sectarian groups, they had bought from the areas that they had left. Will KP do it to GHC as well?

When did GH staff learn about the prospective acquisition? Did they have the opportunity to become voting members before it was too late for the rest of us? How much will the remuneration increase for executives of both GH and KP after acquisition? Whoever did the negotiating for this acquisition probably has a golden parachute somewhere. Otherwise why the urgency to pass this without providing proper notification of all the terms of agreement to all the cooperative members and asking for suggestions for improving terms?

Given that history, I would think that the purchase agreement should be reworked with a claw back provision. The \$800 million reserve fund should not be touched for twenty years until GH members see that the KP ten year plan works for GHC members with no large dues or fees increase or reduction in service. If there is KP problem, then all facilities plus the reserve fund should revert back to GH cooperative members who want a true cooperative not a deal where KP has the only vote for the organization.

I don't think this acquisition should be approved without 1) an oversight committee for the computer changeover and 2) clinical guidelines are compared and 3) the executives are willing to take no increased remuneration for the ten year period of the KP plan and 4) KP agrees to the claw back provision.

Letter2

Dear Letter Authors,
I was surprised to receive your letter to Group Health members yesterday. Perhaps you can make a better case to convince me to vote yes.

Name	City	State	Your comment	Date
			<p>As someone who served for 5 years as a research assistant in the Math. Dept. of Uni. Wash. to Bill Blinbaum, I had interesting conversations with him and Hilde. One was about how, coming from fascist Europe, they wanted to set up GHC to be run by people, definitely not by a single entity from the top down. So I think that I can safely say that they, given the information provided to the general membership, would vote no.</p> <p>On a separate sheet, I enclose what I wrote up immediately following the special meeting; my suggestions in a manner that I think Bill & Hilde might have used.</p> <p>The 6 bullet points in your letter are good, but where are the examples of how and why GHC and KP management think that they can make the new entity financially successful given that the main reason for seeking to be acquired is because of financial difficulties with little hope of GHC continuing on our own.</p> <p>What your letter seems to imply is that GHC will either cease to exist or be acquired by someone else. Without examples of improvement over what we have, you are just telling us that we will be acquired by another not-for-profit outfit. Your likening GHC and KP to identical twins is absurd. Starting from top down is quite different from starting from a broad base of concerned people – a cooperative.</p> <p>An example that you might have tried is that by combining the purchasing power of GHC with PK, all should see savings when dealing with big pharma; but maybe that will not be the case. Another example for cost saving might be by combining computer systems unless one is required to license "by seat".</p> <p>Did any GHC managers even ask for improved service when considering the purchase offer? The question that I brought up at the meeting about why consumers using on-line mail order could no longer know what our prescription costs would be until we saw our statement could have been put into the letter as an advantage of the acquisition because we could find out those costs on-line immediately; unless we couldn't.</p> <p>Feel good advertising isn't what helps a system to grow; rather better service without raising cost is.</p> <p>Please read the KP entry on wikipedia, Jon Talton on GHC/KP in the Seattle Times, other recent opinions in the media, and my enclosure to see what you appear to be missing. Then maybe you can do a better job of convincing us why we must change from a cooperative to a KP fiefdom.</p>	
Lisa Blakeney	Tacoma	WA	<p>Harvey Friedman phaopensource@gmail.com 20161118</p>	2016-06-13 10:16:47
			<p>I am concerned about this acquisition, as both of these companies are already huge corporations with 100's of insureds, yet from my experience, they are not doing a very good job individually, and I believe it will be highly unlikely that will improve once they merge together. This country needs fewer monopolies, not more of them, and until these large corporations can adequately serve the customers they already have they should not be undertaking further business acquisition.</p> <p>Thank you!</p>	
Erin	Spokane	WA		2016-06-12 09:14:19
			<p>If Providence and Group Health are already partnered in Spokane under Care Unity, doesn't the potential Kaiser-Group Health Merger potentially create a superpower/monopoly in Spokane?</p> <p>Currently there is a problem with Providence owned providers who are told they must only refer to providers within Providence. And there has been no oversight. Nothing to ensure that the hospital and providers are upholding the ethical and legal obligation to allow for patient choice. Patients are not being offered a list of non-providence available providers.</p> <p>I am concerned about the impact of the merger on the Spokane area, and the ability of one entity to own the majority of the physicians in our area.</p> <p>Additionally, I am concerned about the impact on nurses. With fewer employer options and competition, it would seem that a Providence-Group Health-Kaiser entity would heavily impact nurse contracts. With current contract negotiations requiring federal mediation, I am not sure that negotiations will be more positive for nurses in the future.</p>	

Name	City	State	Your comment	Date
Gerald Betts			<p>GHC has been an enormous success in providing high quality health care at reasonable premiums. KP indicated they would continue the same high quality health care and could do so also at reasonable premiums. One of the reasons for KP to be able to do so is the larger scale of operations when combining with GHC.</p> <p>Moreover, KP should not reduce the geographical coverage area (counties served) for providing health care insurance and services as this would be a reduction of service.</p> <p>We would like the OIC to obtain, in public hearings, KP's commitment to not reduce the geographical service area and to maintain premiums at or below current levels, with modest increases for inflation.</p>	2016-06-11 13:02:07
Elisa Hoelscher	Shoreline	WA	<p>As an current employee and consumer of this company I highly stress the need for this acquisition.</p> <p>In my opinion only....</p> <p>Watching my healthcare become weaker and watching the process of this company leading itself into a larger hole has proved to me we need a completely different leadership approach.</p> <p>The national view KP brings will bring the needed change and increase more business entities which will bring in more revenue streams and wider appeal to business' throughout the state.</p>	2016-06-10 14:28:34
Eddie walker	Everett	WA	<p>I moved to Washington in 2015 and had to leave Kaiser since this area has no plan.</p> <p>I am paying most of my pension for health insurance and medication using medicare and Blue Shield.</p> <p>Kaiser is affordable and in my opinion a good service for low income/retires.</p>	2016-06-06 16:00:28
John Blair	Vashon	WA	<p>I hope this process can be speeded up. This will be good for the state of Washington. 5/16/2016</p> <p>To the Washington State Insurance Commissioner:</p> <p>Please find attached: an introduction, question and narrative that I send to Kaiser Permanente in Aurora, CO on April 6, 2016, (received April 13, no response to date). The events described in the attached give specific illustration to the focus of this letter.</p> <p>The purpose of this letter is to encourage this Commission to deny Kaiser Permanente's request to acquire Group Health Cooperative.</p> <p>On its face, insurance companies should not own hospitals.</p> <p>Hospitals are businesses. They make their money by providing life-prolonging and other medical services, and then seeking payment – more services, more income.</p> <p>Insurance businesses, on the other hand, get their payment “up front” and keep their money by not providing any services they don't have to – fewer services, more net income.</p> <p>Medical hospitals are eager to provide as much care as possible; insurance hospitals are eager to provide as little care as possible.</p> <p>Both doctors and insurers are working to serve their customers, but working from very different, and often conflicting perspectives. I urge you to recognize the need for separate organizational structures for insurers and for hospitals in which competition benefits customers, not harms them.</p> <p>_____</p> <p>Health insurance is not like most other types of insurance. Most insurance protects against loss from very unlikely events. Health insurance is more like grocery insurance; in many cases a continual stream of needs and services. To some degree, health insurance is a pre-paid account for as yet unknown, but fully anticipated, medical expenses.</p> <p>The best business strategy, for all health insurers, is to help their policy holders stay healthy; a win-win situation for company and customers alike. To that end, some insurers provide health</p>	2016-05-16 03:43:26

Name	City	State	Your comment	Date
			<p>maintenance services in their own hospitals, which improves the effectiveness of this strategy. Eventually however, everyone's health fails, and with it fails this business model. Restorative care, provided as part of health maintenance, becomes a negative feedback loop; returning the cured to a pool of increasingly-likely high cost customers. At some point every successful treatment increases future costs and insurance hospital ownership becomes a likely source of substantial financial loss. In particular, the transition from health to death can be very expensive and requires skilled business and medical management.</p>	
			<p>Although "least possible care" is practiced at all levels of care, I am focusing here on cost control during chronic and end-of-life disability.</p>	
			<p>The goal for the insurance hospital management team is to find services that satisfy the insurers desire to eliminate costs and the patient and their family's desire to eliminate suffering. An opportunity has been found in palliative care; a medical specialty strictly focused on patient comfort, mostly in the area of pain management (or ideally, pain elimination).</p>	
			<p>Hospital brochures (including those of the insurers) promote their palliative care services as part of a multidisciplinary path to comfort and cure. The law however, (at least as it appears to me), in Colorado, actually defines palliative care as a stand-alone, "end-of-life" procedure, in which the doctors involved are given immunity from prosecution. Private contracts are crafted with some palliative care businesses which preclude any death-delaying activities. Recovery in their "Care Centers" is impossible, and in fact unimaginable by staff members. Once a state-licensed professional, a medical doctor, has labeled the patient "terminal", the mechanics of this compassionate, palliative care are quite automatic and swift, particularly if those disabled cannot eat or drink temporarily without assistance. For them, death comes in "days, maybe weeks."</p>	
			<p>In England, doctors in the government, single-payer, insurance hospitals are given £50 for every patient they certify for the terminal ("death") list. All life-prolonging services are then discontinued and the Health Service estimates it saves over £1000 per patient. That tiny amount gives you an idea how little the government insurance hospitals normally spend on the average person who can no longer defend himself and who costs more than they are worth.</p>	
			<p>Hospital-owning insurers tend to provide total health care systems. This is very comforting for many policy holders. It becomes unnecessary for them to understand and integrate information from a variety of health care providers about the specifics of one's own unique biology and medical conditions, about available therapies, and about possible responses and prognoses. I believe most insurance company doctors enjoy this total collaborative approach as well. "We're patient-centered, not just isolated specialists. We're all on the same team, medical staff and patients alike. We care about you. We're all in this together."</p>	
			<p>In this total health system model, there is a total control of information: the patients' condition; what tests, services and treatments are available or needed; and probably the most important, the likely outcome of treatment. This makes it much easier to control costs. Thus able to create and control all the information their patients receive, the opportunities and temptations to guide their patients can be overwhelming. A doctor may believe that they know what is best for their patients; better even than their patients know for themselves. With this conceit in place, manipulation of information (and therefore the patient) is easy and can be perceived as genuine compassion. Rather than prolonging the terminal patient's life - and suffering - for no long-term medical reason, the patient is maneuvered into stand-alone "palliative care". In this informational isolation ward, "There is nothing more that can done for your brother." becomes the only truth you know. This can easily be accomplished without the patient's (or their family's) knowledge, understanding or consent - and the financial implications for the insurance hospital owners are enormous.</p>	
			<p>While the intentions of the insurers are clear, this insidious partnership between insurers and doctors brings the intentions of the doctors into question. The delicate process of making highly subjective projections about various unknowable medical futures should not be tainted by the sometimes conflicting interests of the insurer and the patient. At what point do the purely rational solutions to the business imperatives experienced by the insurance company MBA's, lawyers, and doctors become deadly - and criminal?</p>	
			<p>This is a question best reserved for academics - not for the suffering, their families, insurance company employees or government attorneys.</p>	
			<p>Some of us, particularly as we get older, may question our doctor's directives. But we never, never, never question their intentions. We are simply not able to question a doctor's intention. I mean that literally. (Try it yourself. Try to imagine your doctor secretly acting against your perceived or stated wishes. Try it, you can think about it, but you cannot believe it.) Centuries of compassion, service and integrity have created an absolute trust relationship. This relationship forms the foundation for this sadly effective business strategy to control costs and increase profits.</p>	
			<p>It is so effective in fact, that some insurance hospital businesses have so much profit that they can buy other insurance hospital companies that have been either unable or unwilling to do whatever it takes to reduce costs as effectively.</p>	
			<p>I am in complete agreement with the recognition that end-of-life medical costs threaten the financial viability of this nation. I, and my fellow baby-boomers, will eagerly bankrupt this country, demanding the best pain-free, life-prolonging medical care that someone else's money can buy. But this is a issue that must be examined, debated and decided in open, public, democratic discussion, not quietly exploited for profit in the offices of the brilliant and clever functionaries of insurance companies.</p>	
			<p>In Europe, some seventy-five years ago, there was a problem with people who were costing more than they were worth and could not defend themselves. A completely rational plan (later dubbed Action T4) for "merciful death" was devised and implemented with surprisingly little opposition. Officially, over ninety thousand physical and mental "defectives" were "euthanized". The waste was eliminated and the economics (and the social landscape) was tidied up. After this practice run, the newly assembled team of dedicated doctors and administrators, and their perfected stories and techniques, were ready for Hitler's next assignment.</p>	

Name	City	State	Your comment	Date
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For the chronically and terminally ill, life-prolongation and profits cannot be permitted to be in direct conflict in the life-saving organizations that serve these patients.

But it is not just the overtly terminally ill who are in danger; we are all terminal. At what point does curing any patient unnecessarily prolong suffering and an expensive problem. Is the therapy, the drug, the surgery merely postponing the inevitable? Yet, isn't that always the case – for all of us?

A number of years ago, as a subway train was moving through a station in New York City, a man fell off the subway platform, onto the tracks and into the path of the oncoming train. A bystander on the platform, a single father with two daughters at home, jumped down and pinned the struggling, disoriented man to the ground between the tracks as the train passed harmlessly overhead. I suspect the single father of two was as surprised as everyone else to find himself on top of that man under the train.

I believe that humans have evolved an (at times) overwhelming impulse to protect the vulnerable and defenseless innocent – most typically children. This is not about nurturing, it's about protecting. I believe this behavioral imperative is the basis for what we have come to call morality.

This is a moral issue. This is about protecting the vulnerable. Cost is an issue but it is not the first issue. This is not about making a living which we all must do, but about making a life and about giving that life meaning by recognizing and acknowledging what's important. As long as the delusion of compassionate intention can be maintained this exploitation of the trusting and vulnerable will continue to produce superior returns. But if and when the delusion evaporates, the integrity of the medical profession (not the insurance companies) will be gravely damaged.

Warren Buffet has said that in business the goal is to avoid the dragons, not to slay them.

So too, in regulation. Morally, there are no winners here. No one - doctors, nurses, patients, families, friends, insurance company staff - no one is a better human being after being part of this. The preventable should be prevented. This is the role of regulation.

I urge you to publicly recognize this irreconcilable conflict by denying this petition.

Insurance companies should not own hospitals.

Thank you for the opportunity to express my opinion.

John P. Blair

"In life there is the plague and its victims, and the best we can hope to do is not to side with the plague." Albert Camus, *The Plague* (translated from the French)

Attachment:

Bill Newmann	Olympia	WA
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2016-05-09 14:35:20

I wrote earlier about my concern that Mike Kreidler, though doing an exceptionally admirable job as Insurance Commissioner, has a CLEAR AND ONGOING conflict of interest in being involved in the decision of the fate of Group Health Cooperative in that he and his family get their health care there and that GHC had made it abundantly clear to its members prior to the vote to endorse this sale to Kaiser, that if the members don't vote to sell to Kaiser, that their GHC will surely go under [due to their own financial mismanagement under the leadership of Scott Armstrong over the last 5+ years]. This is indeed likely and Mr. Kreidler has as big a stake in this decision as the rest of us members. He needs to recuse himself from the process.

I hope to get a specific response, I am still waiting.

Thank you.

William Newmann

Name	City	State	Your comment	Date
Cheryl Johnson	Palouse	WA		2016-05-02 11:14:45
LAWRENCE J. HANNA M.D.	olympia	WA	<p>This merger has been a nightmare. My HSA contribution from KPS now GH was not posted after the merger for 4 mos, and now they have finally posted the back payments yet I cannot use the funds for another 4 days. The company says it takes that long for the electronic transfer onto my HSA card. Electronic should be faster than 4 days. This should be considered bank fraud. The new Health Equity HSA has monies that should be able to be used for medical bills, shows in my HSA Account, but cannot be used on Monday, must wait until Friday? I have not been able to get my prescriptions approved, but under KPS plan were allowed. Supposed to be same benefits as I am paying the KPS rate and did not take the GH plan. Someone is not doing adequate oversight. and the insurance company is keeping all the money and not paying supposed benefits.</p>	2016-03-29 18:37:02
			<p>Dear Commissioner Kreidler, I am writing today 29 March 2016 to apprise you of extensive background information regarding the proposed GHC/KP MERGER. I have 2 main points and one comment to provide. I am writing as a former employee and a disgruntled consumer, not with medical issues per se, but with a definite disagreement with the terms of sale as it affects me and my cohort as a member for over 4 decades.</p> <p>Press and propaganda notwithstanding, the prime impetus behind this merger arises from long standing DISSENSION AND DYSFUNCTION, primarily between GHC CEO and operations, and GHP [FORMED IN 1998 FOR BASICALLY THE SAME REASONS, [CALLED Group Health Permanente, and later changed to Group Health Physicians since there was then no consummation of a true merger with Kaiser. According to Dr. Steve Tarnoff, President and CEO of GHP, THERE HAS BEEN NO SIGNED AGREEMENT BETWEEN GHC and GHP for at least 2 years. It was announced to us publicly in Dec. 2015 that this is a corporate DIVORCE, based as are most divorces, on chronic dysfunction. Leadership of both GHC and GHP state that if the merger does not happen, both will economically, , this despite generous current reserves, but with multifactorial structural dysfunction essentially doomed. the "con" faction, loosely coalesced around Washington State Senator Marilyn Chase speaks of a number of concerns about the merger, citing excessive secrecy, inappropriate valuation of pricing and sale, loss of member control, lack of information about competing bids etc. A website ghconcerns.org details concerns raised by members.</p> <p>My second concern is more personal and relates to broken firm hiring practices regarding lifetime medical coverage [provided as deferred compensation to compensate for well below market salaries in our years of employment]. This resulted in only individuals 55 years of age by 1 Jan 1993 with at least 12 years in service being included, and virtually everyone else older being excluded, regardless of many decades of continuous service.</p> <p>Our understanding is that around 1993, in response to a change in FSAB rules, GHC operations and GHC medical representatives, collaborated in a gentlemen's agreement to help GHC push non unionized employees to bargain, with the creation of artificial groups based not on years of hire or service, but on age alone coupled with minimum years of service. At the time, rank and file staff objections were placated with promises by GHC TO SET ASIDE FUNDS to continue coverage for all physicians employed at that time. Despite multiple discussions at no time was this ever done after a one time trust of about 2 million was set aside with a commitment verbally to add more later, never done even after the formation of GHP IN 1998. GHC however continued to fund this commitment until for all retirees until Sept 2014 when they announced they were going to stop "zeroing out" charges to GHP, AND TO BEGIN CHARGING RETIREES A HEFTY PREMIUM [PERHAPS WHEN THEIR "DIVORCE PAPERS" WERE SERVED. GHP belatedly decided to release the trust fund to cover 2015 only; this is now used up, as no additional dollars were ever added despite oral commitments by both GHC and later GHP to do so. Retirees are now being charged for services already paid for by lifetimes of honorable labor and in spite of hiring agreements.</p> <p>The ghc foundation is to receive a near total of 1.8 billion dollars from new KP FUNDS, ghp hundreds of millions of new funds , most of the latter funneled to young staff as retention bonuses, and only a meaningless fraction to all retirees that include all working now. This ends my second point and segues to my final comment.</p> <p>I have worked alongside you, have admired and respected and continue to do so. I have voted for you without hesitation based on your competence and honesty, and your GHC, federal and state service, not to mention the army in which I ALSO SERVED 5 YEARS. But the one thing in your resume' that came as a surprise to me was your role in helping to found the GHC Foundation, the overwhelming recipient of the new money and certainly not the institution that created the good will and practices being sold. Were I in your shoes, after your disclosure statement, I'd have recused myself from this crucial decision, even though I have the deep confidence in you otherwise. It would be for me like treating my own baby, a well known ethical boundary not to be crossed.</p> <p>I close respectfully, asking your office to mail me back a copy of my own letter, since I'm a poor typist and this has taken me hours to do. I ask for fairness and justice for all the employees, consumers, and retirees, and to remember that this benefit was earned by these individuals and their spouses and widows. Larry hanna m.d.</p>	
lawrence j. hanna M.D.	olympia	WA	<p>my comments are detailed and lengthy, about 2 standard pages and I have written a short personal letter already to Dr. Kreidler telling him a letter is forthcoming. However, because of the disclosure he has written , I feel an urgency to communicate with him by other than snail mail. Please advise the best way to proceed. Thank you. Larry hanna m.d. I'll be gone on a long planned trip and unavailable from 1-14 April</p>	2016-03-28 13:55:11
Bill Newmann	Olympia	WA	<p>This is an informative website. Thank you. I am extremely concerned to here that Mike Kriedler feels that there is no conflict of interest in him deciding if Group Health Cooperative can be bought by The Kaiser Foundation. He and his family get their healthcare at Group Health Cooperative which has made it VERY CKEAR that all its subscribers will benefit greatly by this transaction, and in fact without it, the organization has no plan to succeed and most likely will fail over the next few years leaving patients withou healthcare. I would very much feel Mike needs to step out of any official role on this issue.</p>	2016-03-26 01:49:00

Name	City	State	Your comment	Date
Michael L. Redfield	Kingston	WA		2016-03-14 22:07:26
			<p>I have been a Group Health member for over 40 years. When I tried to vote on this merger, I was told that I was not eligible to vote in the March 6th election, since I had not been a registered voting member before January 1st. I have substantial doubts about the propriety of the voting process.</p> <p>I also oppose this merger. There are clearly no benefits to members that come from this merger. In one fell swoop, our memberships are simply sold out from under us. Group Health has provided a vital additional choice for people seeking health care coverage in Washington, and currently states that it has around 630,000 members. This merger would eliminate a very important choice for consumers here, and will - based on experience from similar mergers around the country - inevitably increase health care costs for us.</p> <p>I urge the Commission to disapprove this merger!</p>	
Ernest Beetz	Port Orchard	WA	<p>I AM AGAINST THIS MERGER AS PRESENTED AT THIS TIME.</p> <p>GHC NOW ,IS STRUCTURED AS A CO-OP, GIVING MEMBERS A PLACE ON THE BOARD MERGER WILL ELIMINATE THIS VITAL FUNCTION.</p> <p>KIASER HAS A CLOSED BOARD WITH NO LEGAL OBLIGATION TO THE MEMBERSHIP AT LARGE,AND AS TO WHO REPLACES BOARD MEMBERS AND SELECTION OF A CEO AS WELL AS THE SETTING OF THE CEO SALLARY.</p> <p>IT APPEARS TO ME THAT THE PATIENTS ARE NOT PROTECTED IN THIS MERGER.</p>	2016-03-10 14:20:19
Pauline M. Aldrich	SEATTLE	WA		2016-03-05 21:38:29
Gary vanderberg	Spokane Valley	WA	<p>Group Health has been excellent for my family, I just hope things will not change once this merger is complete.</p> <p>Stop the merger vote until all GHC members can vote!</p>	2016-03-04 11:20:46
				2016-03-04 11:00:11
Kathleen White	Carlsborg	WA	<p>no voting time allowed for 600,000 ghc members that are not registered to vote - this vote needs to be cancelled and rescheduled for all to vote - please call soonest.</p> <p>Please please accept Kaiser's request to purchase Group Health here in Washington.</p> <p>Kaiser can and will provide excellent health care to people in areas presently not adequately served.</p>	2016-03-03 11:11:05
Donna M MacLean	Sequim	WA	<p>I am an RN retired from Kaiser living in Sequim. I enjoyed my best job at Kaiser Sabta Rosa as a Heart Failure Case Msnager. I had also worked in 2 other facilities within the Kaiser system in Oakland and Martinez.</p> <p>I also received the he "best healthcare " during that period of 15 years. During my career I had worked with the UC system and Stanford. I thought long and hard upon retiring before moving to Sequim and its sub standard performance in the healthcare field. Recent experiences have reinforced that opinion. Please use my testimony to allow Kaiser to buy Group Health (another good provider) and let us have healthcare in the Olympic Peninsula! Thank you.</p>	2016-03-02 17:40:10
Sharron Coontz	Olympia	WA	<p>Hi - received my ballot to vote on the GHC acquisition and it's a postcard with absolutely no privacy. You bubble in yes or no and it's fully visible to all. I've never seen any kind of vote where this was true. Pretty easy, if you've someone in the mail room or anywhere else, to have a few unpopular voting cards disappear, since they're right there in public for all to see. It makes me very uncomfortable! Thanks. Sharron</p>	2016-02-26 16:31:49
Billie Patterson	Renton	WA	<p>Please don't approve this merger. I have serious concerns such as Kaiser terminating all connections to the hospital in Longview so patients now have a 45 minute drive to Vancouver. This is totally unacceptable. I wonder how many could die on this type of decision. Thank you.</p>	2016-02-26 15:37:26

Name	City	State	Your comment	Date
Doug & Carol Lyons	Poulsbo	WA	<p>We would like to register a complaint against the board of Group Health Cooperative. We have no complaint against the proposed takeover of Group Health by Kaiser. We understand that they, Group Health, were having trouble keeping physicians and providing some other medical related things. Actually it is beneficial to us as we are snow birds, or as we call ourselves, rain birds, as we would have total access to the Kaiser facilities in southern California.</p> <p>Our complaint is about the 1.7 billion dollars given to the board to establish a charitable foundation to benefit all the citizens of Washington State. It is our opinion that these funds rightfully belong to the 350,000 members of the cooperative not just the members of the board: That is equivalent to approximately \$5000 per member. We, the members, should have a say in how these funds are to be used; be it a charitable foundation as proposed, or used to provide additional services, equipment, etc. to the members.</p> <p>We certainly would like to have some portion of \$1.7 billion to use for our favorite Washington charity or other worthy entity. It is not right that only the members of the board have a say in how this \$1.7 billion is to be used. Our preference, for example, if it is to be a charitable endeavor, is to donate the total amount to the medical schools at the UW and WSU to setup an endowment to benefit the matriculation of more primary care physicians.</p> <p>On the surface this transaction looks as if the board took a bribe \$1.7 to sell GHC out to Kaiser. Then setup a foundation of which only they have control. Granted the existing members are not to serve on the board of the new foundation but surely they will select their likeminded associates, friends, and relatives to do their bidding.</p> <p>I ask that you step in and protect the interest of the members of the Group Health Cooperative retain their right to determine the use of the \$1.7 billion presently designated for a charitable foundation.</p> <p>Doug & Carol Lyons 360-649-5161 cell Dlyons123@aol.com</p>	2016-02-20 21:44:39
Steven Reisler	Seattle	WA	<p>I am a Group Health member. I just finished reading the Voting Guide & Ballot regarding the Kaiser Permanente acquisition of GH. I previously attended one of the informational meetings hosted by the GH Board of Directors on this subject.</p> <p>I believe that the concerns raised by Maralyn Chase on p. 17 of the Voting Guide opposing the acquisition are legitimate. My particular issues, like those of Sen. Chase, are: 1) members cannot vote intelligently on an acquisition plan that they will not let us see (I am an attorney - I believe that I am entitled to see the actual contract documents, not just a "summary," and that all members ought to have the right to review them, if they want to); 2) the GH Directors may have violated their duties owed to the members by committing the equivalent of co-op Seppuku; 3) the merged entity - essentially a California corporation - will not resemble the GH co-op in any respect except the name and the impotent window-dressing of various advisory committees; 4) GH has deliberately structured the timing of the vote to prevent any non-registered GH members from registering in time to participate in the election; 5) Kaiser Permanente does not have a good reputation either as to the treatment of its employees nor as to the treatment of its members; 6) none of the members knew that the Board of Directors was negotiating for the dissolution of GH and its sale to Kaiser until the deal was all but sealed.</p> <p>One other item: page 24 of the GH Voting Guide & Ballot is titled "Endorsements, continued." It then lists the officers and directors of GH. However, on the same page through to page 26 it also lists a very impressive roster of doctors. The obvious impression is that all of these docs (including every member's own physician) supports the acquisition. This morning I called GH and confirmed my suspicion: the list of doctors is simply a roster of the MDs who work at GH and does not mean that they do or do not support the acquisition. I believe that the way the list is printed in the Voting Guide is misleading.</p> <p>I know that your office must give final approval to the acquisition. I do not understand how this acquisition benefits either the citizens of the State of Washington or the members of GH. I concur in Sen. Chase's statement in opposition.</p>	2016-02-19 11:46:53
Frances Tanner	Federal Way	WA	<p>As a retired 23 year employee of Group Health, I am concerned whether or not the pension plans will remain the same. In reading the provided disclosures, I cannot understand whether or not retirees need to be concerned about losing their pensions. One of the "cons" stated by Maralyn Chase in the voter guide is that Kaiser could "raid" the pension assets. I just cannot find clear information in all the info that is available. Very worrisome to a me, a retired employee who has counted on the promised Annuity Pension Plan GH had in place when I became an employee in 1990. It is an important part of my income at this stage my and my husbands life.</p>	2016-02-19 00:49:33
Phyllis White	Belleuve	WA	<p>According to the article below, "The terms of the acquisition prohibit Group Health administration from saying anything that could hurt passage of the deal. So, except for noting the obvious loss of governance by members, the information Group Health shares with members is totally positive. Group Health has restricted the ability of members to receive information presenting other points of view."</p> <p>Kaiser has received a 1 star rating on consumer affairs.com with many quality of care complaints. My friends with Kaiser have similar complaints. I am happy with the care I receive with Group Health currently. I am afraid that the sale to Kaiser will result in compromised care.</p> <p>Moreover, I believe the manner in which the sale is being promoted and voting for the sale is UNDERHANDED and UNFAIR.</p> <p>http://www.bizjournals.com/seattle/morning_call/2016/02/opinion-group-health-acquisition-deal-not-so-great.html?surround=etf&ana=e_article&u=d0a7un0ZwNwB%2B4xjZwOmWAOd74271e&t=1455818926</p>	2016-02-18 14:27:18

Name	City	State	Your comment	Date
Doug & Carol Lyons	Poulsbo	WA	<p>Senator Maralyn Chase stood up for us at the special meeting of the Group Health Cooperative membership held January 30, 2016 and we very much appreciated her efforts. We would like to register a complaint against the board of Group Health Cooperative. We have no complaint against the proposed takeover of Group Health by Kaiser. We understand that they, Group Health, were having trouble keeping physicians and providing some other medical related things. Actually it is beneficial to us as we are snow birds, or as we call ourselves, rain birds, as we would have total access to the Kaiser facilities in southern California.</p> <p>Our complaint is about the 1.7 billion dollars given to the board to establish a charitable foundation to benefit all the citizens of Washington State. It is our opinion that these funds rightfully belong to the 350,000 members of the cooperative not just the members of the board: That is equivalent to approximately \$5000 per member. We, the members, should have a say in how these funds are to be used; be it a charitable foundation as proposed, or used to provide additional services, equipment, etc. to the members.</p> <p>We certainly would like to have some portion of \$1.7 billion to use for our favorite Washington charity or other worthy entity. It is not right that only the members of the board have a say in how this \$1.7 billion is to be used. Our preference, for example, if it is to be a charitable endeavor, is to donate the total amount to the medical schools at the UW and WSU to setup an endowment to benefit the matriculation of more primary care physicians.</p> <p>On the surface this transaction looks as if the board took a bribe \$1.7 to sell GHC out to Kaiser. Then setup a foundation of which only they have control. Granted the existing members are not to serve on the board of the new foundation but surely they will select their likeminded associates, friends, and relatives to do their bidding.</p> <p>I ask that you step in and protect the interest of the members of the Group Health Cooperative retain their right to determine the use of the \$1.7 billion presently designated for a charitable foundation.</p> <p>Doug & Carol Lyons 360-649-5161 cell Dlyons123@aol.com</p>	2016-02-02 14:49:36
Mike			<p>I am a Kaiser member for over 40 years now in Wa. state. Now Kaiser is recruiting more than 200 new members/mo in Longview. with no hope of decent health service. I have cancer and the care is reduced and confused each month.</p> <p>Now I see Kaiser wants to acquire group health with at least 1.8 billion in member money. Let them spread the crappy care north? They take the members premiums and cut costs on the backs of staffing and patients health. Just say no. Mike</p>	2016-01-27 21:06:50
Pamela	Seattle	WA	<p>As a voting member of Group Health, I urge you to vote in favor of the residents of Washington and against the proposed purchase of GHC by Kaiser Permanente.</p> <p>Three years ago I moved from southern California, where Kaiser Permanente does not have a good reputation. They are known there for long appointment wait times, arbitrary declines of coverage, and poor customer service. A quick online search provides an example: http://www.latimes.com/business/la-fi-lazarus-20150113-column.html. Having long avoided the restrictiveness of an HMO, I was pleasantly surprised to find GHC doctors and specialists responsive and easily accessible and their customer service phone personnel remarkably knowledgeable and helpful.</p> <p>Now for a payout of \$1.8 billion, KP is expected to invest even more to improve facilities and keep premiums low? Really?</p> <p>Of course, we can move to another health insurer and I probably would do so, but I ask you to act to preserve this worthy option for the residents of Washington.</p> <p>The proposed sale and future vote was announced after the deadline for the vast majority of members to sign up to vote. This is supposedly a coop and a subterfuge procedure like this should be illegal. The sale of a coop with only at best a 4% vote of the members is not right - all members should be allowed to vote on something like this that affects us all. Please do not accept this sale and require that the Board must allow the entire membership to vote.</p>	2016-01-25 18:20:11
Paula Szkody	Seattle	WA	<p>(I submitted a similar comment on your complaint form site)</p> <p>Dear Commissioner,</p> <p>I urge you to REJECT the proposed takeover of Group Health Cooperative by Kaiser Permanente as not being in the best interests of GHC's member and of the people of Washington. GHC is a cooperative whereas Kaiser is a for-profit company masquerading as a non-profit. For all its flaws, GHC is answerable to its members who vote on major decisions, and it is a Washington state organization. Kaiser, based in California, is answerable to no one. With this takeover, the GHC members will lose any say in the management of their health care, as well as losing any say in how GHC will meet its current and future challenges. The Kaiser takeover will not keep rates at a minimum; in fact Kaiser will most likely raise rates just to cover its acquisition costs and as a result, future rate increases will be higher than if GHC remains independent. Maralyn Chase, on page 27 of GHC's information brochure on the Jan 30 special meeting, sums up well the reasons to reject the takeover. Please help keep GHC independent and member-controlled. Please help keep GHC an organization in Washington, and for the people of Washington. Please REJECT this takeover by Kaiser. Thank you.</p>	2016-01-15 16:09:56
Andrew Radolf	Seattle	WA	<p>(I submitted a similar comment on your complaint form site)</p> <p>Dear Commissioner,</p> <p>I urge you to REJECT the proposed takeover of Group Health Cooperative by Kaiser Permanente as not being in the best interests of GHC's member and of the people of Washington. GHC is a cooperative whereas Kaiser is a for-profit company masquerading as a non-profit. For all its flaws, GHC is answerable to its members who vote on major decisions, and it is a Washington state organization. Kaiser, based in California, is answerable to no one. With this takeover, the GHC members will lose any say in the management of their health care, as well as losing any say in how GHC will meet its current and future challenges. The Kaiser takeover will not keep rates at a minimum; in fact Kaiser will most likely raise rates just to cover its acquisition costs and as a result, future rate increases will be higher than if GHC remains independent. Maralyn Chase, on page 27 of GHC's information brochure on the Jan 30 special meeting, sums up well the reasons to reject the takeover. Please help keep GHC independent and member-controlled. Please help keep GHC an organization in Washington, and for the people of Washington. Please REJECT this takeover by Kaiser. Thank you.</p>	2016-01-12 12:33:56

Name	City	State	Your comment	Date
William Harper	Redmond	WA	<p>Mike Kreidler Washington State Insurance Commissioner Re: Petition to Stay Group Health / Kaiser Acquisition</p> <p>At the Everett GHC meeting (15 Dec 2015) my wife and I heard Senator Marilyn Chase speak against the Kaiser acquisition, she raised many excellent issues and specifically requesting access to the agreement itself. We fully share her concern on the pending dissolution of the Cooperative. As long-term voting members we believe the Cooperative is being sold out—terminated without factual cause and detrimental to both the fiscal interests and healthcare prospects of the some 600,000 Cooperative members. Whether we are witnessing a failure of will on the Board's part or some yet unidentified private gain for some administration personnel, the passage of this buyout means the end of the Group Health Cooperative's 70-years of struggle and triumph that have so benefitted the citizens of Washington.</p> <p>Senator Chase's subsequent Con statement in the GHC Special Meeting brochure only confirmed our fears when she revealed that her repeated requests for access to the Acquisition Agreement have been refused. As she noted, without knowledge of what the agreement specifically contains how can the voting membership make an informed decision? Vague assurances and general promises are legally unenforceable on any party after the Cooperative is dissolved. The membership needs to know what specific contact language is included regarding a good many issues. Given that the Board will not release the Acquisition Agreement for any timely membership review is more than just worrisome. We believe the Board's actions are illegal and clearly violated Article 2.9.1 of the Cooperative's bylaws, specifically, "...shall set forth the proposed plan containing relevant information necessary for the members to make an informed decision...."</p> <p>We are hereby registering our concerns with the GHC/Kaiser acquisition plan with you and the Washington State Insurance Commission. By this petition we seek a stay of this acquisition until the GHC Board releases the Acquisition Agreement, a reasonable time for agreement review is possible, and an informed vote can be scheduled. We further ask that you and your office acknowledge receipt of this petition and disclose what subsequent actions will be taken regarding the requests and issues raised herein.</p> <p>We hope to receive a response from you soon given the limited time available for effective action.</p> <p>William Harper, GHC voting member #24145 Judith Harper, GHC voting member #24144</p> <p>Tel: 425-868-8028 Email: harperw@penncreek.com</p>	2016-01-11 15:52:19
Russell Weeks	Seattle	WA	<p>My wife and I have been happy Group Health Coop members for many years and we will attend the information meetings and vote a resounding "NO", because we also have had experience with Kaiser in the Bay Area where their insurance service is AWFUL. It has changed over the decades to be about Kaiser financial gain and administrator compensation instead of insuring health care. If this deal goes through you will need to triple your staff to handle the tidal wave of complaints. The justifications for putting together their secret deal (why not a Member advisory vote prior to spending all the pre-deal money?) being given to Members by the so-called "Trustees" is hugely biased, grossly incomplete, and downright misleading. The financial references are nothing but scare tactics - I've seen the financials for years and the current status is quite strong. Can your department do anything to slow down this "rush to judgment without full disclosure"? We did not even get the initial notice of sale and meeting until AFTER the meeting had taken place in early December. They (Trustees & Kaiser) are clearly trying to slam this bad deal through before the truth about the "not so non-profit" and GHC's own real finances are known. As for us, no matter what we'll be fine, since if your office approves this deal, we will dump GHC/Kaiser the next day. Thanks for listening (reading). If GHC members really knew how Kaiser operated, there would be an overwhelming NO! NO! NO!</p> <p>If you can't slow this process down, thanks anyway.</p> <p>CHEERS! Russell</p>	2016-01-09 13:36:00
Sherry Zeilstra	Ferndale	WA	<p>I am very concerned about the lack of locally owned and controlled health insurance. I have been with group health for over 20 years. I was extremely disappointed that the announced sale was made after the state employee open enrollment period had ended. I find this dishonest. I would have certainly left Group Health and I will leave this upcoming year. This sale should not be approved. We are going to have no choice in health insurance and monopolies should be against the law.</p>	2015-12-28 17:42:58
Joy Estill	Seattle	WA	<p>I am concerned. Group Health was founded to be a collaborative alternative to Big Medicine. I have always had a dynamic and comforting care from the staff. I have never heard of anyone receiving the type of care that Group Health has provided from any Kaiser Permanente. I am concerned that the kindness that I have received at Group Health will be wiped out by the BIG Medicine personae.</p>	2015-12-23 09:37:36
Constance Joy Estill	Seattle	WA	<p>I am sorry if I am rambling but if Group Health has a surplus, they are not in need of any increase to cash flow. That is not why they were founded.</p> <p>I believe that this is a violation of the premise under which the GroupHealth Cooperative was founded.</p>	2015-12-22 13:45:08

Name	City	State	Your comment	Date
Chris Chisholm	Puyallup	WA	<p>Please add the following links on your web page http://insurance.wa.gov/current-issues-reform/kaiser-group-health/index.html under "How To Get Involved" so as to bring balance to the one-sided information being presented by Group Health leadership:</p> <p>http://www.ghoconcerns.org and https://www.facebook.com/KeepGroupHealthCooperativeMemberOwned/</p> <p>Thank you, - Chris Chisholm, participant in the GHC "Con Statement" process.</p>	2015-12-21 19:22:47