

# Verrill Dana<sub>LLP</sub>

Attorneys at Law

WILLIAM H. STILES  
PARTNER  
wstiles@verrilldana.com  
Direct: 207-253-4966

ONE PORTLAND SQUARE  
PORTLAND, MAINE 04112-0586  
207-774-4000 • FAX 207-774-7499  
www.verrilldana.com

July 29, 2008

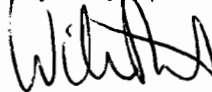
Mila Kofman, Superintendent  
Attn: Vanessa J. Leon, Docket No. INS-08-900  
Bureau of Insurance  
34 State House Station  
Augusta, Maine 04333-0034

**Re: Review of Aggregate Measurable Cost Savings Determined by Dirigo Health  
for the Fourth Assessment Year, Docket No. INS-08-900**

Dear Superintendent Kofman:

Enclosed for filing in the above matter please find the Application to Intervene of the  
Maine State Chamber of Commerce.

Very truly yours,

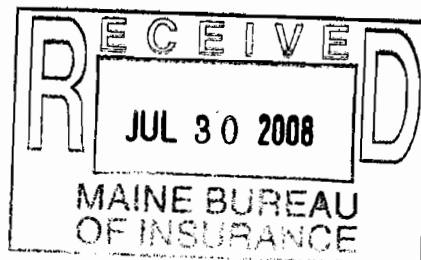


William H. Stiles

WHS/rdl

Enclosure

cc: Michael J. Colleran, Esq.  
William Laubenstein, Esq.  
Bruce C. Gerrity, Esq.  
D. Michael Frink, Esq.  
Christopher T. Roach, Esq.  
Joseph P. Ditre, Esq.  
Thomas Sturtevant, Esq.  
Ruth Ann Burke, Dirigo Health Agency



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

IN RE: REVIEW OF AGGREGATE	)	
MEASURABLE COST SAVINGS	)	APPLICATION TO INTERVENE
DETERMINED BY DIRIGO	)	OF THE MAINE STATE
HEALTH FOR THE FOURTH	)	CHAMBER OF COMMERCE
ASSESSMENT YEAR (2009)	)	

Docket No. INS-08-900

NOW COMES the Maine State Chamber of Commerce, by and through its attorneys, pursuant to the Notice of Pending Proceeding and Hearing dated July 10, 2008 and pursuant to 5 M.R.S.A. §9054(1) and Maine Insurance Rule, Ch. 350, and requests, as a matter of right, full party intervenor status in this proceeding for the reasons set forth below.

1. The Maine State Chamber of Commerce (the “Chamber”) is a statewide business association representing Maine businesses, both large and small.
2. The Chamber’s members include large businesses that provide group health coverage for their employees through self-funded plans. Other member employers provide health coverage through insured plans. The Chamber itself also has an insured health plan for its own employees.
3. The purpose of this proceeding is to review the aggregate measurable cost savings (“AMCS”) attributable to the operation of Dirigo Health and any increased MaineCare enrollment due to an expansion in MaineCare eligibility.
4. The Dirigo Health Board of Directors (the “Board”) held an adjudicatory hearing on July 22 and July 23, 2008, to determine AMCS. The Chamber intervened and was a party to the adjudicatory hearing to determine AMCS.
5. Following the adjudicatory hearing, the Board determined AMCS at a public meeting on July 24, 2008. The Board’s determination of AMCS will be contained in a filing made with the Superintendent (the “Dirigo filing”).
6. The AMCS amount determined by the Board will, in turn, support and serve as a cap on an assessment made against health insurance carriers, employee benefit excess insurance carriers and third-party administrators in an amount not to exceed 4.0% of annual health insurance premiums and employee benefit excess insurance premiums. The assessment is called a “savings offset payment” or SOP.
7. The SOP will have tremendous impact on Maine’s business community. Every employer in Maine that provides health care coverage to its employees (whether self-funded or insured) will be affected by the SOP.

8. The SOP will be paid directly by health insurance carriers, third-party administrators and employee excess benefit insurance carriers. However, it is Maine employers and their employees that will ultimately pay the savings offset payment, particularly if the AMCS under Dirigo are not accurately measured.
9. Health insurance carriers and employee excess benefit insurance carriers will have the ability to pass the SOP on to employers in their premium rates, and third-party administrators will be able to pass the assessment on to self-funded plans directly.
10. The likelihood of the SOP being passed on to employers increases if the AMCS are not accurately measured. The ability of Maine employers to offer health care coverage is already threatened by the high costs of health care and health insurance in Maine. If the AMCS under Dirigo are not accurately measured and reflected in the rates paid by Maine employers and their employees for health care and health insurance, it will serve to make health insurance even more unaffordable.
11. Due to the already high-cost of health care and the impact of cost increases on the ability of Maine employers to offer health insurance, and for the reasons set forth above, Maine employers have a direct and substantial interest in making sure that the AMCS under Dirigo Health reform initiatives are accurately measured.
12. The Chamber was granted full party status in the hearings for the First, Second and Third Assessment Years.

For all the above reasons, the Chamber requests that its Application to Intervene as a matter of right, with full party status, individually and on behalf of its members that will or may be substantially and directly affected by the proceeding, be granted.

Dated: July 29, 2008

Respectfully submitted,

/s/ William H. Stiles

William H. Stiles

Brett D. Witham

Counsel for the Maine State Chamber  
of Commerce

VERRILL DANA, LLP  
P.O. Box 586  
One Portland Square  
Portland, Maine 04112-0586  
William H. Stiles Direct: (207) 253-4658  
Email: [wstiles@verrilldana.com](mailto:wstiles@verrilldana.com)  
cc: [rlefay@verrilldana.com](mailto:rlefay@verrilldana.com)

Phone: (207) 774-4000

Fax: (207) 774-7499

**CERTIFICATE OF SERVICE**

I, William H. Stiles, attorney for the Maine State Chamber of Commerce, hereby certify that on this day the foregoing document was served on the following parties via first-class mail:

Mila Kofman, Superintendent  
Attn: Vanessa J. Leon  
Docket No. INS-08-900  
Bureau of Insurance  
34 State House Station  
Augusta, ME 04333-0053

Michael J. Colleran, Esq.  
Office of the Attorney General  
6 State House Station  
Augusta, ME 04333-0006

Thomas Sturtevant, Jr., Esq.  
Assistant Attorney General  
Office of the Attorney General  
6 State House Station  
Augusta, ME 04333-0006

William H. Laubenstein, III, Esq.  
Office of the Attorney General  
6 State House Station  
Augusta, ME 04333-0006

Ruth Ann Burke  
Dirigo Health Agency  
53 State House Station  
Augusta, ME 04333-0053

Christopher T. Roach, Esq.  
Pierce Atwood, LLP  
One Monument Square  
Portland, ME 04101

D. Michael Frink, Esq.  
Curtis Thaxter Broder Stevens & Micoeau  
One Canal Plaza  
P.O. Box 7320  
Portland, ME 04112-7320

Bruce C. Gerrity, Esq.  
Preti Flaherty Beliveau & Pachios  
P.O. Box 1058  
45 Memorial Circle  
Augusta, ME 04332-1058

Joseph P. Ditire  
Consumers for Affordable Health Care  
P.O. Box 2490  
39 Green Street  
Augusta, ME 04338-2490

Dated: July 29, 2008

/s/ William H. Stiles  
William H. Stiles  
Brett D. Witham  
Counsel for the Maine State Chamber of Commerce

VERRILL DANA, LLP  
P.O. Box 586  
One Portland Square  
Portland, Maine 04112-0586  
Phone: (207) 774-4000  
Fax: (207) 774-7499