

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

IN RE:)	
HARVARD PILGRIM HEALTHCARE, INC.)	PRE-FILED TESTIMONY OF
2017 INDIVIDUAL HMO RATE FILING)	EDWARD J. KANE
)	
HPHC INSURANCE CO., INC.)	
2017 INDIVIDUAL PPO RATE FILING)	
)	
Docket no. INS-16-1003)	
(Consolidated))	

NON-CONFIDENTIAL

1 **Q. Please state your name and your position with Harvard Pilgrim Health Care, Inc. (“HPHC”).**

2 A. My name is Edward Kane. I am Vice President, Maine, for Harvard Pilgrim Health Care, and
3 have responsibility for Harvard Pilgrim’s business in Maine.

4 **Q. Please describe any relevant education or experience that qualifies you as a witness**
5 **today.**

6 A. I have been with Harvard Pilgrim Health Care in this capacity (Vice President, Maine) for 7 ½
7 years; served as a senior executive and in-house counsel at Blue Cross and Blue Shield of Maine
8 and its successor for 12 years; have been a member of the Maine Bar for some decades, have
9 also worked at the Blue Cross Blue Shield Association nationally and as a partner in a Boston
10 health care consulting firm.

1 **Q. Please state your reasons for testifying at this hearing.**

2 A. I am testifying at this hearing to provide input to the tribunal that will adjudicate HPHC's
3 proposed 2017 individual HMO premium rates filing.

4 **Q. What are the main reasons that HPHC has filed for the proposed premium changes?**

5 Medical cost trend; implications of the Affordable Care Act as implemented; morbidity factor;
6 developments in the Maine Individual Market overall and, on the other side of the equation,
7 controlled administrative costs; collaborative provider arrangements; innovative contracting
8 with drug manufacturers; control of fraud, waste and abuse and the like.

9 **Q. Briefly summarize the proposed premium changes.**

10 A. HPHC is filing revised rates on July 15, 2016 which show an average 2017 rate increase of
11 21.1% over 2016 rates. These rates are 2.4% higher than the initially filed rates.

12 **Q. Are the proposed rates adequate?**

13 A. Yes. The proposed rates are adequate. HPHC has taken care to price its HMO product
14 appropriately.

15 **Q. Are the proposed rates unfairly discriminatory?**

16 A. No.

17 **Q. Does this conclude your testimony?**

18 A. Yes.

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IN RE:)	
HARVARD PILGRIM HEALTHCARE, INC.)	
2017 INDIVIDUAL HMO RATE FILING)	CERTIFICATE OF SERVICE
)	
HPHC INSURANCE CO., INC.)	PRE-FILED TESTIMONY OF
2017 INDIVIDUAL PPO RATE FILING)	EDWARD J. KANE
)	
Docket no. INS-16-1003)	
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The undersigned counsel hereby certifies that on this date I caused to be mailed by electronic and overnight mail, as indicated, copies of the Pre-filed Testimony of Edward J. Kane on the persons and at the addresses indicated below.

<p>Eric A. Cioppa, Superintendent Attn: Elena Crowley Docket No. INS-16-1003 Bureau of Insurance Maine Department of Professional and Financial Regulation 34 State House Station Augusta, Maine 04333-0034 [FedEx]</p> <p>Elena I Crowley Elena.I.Crowley@maine.gov [e-mail]</p>	<p>Thomas C. Sturtevant, Jr., Assistant Attorney General Office of the Attorney General 6 State House Station Augusta, Maine 04333-0006 Tom.Sturtevant@maine.gov [e-mail]</p>
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DATED: July 15, 2016

/s/ Kathleen G. Healy
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