

D. Michael Frink
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October 12, 2005

Via Electronic Mail and Regular Mail

Alessandro A. Iuppa, Superintendent
Attn: Vanessa J. Leon, Docket No. INS-05-700
Bureau of Insurance
Maine Dept. of Professional & Financial Regulation
34 State House Station
Augusta, ME 04333-0034

RE: **In Re: Review of Aggregate Measurable Cost Savings Determined by Dirigo
Health for the First Assessment Year**
Docket No. INS-05-700

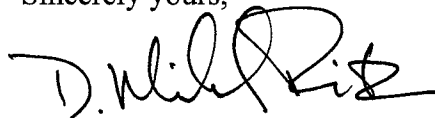
Dear Superintendent Iuppa:

Enclosed please find two (2) copies of the following documents:

1. Filing Cover Sheet
2. Anthem Health Plans of Maine, Inc. and MAHP Response to Objections to Information Requests of Board of Directors of Dirigo Health

Thank you.

Sincerely yours,



D. Michael Frink

DMF/lc
Enclosure

Cc: John Kelly (w/enc)
Thomas C. Sturtevant, Jr., Esq. (w/enc)
William H. Laubenstein, III, Esq. (w/enc)

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Christopher T. Roach, Esq. (w/enc)

Rufus E. Brown, Esq. (w/enc)

Roy T. Pierce, Esq. (w/enc)

William H. Stiles, Esq. (w/enc)

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

IN RE: REVIEW OF AGGREGATE)
MEASURABLE COST SAVINGS)
DETERMINED BY DIRIGO HEALTH)
FOR THE FIRST ASSESSMENT YEAR))
Docket No. INS-05-700)

FILING COVER SHEET

TO: **Alessandro A. Iuppa, Superintendent**
ATTN: Vanessa J. Leon

Submitted by: Christopher T. Roach and D. Michael Frink

Date Filed: October 12, 2005

Party: Anthem Health Plans of Maine, Inc. and
Maine Association of Health Plans

Document: Anthem Health Plans of Maine, Inc. and MAHP Response to Objections
to Information Requests of Board of Directors of Dirigo Health


Document Type: Response to Objections to Request for Information

Confidential: No

Thank you for your assistance in this matter.

Dated: October 12, 2005

Respectfully submitted,



D. Michael Frink (Bar No. 2637)
CURTIS THAXTER STEVENS BRODER
& MICOLEAU LLC
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STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

IN RE:)	
)	
REVIEW OF AGGREGATE)	
MEASURABLE COST SAVINGS)	
DETERMINED BY DIRIGO HEALTH)	ANTHEM HEALTH PLANS
FOR THE FIRST ASSESSMENT YEAR)	OF MAINE, INC. AND MAHP
)	RESPONSE TO OBJECTIONS
)	TO INFORMATION
)	REQUESTS OF BOARD OF
)	DIRECTORS OF DIRIGO
)	HEALTH
)	
Docket No. INS-05-700)	

Pursuant to the Superintendent’s Order granting intervention, when preparing their Joint Informational Requests to the Board of Directors of Dirigo Health (the “Joint Requests”), Anthem Health Plans of Maine, Inc. d/b/a/ Anthem Blue Cross and Blue Shield (“Anthem BCBS”) and the Maine Association of Health Plans (“MAHP”) coordinated their discovery efforts in an attempt to reduce the number of informational requests and avoid duplication. Counsel also reviewed the informational requests of the Maine Automobile Dealers Association Health Trust and the Bankers Health Trust (“Trusts”) to avoid duplication.

The Dirigo Board has now objected to 47 of the 57 requests as being duplicative, burdensome, or irrelevant. With regard to the objection that certain requests are duplicative because they were asked by the Maine State Chamber of Commerce or the Trusts, Anthem BCBS and MAHP agree to withdraw Requests 6, 22, 35, and 55 because information sought by other parties will be sufficient.

The Dirigo Board has objected to several requests as being unduly burdensome (Request Nos. 8, 11, 28, 42, and 47). The Board’s bald assertion of undue burden without any detail is not

sufficient. Further, the Plans have agreed to an extension of time to answer. These requests ask for information that either has been presented to the Board (*e.g.*, Request No. 8), is limited in nature (*e.g.*, Request No. 11 only asks for communications relating to whether it was difficult or impossible to develop a methodology that could attribute savings to the Dirigo Health reform initiatives within a limited timeframe), and/or requests information upon which the Dirigo Board relied to develop its determination of aggregate measurable cost savings (*e.g.*, Request Nos. 28, 42, and 47).

The Dirigo Board also objects to Request Nos. 46, 48-49, and 53 on the basis that they are readily available to Anthem and MAHP. Request No. 46 asks for a copy of a report referenced in the Final Mercer Report. Presumably, the Dirigo Board should be able to provide a copy of the report given that its own consultant used it in its analysis of the cost savings. Request Nos. 48-49 and 53 ask for information that may have come from the Department of Health and Human Services (DHHS). While it is possible that this information may be publicly available through a Freedom of Information Act request, given the expeditious nature of these proceedings, it is not readily available to Anthem and MAHP. In sum, because these requests ask for information upon which the Dirigo Board relied, then they are neither unduly burdensome to produce or irrelevant.

The Dirigo Board's remaining objection that Anthem BCBS and MAHP should be required to ask the questions at the hearing, rather than in discovery before the hearing is not a legal basis for objecting. But even if it were, following this practice would be inconsistent with, if not contrary to, the Superintendent's orders setting forth his expectations for the hearing.

The Superintendent has ordered pre-hearing production of written testimony, the purpose of which is to provide for an efficient hearing, focusing on cross-examinations based on the

prefiled testimony. The time allotted for this hearing, particularly given the magnitude and complexity of the issues, is very short. The Superintendent has advised the parties that there likely will be further time constraints imposed at the hearing, which will further limit the parties' ability to explore Dirigo Health's methodology. *See* Second Procedural Order of the Superintendent. This combination of factors makes it all the more imperative that the parties address as many of the issues as possible in prefiled testimony and become as educated as possible about the substantive issues in the case so that cross-examinations can be focused.

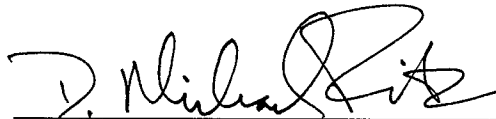
The Dirigo Board's suggestion that Anthem BCBS and MAHP questions at hearing will track those posed in its Joint Requests is illogical. Depending on the nature of the response to a particular request, Anthem BCBS and/or MAHP will either (1) offer the response into evidence at the hearing, or (2) ask follow-up questions at the hearing based on the response. Either way, there is no duplication of time or effort by the Dirigo Board, but if there were, counsel for the Dirigo Board can make the proper objection at the hearing. Suggesting that Anthem BCBS and MAHP wait until the hearing to ask the questions runs counter to the Superintendent's orders and promises only to extend the hearing unnecessarily.

The Dirigo Board's recitation of the numerous requests it must answer are a product of the statutory process, but understandable. In a good faith conference between counsel for Anthem BCBS and counsel for the Dirigo Board, Anthem BCBS agreed to extend the response period to the close of business on Wednesday October 19, 2005 to give the Dirigo Board as much breathing room as possible, but still allow Anthem BCBS and the MAHP to have the responses with at least some time before the deadline for filing prefiled testimony. Anthem BCBS and the MAHP request a similar extension of time to file responses to Dirigo's Information Requests.

WHEREFORE, Anthem BCBS and the MAHP request that the Superintendant grant the following relief:

1. If the Superintendant finds after review that the Plans requests are duplicative of the Trust's of Chamber requests, the Board may discharge its obligation with respect to that request by providing the information responsive to the Trust's or Chamber's request and cross-reference such information when responding to that Plans.
2. Compel the Board to respond to the questions indentified as cross-examination questions in the Board's Objection.
3. Compel the Board to respond to the Plan's information request by October 19, 2005.
4. Extend the time by which the Plan must respond to the Board's requests to October 19, 2005.

DATED: October 12, 2005



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Attorney for
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CERTIFICATE OF SERVICE

I hereby certify that on this date the foregoing document was served on the following parties via first class mail and electronic mail:

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I further certify that the foregoing documents were served on counsel of record in this case via electronic mail only, as follows:

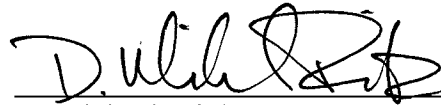
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Dated: October 12, 2005

A handwritten signature in black ink, appearing to read "D. Michael Frink", written over a horizontal line.

D. Michael Frink, Bar No. 2637