

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

IN RE:)	
)	
HARVARD PILGRIM HEALTH CARE, INC. 2017 INDIVIDUAL HMO RATE FILING)	NOTICE OF PENDING PROCEEDING AND PUBLIC HEARING
)	
HPHC INSURANCE CO., INC. 2017 INDIVIDUAL PPO RATE FILING)	
)	
Docket No. INS-16-1003 (Consolidated))	

Superintendent of Insurance Eric Cioppa issues this Notice of Pending Proceeding and Public Hearing in the above-captioned matters, which are being considered on a consolidated basis.

I. PENDING PROCEEDING

Pursuant to 5 M.R.S. § 9052, 24-A M.R.S. § 230, and Insurance Rule Chapter 350, the Superintendent hereby gives notice that on May 10, 2016, Harvard Pilgrim Health Care, Inc. filed for approval of proposed revised rates for its individual HMO Products and for the individual PPO products issued by its subsidiary HPHC Insurance Co., Inc. Harvard Pilgrim proposes to rate all of the HMO products on a combined basis as a single risk pool, and to rate all of the PPO products on a combined basis as a single risk pool. Harvard Pilgrim asserts that the proposed revised rates for each of these products, calculated on a combined basis, will produce increases as follows, depending on deductible level and type of contract:

	Avg. rate increase	Range
HMO Products	18.7%	14% - to - 21.1%
PPO Products	24.4%	23% - to - 26.6%

As of the date of the filing, total in-force enrollment for Harvard Pilgrim’s HMO products was approximately 7,100 individuals; and for HPHC’s PPO products was approximately 200 individuals. Harvard Pilgrim requests that its proposed rate revisions become effective on January 1, 2017.¹

¹ Harvard Pilgrim’s filings are publicly available on the internet via the SERFF Filing Access system at <https://filingaccess.serff.com/sfa/home/ME>. The SERFF Tracking Number for the HMO filing is HPHC-130549012 and for the PPO filing is HPHC-130549001.

II. PUBLIC HEARING & PUBLIC COMMENTS

Pursuant to the authority granted in 24-A M.R.S. § 229 and the requirements of 24-A M.R.S. § 230, 5 M.R.S. § 9052, and Insurance Rule Chapter 350, the Superintendent hereby gives notice that he will hold a public hearing in the above-captioned matter beginning at 9:00 a.m. on July 28, 2016, in the Central Conference Room at the Department of Professional and Financial Regulation, Gardiner Annex, 76 Northern Avenue, Gardiner, Maine.

Members of the public are invited to attend the hearing and may offer sworn testimony or unsworn comments beginning at 9:00 a.m. on July 28. Further, written public comment may be provided for the Superintendent's consideration in this matter as follows:

By E-mail: Elena.I.Crowley@maine.gov

By U.S. Mail: Eric 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

All public comments will be made a part of the record of this proceeding. Only sworn testimony will be admitted into evidence. *See* 5 M.R.S. § 9057(3). The Superintendent will consider unsworn statements or comments for their persuasive value to the extent that they are relevant to facts in the record.

III. PURPOSE

The purpose of this proceeding and the public hearing is for the Superintendent to consider whether Harvard Pilgrim's proposed revised rates meet the requirements that rates not be excessive, inadequate, or unfairly discriminatory as set forth in 24-A M.R.S. § 2736, and otherwise meet the requirements of the Maine Insurance Code and regulations promulgated thereunder.

IV. PARTIES; INTERVENTION

As the applicants, Harvard Pilgrim and HPHC are designated as parties to this proceeding. All other persons wishing to intervene as parties in this proceeding shall file their applications in writing with the Superintendent no later than June 1, 2016. If granted party status, an intervenor may immediately commence discovery as provided in Section V below. Accordingly, the earlier a person becomes an intervenor, if the application is granted, the sooner discovery may commence.

Applicants should either hand deliver their intervention applications to the attention of Elena Crowley at the offices of the Bureau of Insurance, 76 Northern Avenue, Gardiner, Maine or mail them to the Superintendent at the following address:

Eric 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

The Superintendent will grant late intervention applications only upon a compelling demonstration of good cause. Persons should seek intervention only if they are willing to undertake the responsibilities placed upon parties to an adjudicatory proceeding under Maine law and Insurance Rule Chapter 350.

An applicant claiming intervention as of right pursuant to 5 M.R.S. § 9054(1) shall include in the application a statement either explaining how the applicant is or may be, or is a member of a class that is or may be, substantially and directly affected by the proceeding or identifying the applicant as an agency of federal, state, or local government. Applications for permissive intervention pursuant to 5 M.R.S. § 9054(2) shall contain a statement explaining and substantiating the applicant's interest in the proceeding.

Any party that opposes an application for intervention shall file a statement in opposition with the Superintendent by June 3, 2016. The Superintendent in his discretion may rule on an intervention application at any time, without waiting for any statements in opposition.

V. DISCOVERY

Upon being designated or granted party status in this proceeding by the Superintendent, a party may immediately commence the issuance of information requests (*i.e.*, discovery). Discovery in this proceeding shall be as provided for by Insurance Rule Chapter 350(10), subject to modification by further order of the Superintendent.

VI. PROCEDURE

The Superintendent will conduct the proceeding and hearing in accordance with the provisions of the Maine Administrative Procedure Act, 5 M.R.S. chapter 375, subchapter 4; 24-A M.R.S. §§ 229 to 236; Insurance Rule Chapter 350; and any rulings of the Superintendent. All parties to the proceeding have the right to present evidence and witnesses at the hearing and have the right to be represented by counsel. Failure of any party to appear may result in disposition by default with respect to that party. The Superintendent, however, may set aside a default for good cause.

The Department of Professional and Financial Regulation does not discriminate on the basis of disability in the admission to, access to, or operation of its programs, services, or activities. Individuals in need of auxiliary aid for effective communication at the hearing are

invited to make their needs and preference known to Elena Crowley at the Bureau of Insurance, telephone 207-624-8421, sufficiently in advance of the hearing so that appropriate arrangements can be made.

May 16, 2016



ERIC A. CIOPPA
Superintendent of Insurance