

August 12, 2008

**Christopher T. Roach**

One Monument Square  
Portland, ME 04101

207-791-1373 voice  
207-791-1350 fax  
croach@pierceatwood.com  
pierceatwood.com

**VIA U.S. AND ELECTRONIC MAIL**

Mila Kofman, Superintendent  
Attn: Vanessa J. Leon, Docket No. INS-08-900  
Bureau of Insurance  
34 State House Station  
Augusta, Maine 04333-0034

*Re: Determination of Aggregate Measurable Cost Saving for the Fourth Assessment Year  
(2009), Docket No. INS-08-900*

Dear Ms. Leon:

Enclosed for filing in the above-captioned matter, please find Anthem Health Plans of Maine, Inc.'s Application for Intervention.

Very truly yours,

  
Christopher T. Roach

cc: Service List Attached

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION  
BUREAU OF INSURANCE

IN RE:	)	
	)	
DETERMINATION OF AGGREGATE	)	
MEASURABLE COST SAVINGS FOR	)	<b>APPLICATION FOR</b>
THE FOURTH ASSESSMENT YEAR	)	<b>INTERVENTION</b>
(2009)	)	
	)	
	)	
Docket No. INS-08-900	)	

Pursuant to 5 M.R.S.A. § 9054(1), Bureau of Insurance Rule Chapter 350, and the Superintendent’s Notice of Pending Proceeding and Hearing dated July 10, 2008, Anthem Health Plans of Maine, Inc. d/b/a/ Anthem Blue Cross and Blue Shield (“Anthem BCBS”), by and through its attorneys, hereby moves for intervention as a matter of right in the above-captioned matter. In support of its motion, Anthem BCBS states as follows:

1. Applications to intervene are governed by Section 9054 of the Maine Administrative Procedures Act. The relevant provision of Section 9054 provides:

1. Intervention. On timely application made pursuant to agency rules, the agency conducting the proceedings shall allow any person showing that he is [or] may be, or is a member of a class which is or may be, substantially and directly affected by the proceeding, or any other agency of federal, state or local government, to intervene as a party to the proceeding.

5 M.R.S.A. § 9054.

2. Anthem BCBS clearly meets the statutory standards for intervention as a matter of right in this proceeding as a full party. As the State of Maine’s largest health insurance carrier, Anthem BCBS will be substantially and directly affected in several ways by the Superintendent’s decision determining the amount of aggregate measurable cost savings.

3. The aggregate measurable cost savings preliminarily determined by the Board of Directors of the Dirigo Health Agency (“DHA Board”), and thereafter reviewed by the Bureau of Insurance in this proceeding, establishes one cap on the amount of the savings offset payment (“SOP”). The SOP must be paid in the first instance by, among others, health insurance carriers. In turn, health insurance carriers may include the amount of the SOP in the calculation of the rates charged by the carrier to its members. *See, e.g.*, 24-A M.R.S.A. § 2736-C.

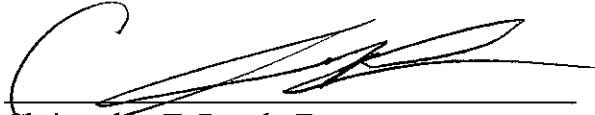
4. In addition to the substantial and direct effect of having to pay the SOP, Anthem BCBS member premium rates will be impacted by the amount of the SOP as the SOP is used in calculating Anthem BCBS member rates. Anthem BCBS insures more Maine residents than any other carrier and has a substantial interest in ensuring that the methodology used to calculate the aggregate measurable cost savings includes only those savings that are as a result of the operation of Dirigo Health and within the parameters of the Dirigo Health Act.

5. Anthem BCBS is also one of the State’s largest employers and will bear the burden of paying the SOP in its own premium rates for its employee group and be forced, as are other Maine employers, to make the determination whether and to what extent employee health rates must be increased to cover the cost of the SOP. Anthem BCBS has a substantial interest in ensuring that the SOP does not exceed the actual savings that have flowed from providers, to Anthem BCBS, and ultimately to members and employees in the form of lower premium rates.

6. Finally, for the reasons outlined above, Anthem BCBS has been granted individual intervenor status in prior proceedings, including the DHA Board’s recent proceeding to determine aggregate measurable cost savings for the fourth assessment year.

For the reasons set forth above, Anthem BCBS will be substantially and directly affected by this proceeding and, accordingly, requests that the Superintendent grant its application to intervene as a full party to this proceeding as a matter of right.

DATED: August 12, 2008



Christopher T. Roach, Esq.  
Lucus A. Ritchie, Esq.

PIERCE ATWOOD, LLP  
One Monument Square  
Portland, ME 04101  
(207) 791-1100  
*Attorneys for Applicant*  
*Anthem Health Plans of Maine, Inc.*

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document was served upon the following:

Mila Kofman, Superintendent  
Attn: Vanessa J. Leon, Docket No. INS-08-900  
Bureau of Insurance  
34 State House Station  
Augusta, ME 04333-0034

Board of Directors  
Dirigo Health Agency  
211 Water Street  
Augusta, Maine 04330-0053

Thomas Sturtevant  
Assistant Attorney General  
Office of the Attorney General  
111 Sewall Street  
Augusta, Maine 04333-0006

I further certify that I caused to be served an identical electronic copy of the foregoing document to the following interested parties:

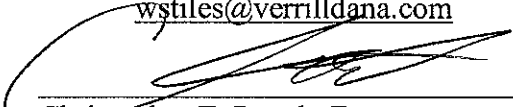
Consumers for Affordable Health Care      Mia S. Poliquin Pross, Esq.  
[mpross@mainecahc.org](mailto:mpross@mainecahc.org)

Maine Automobile Dealers Association      Bruce Gerrity, Esq.  
Insurance Trust      [bgerrity@preti.com](mailto:bgerrity@preti.com)

Maine Association of Health Plans      Michael D. Frink  
[mfrink@curtisthaxter.com](mailto:mfrink@curtisthaxter.com)

Maine State Chamber of Commerce      William H. Stiles, Esq.  
[wstiles@verrilldana.com](mailto:wstiles@verrilldana.com)

DATED: August 12, 2008

  
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Christopher T. Roach, Esq.  
Lucus A. Ritchie, Esq.

PIERCE ATWOOD, LLP  
One Monument Square  
Portland, ME 04101  
(207) 791-1100  
*Attorneys for Applicant  
Anthem Health Plans of Maine, Inc.*