

October 13, 2005

Via mail & email

Alessandro A. Iuppa, Superintendent
Attn: Vanessa J. Leon, Docket No. INS-05-700
Bureau of Insurance
Maine Department of Professional and Financial Regulation
34 State House Station
Augusta, Maine 04333-0034
vanessa.j.leon@maine.gov

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

Dear Superintendent Iuppa:

Please find enclosed the following:

1. Filing Cover Sheet.
2. Two hard copies of Dirigo Health Response to Objections of Maine Chamber to Information Request of Dirigo Health.

Thank you for your assistance with this matter.

Yours very truly,

/s/William H. Laubenstein, III

William H. Laubenstein, III
Assistant Attorney General

cc: (Via mail and email)
William H. Stiles, Esq.
Thomas C. Sturtevant, Jr., AAG
Roy T. Pierce, Esq.
Christopher T. Roach, Esq.
Rufus E. Brown, Esq.
D. Michael Frink, Esq.
John Kelly, Esq.
Karynlee Harrington
Trish Riley

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

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

TO: Alessandro Iuppa, Superintendent of Insurance
Attn: Vanessa J. Leon

Date Filed: October 13, 2005

Name of Party: Dirigo Health Board of Directors

Document Title: Dirigo Health Response to Objections of Maine Chamber to
Information Request of Dirigo Health

Document Type: Memorandum

Confidential: No

Dated: October 13, 2005

Respectfully submitted,

/s/William H. Laubenstein, III

William H. Laubenstein, III
Assistant Attorney General

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

IN RE: REVIEW OF AGGREGATE)	DIRIGO HEALTH
MEASURABLE COST SAVINGS)	RESPONSE TO
DETERMINED BY DIRIGO)	OBJECTIONS OF
HEALTH FOR THE FIRST)	MAINE CHAMBER
ASSESSMENT YEAR)	TO INFORMATION
)	REQUEST OF DIRIGO
Docket No. INS-05-700)	HEALTH
)	

Dirigo Health responds to the Objection of Maine State Chamber of Commerce to the First Information Request of Dirigo Health to the Maine State Chamber of Commerce (the “Chamber”) as follows:

General Objections

The Chamber questions the relevance of questions related to an alternative methodology. These questions are relevant if the Chamber intends to present an alternative methodology or to use aspects of an alternative methodology to show the methodology adopted by the Dirigo Board of Directors is unreasonable. The Chamber should not be excused from providing information that supports a claim that the failure of the Board to consider an alternative approach or certain aspects of an alternative approach was unreasonable. The Chamber, in other words, cannot have it both ways: it cannot argue the Board failed to include this factor in its methodology and then be excused from providing data that show this factor is valid. If the Chamber is not required to produce supporting data on a particular issue then it should not be allowed to present evidence or argue that issue at the hearing.

Specific Objections

1. The Chamber should be required produce the documentation that supports its calculation of Gross Patient Service Revenue. To the extent the Superintendent permits the Chamber to refer to a publicly available source of information, the same permission should be granted to all parties. Also, see General Objections above.
7. This information should be provided for the reasons set forth in General Objections above. In addition, if the Chamber intends to use the Lewin Group's calculation of savings in any manner in the hearing, it should be required to produce the data that supports its calculation.
11. Dirigo Health appreciates the Chamber's interest in symmetry. Nevertheless, the Chamber has had the benefit of an explanation of the various components of the methodology adopted by the Board. This question asks that the Chamber, too, provide an explanation of the components of its approach to aggregate measurable cost savings. Also, see General Objections above.
17. See response to number 11 above.
20. The Chamber has argued at length that the methodology adopted by the Board fails to take into account increased costs in the health care system. The Board asks only that the Chamber identify and quantify those costs. If it is unwilling to do so, then it should be precluded from presenting evidence or arguing there are such costs.
21. The Chamber has argued at length that the methodology adopted by the Board fails to take into account savings in the health care system that are not the result of the operation of Dirigo Health. The Board asks only that the Chamber identify and quantify

those savings. If the Chamber is unwilling to do so, then it should be precluded from presenting evidence or arguing there are such savings.

23. This question seeks only to require the Chamber to clarify the role the Lewin Group played in developing the August 29, 2005 presentation. This goes simply to the qualifications of the Lewin Group to provide testimony on that presentation. It does not fit into the category of cross-examination questions that Dirigo Health objected to.

24. See response to number 21.

26. This is basic information and does not fit into the category of cross-examination questions that Dirigo Health objected to. Once again, it goes to the validity of the work that was performed by an expert retained by the Chamber.

WHEREFORE, Dirigo Health requests the Superintendent:

1. Order that the Chamber provide answers to the listed questions.
2. Preclude the Chamber from presenting evidence or argument on issues for which it does not provide supporting data.

Dated: October 13, 2005

Respectfully submitted,

/s/William H. Laubenstein, III

William H. Laubenstein, III
Assistant Attorney General

CERTIFICATE OF SERVICE

I, William H. Laubenstein, III, Assistant Attorney General for DIRIGO Health, do hereby certify that on this date the foregoing document was served on all counsel of record via U.S. first class mail, postage prepaid, and electronic mail as follows:

Roy T. Pierce, Esq.
Preti Flaherty Beliveau Pachios & Haley
45 Memorial Circle
P.O. Box 1058
Augusta, ME 04332-1058
rpierce@preti.com

John Kelly, Esq.
Compass Health Analytics, Inc.
465 Congress St., 7th Fl.
Portland, ME 04101
jck@compass-inc.com

William H. Stiles, Esq.
Verrill Dana, LLP
One Portland Square
P.O. Box 586
Portland, ME 04112-0586
wstiles@verrilldana.com

Thomas C. Sturtevant, Jr., AAG
Office of Attorney General
6 State House Station
Augusta, ME 04333-0006
tom.sturtevant@maine.gov

Christopher T. Roach, Esq.
Pierce Atwood, LLP
One Monument Square
Portland, ME 04101
croach@pierceatwood.com

Rufus E. Brown, Esq.
Brown & Burke
85 Exchange Street, Suite 201
P.O. Box 7530
Portland, ME 04112
rbrown@brownburkelaw.com

D. Michael Frink, Esq.
Curtis, Thaxter, Stevens, Broder & Micoleau, LLC
One Canal Plaza
P.O. Box 7320
Portland, ME 04112-7320
dfrink@curtisthaxter.com

Dated: October 13, 2005

/s/William H. Laubenstein, III
William H. Laubenstein, III, Bar No. 1394
Assistant Attorney General
Office of Attorney General
6 State House Station
Augusta, ME 04333-0006
(207) 626-8800