PUBLIC HEARING - HEALTH INSURANCE PREMIUMS

June 23, 2011

MERRILL LAD
1325 G Street NW, Suite 200, Washington, DC
Phone: 800.292.4789 Fax:202.861.3425

BEFORE THE MARYLAND INSURANCE ADMINISTRATION

PUBLIC HEARING - HEALTH INSURANCE PREMIUMS

Baltimore, Maryland

Thursday, June 23, 2011

9:56 a.m.

Job No.: 1-200498

Pages 1 - 138

Reported by: Darlene S. Traficante, RPR, CSR, CMRS

Hearing, held at the offices of:

MARYLAND INSURANCE ADMINISTRATION
200 St. Paul Place
Suite 2700
Baltimore, Maryland 21202
(410) 468-2000

Pursuant to agreement, before Darlene S. Traficante, Notary Public in and for the State of Maryland.

A P P E A R A N C E S

FOR THE MARYLAND INSURANCE ADMINISTRATION:
THERESE M. GOLDSMITH, COMMISSIONER
BETH SAMMIS, DEPUTY COMMISSIONER
DENNIS YU, CHIEF ACTUARY
JOY HATCHETTE, ASSOCIATE COMMISSIONER, CONSUMER EDUCATION & ADVOCACY

FOR OLIVER WYMAN:
KAREN BENDER, FCA, ASA, MAAA
TAMMY P. TOMCZYK, FSA, MAAA

- - -

E X H I B I T S

(Exhibits attached to the original transcript.)

MIA HEARING EXHIBITS		PAGE
1	Bulletin 11-12, 5/31/11	Premarked
2	5/17/11 Recommendations	Premarked
3	5/18/11 Recommendations	Premarked
4	6/1/11 Haglund written comments	Premarked
5	6/2/11 Haglund written comments	Premarked
6	6/16/11 MHA written comments	Premarked
7	PowerPoint hard copy	11
8	MedChi letter	78
9	PowerPoint hard copy	86

COMMISSIONER GOLDSMITH: It got very quiet so I guess that means that we are ready to begin. I have just about 10:00 a.m. And want to wish everyone a good morning.

And a welcome to this June 23rd, 2011 public hearing being held by the Maryland Insurance Administration.

Can everyone hear me by the way? I understand we're not going to have mics so everyone is going to need to speak up a bit. I'm seeing nods and none of this (indicating) so glad to hear it.

So this hearing is being held pursuant to a notice issued on May 31st, 2011, that notice was labeled Bulletin 11-12 and has been marked as Exhibit 1 in this proceeding.

As the notice indicates, the subjects of this hearing are the findings and recommendations of Oliver Wyman Actuarial Consulting as set forth in two reports. Those reports are entitled Recommendations to the Commissioner on Information Provided to Consumers, which is dated May 17th 2011, and has been marked as Exhibit 2 in this proceeding. And

Page 6

Recommendations to the Commissioner to Enhance Regulatory Review and Oversight dated May 18th, 2011 which has been marked as Exhibit 3 in this proceeding.

My name is Therese Goldsmith, and joining me this morning are two of my colleagues at the Maryland Insurance Administration, to my left Deputy Commissioner, Beth Sammis, and to my right Chief Actuary, Dennis Yu.

Later today we will also be joined by Joy Hatchette, the Associate Commissioner heading up our Consumer Education & Advocacy unit.

By way of just a little bit of background, the Maryland Insurance Administration engaged Oliver Wyman to do two things; first, to review the administration's current actuarial rate review process for commercial comprehensive medical insurance products, and to make recommendations for enhancing that process with one goal being to establish an effective rate review program under the Affordable Care Act as now defined in federal regulation.

Secondly, we asked Oliver Wyman to review information currently available to consumers regarding

Page 7

proposed and approved premium rate increases and to make recommendations on ways in which to improve and to expand that type of information in order to enhance the transparency of the rate making process.

Oliver Wyman's work was funded by a premium rate review grant which was awarded to the State of Maryland by the US Department of Health and Human Services.

With respect to today's procedure, and order of events, Oliver Wyman first will present a summary of its findings and recommendations set forth in the Recommendations to the Commissioner to Enhance the Regulatory Review and Oversight, so Exhibit 3. And will answer any questions from me and my colleagues with regard to the information contained in that report.

Immediately after that presentation, and any Oliver Wyman's answering any questions that we have, those of you who are here today who wish to provide comment on the subject of that report will have an opportunity to do so. We'll then repeat that procedure for the consumer information, I'll use for

Page 8

shorthand, report. So first the rate review report, presentation, question and answer, and followed by any public comment, followed by the consumer information report, same procedure.

To date we have received written comments from two interested parties regarding the Oliver Wyman reports. First we received two written comments, one regarding the consumer information and the other regarding the rate review process from Scott D. Haglund of the Federated Life Insurance Company and those written comments have been marked Exhibits 4 and Exhibit 5 and those will be a part of the public record in this proceeding.

And then also we received comments on both reports in one document from Michael B. Robbins on behalf of the Maryland Hospital Association and its members which has been marked as Exhibit 6.

We will be holding the record open in this proceeding through June the 30th, 2011, for any additional written comments that anyone might wish to submit for considerations.

Instructions about how to do that are

Page 9

included in that written notice that I referenced which is available on our website. And if you have any trouble finding that, please contact Karen Barrow who is our director of Public Affairs, her number is (410)468-2007.

Are there any other housekeeping details that I'm not thinking of before we proceed?

All right. Well, then I think we're ready to hear from Ms. Tammy Tomczyk and Ms. Karen Bender from Oliver Wyman.

MS. BENDER: Thank you, Commissioner Goldsmith. My name is Karen Bender and I'm a consulting actuary and principal with Oliver Wyman actuarial consulting. My colleague here is Tammy Tomczyk. She's also a principal and consulting actuary with Oliver Wyman. And we were two of the three authors of both of these papers and we appreciate the opportunity to discuss these papers with you today.

This is the proposed overview for today's discussion. So we segregated into several main topics of which the first one is going to be to review,

Page 10

discuss or review of the current processes that the administration is employing to review rates.

The rate increase disclosure and review of the existing regulations and the proposed -- no longer proposed, when we started this process they were proposed. They are now final rate regulations regarding the Accountable Care Act.

And methods for determining the reasonableness of rate increases, trend analysis, rate filing submission and requirements and then our recommendations.

COMMISSIONER GOLDSMITH: Ms. Bender, the document that's on the screen here is a slide deck that, that we I believe and the court reporter have received in hard copy entitled Recommendations to the Commissioner to Enhance Regulatory Review and Oversight, and data today, correct?

MS. BENDER: That's correct.

COMMISSIONER GOLDSMITH: So if the court reporter could mark this document as Exhibit 7, please.

Page 11

(MIA HEARING Exhibit 7 was marked for identification and attached to the transcript.)

MS. BENDER: And Tammy is going to talk about the review of the current processes.

MS. TOMCZYK: Thank you, Karen.

In order to make recommendations for enhancements and changes to the process, first we had to understand thoroughly what the current process was. We reviewed, we were provided and reviewed current statutes, regulations and regulatory bulletins. We also reviewed the information that's currently included in the filing requirements. Everything from information that carriers are required to submit, timing of those submissions, timing of the administration's review, as well as lost ratio demonstrations that are required to be made.

Once we reviewed this information we spent two days on site with the chief actuary and another actuary on staff with the administration going through in very thorough detail the process starting from the point in time when a filing is received, all the way through to the point in time when a filing is finally

Page 12

approved. So all the correspondence that goes on, all the aspects of the reviews that take place. And we actually did this process three times, once for the individual market, once for the small group market and once for the large group market because the process is not identical for those three markets.

We also were provided copies of recent, hard copies of recent filings and the correspondence that took place between the administration and the filing carriers. And reviewed that. And once we went through that process we, in our opinion, had a pretty good understanding of the current process that takes place today.

We did review that with processes that are currently taking place in other states, based on our knowledge either working with other states, working for carriers, filing, submitting filings in other states and just our general knowledge of those processes. And there is quite a wide variation today. We set up this chart on the bottom and we described it in our report as level of rigor that takes place. So for example on the left-hand side that's labeled 1,

Page 13

that might be where a state would fall that either has no regulatory authority to review rates today, or very limited authority. Progressing to the other extreme where you have a state that perhaps has authority to review rates in all three market segments, individual, small group and large group, may frequently use the rate hearing, the rate hearing process, engage independent experts to perform independent calculations, and provide expert witness testimony at rate hearings.

So based on all of that you can see that we place Maryland between a 3 and 4 on that scale. And that indicates that the process that's taking place today is, is quite comprehensive.

So once we understood the current process our next step was to compare that to the proposed regulations that outlined the requirements of an effective rate review process as defined by HHS. And Karen is going to talk about that process in a little more detail.

MS. BENDER: I should note that I think we have alluded to it before, but when we were developing

Page 14

these recommendations we were using what we called the draft regulations. And the day after we submitted our final reports when the final regulations came out, and so we have noted differences on the slides where pertinent, we will followup with the commissioner on noting some -- some adjustments in the report because of the final regulations. There were just some minor differences in our opinion.

COMMISSIONER GOLDSMITH: And that will be in the form of an addendum to each report, correct?

MS. BENDER: This is correct, it will be in the form of an addendum.

So I'm going to give a real brief overview of ACA. And this overview only pertains to the rate regulation portion that we are dealing with here. Obviously ACA is a very large bill so we're only focusing it on the rate regulation portion.

Firstly, the HHS regulations apply technically only to non grandfathered policies. And non grandfathered policies, the easiest way of saying that is for practical purposes, for our purposes here they essentially are those policies that were issued

Page 15

after March 23rd, 2010 which was the effective date of the Accountable Care Act. There are some technicalities how you keep grandfathering and non grandfathering, but for our purposes here that's probably the easiest definition.

So technically these rate regulations as promulgated by HHS, again, don't apply to all policies at the federal level.

The state's definition of small group may apply until 2014 when one life groups would now be included. There are some, again, some technical differences in how to count employees, but that wasn't really the purpose of our analysis here which was to review the rate review process. Now, in 2016 the definition of small group is going to be increased to 100. And that our understanding is going to be mandatory.

And it's also our understanding that HHS based upon their final regulations is considering how to include fully insured associations. And so that is probably an outstanding issue as of right now.

The rate regulations would apply to all --

Page 16

okay, I got to get this right -- rate regulations are going to take effect September 1st. If you are -- if you meaning a carrier is in a state that does not have an effective rate review program, then it is policies that are effective September 1st. If you are a carrier in a state that has an effective rate review program, it is policies filed September 1st and later. That's our interpretation.

Right now the effective rate -- I would say the -- yeah, the effective rate review or the policy subject to review, filing subject to review are those that would have a 10 percent or greater increase at the September 1st trigger date.

So if HHS is going to do the review, then any policies submitted for September 1st effective date would be subject to -- that have a rate increase of 10 percent or greater would be subject to this review. For states that have an effective rate review program they would need to report on their reviews of rate filings that have a 10 percent or greater proposed rate increase to HHS for rate filings submitted on or after September 1st, 2010.

Page 17

COMMISSIONER GOLDSMITH: And just one point of clarification is something that confused me initially when I read it in the report. When in your report you refer to an HHS mandatory review, it's my understanding that what that means is that if you are a state with an effective rate review program, not that HHS will conduct the review, but rather HHS has mandated that review be conducted.

MS. BENDER: That is absolutely correct. That's our understanding.

COMMISSIONER GOLDSMITH: Okay.

MS. BENDER: I probably should submit right here now, we are actuaries, we are not lawyers. So we're not, we cannot give a legal opinion. So all of these that we are offering here is based upon our interpretation of the law.

COMMISSIONER GOLDSMITH: Right. Thank you.

MS. BENDER: So if there's, if ultimately a legal opinion would decide something different obviously then we would modify things as such.

And we are probably going to use HHS and CMS maybe interchangeably. We'll try and stick with HHS.

Page 18

I think when this first started this was all under HHS.

The threshold of 10 percent is for 2011. Beginning in 2012 that threshold can change and HHS can change that threshold and they can change it to vary by state, or they may not vary by state. But they will communicate July 1st what the threshold is going to be for each of the states for this September 1st effective data cap. And so thereafter each June 1st they'll communicate for the effective 12-month period going forward for the following September.

So what must be included in the, for rate filing subject to review. HHS has identified two types of information that must be submitted to HHS for all rate filings equal to or exceeding that trigger point. It does not matter whether you're in a state that has an effective rate review program or not. Part I and Part II must be submitted to HHS. And Part I is a prescribed form and with a prescribed Excel sheet that must be filled in with the required information.

Page 19

Part II is sort of what I would call a free form right now at least, where the carriers need to identify those significant factors that are prompting the rate increase, and to provide brief experience, overall experience of the policy.

Now, for states that do not, for carriers operating in states that do not have an effective rate review program, Part III justification must be submitted, which is specific detailed documentation supporting any rate increase.

For those states that do have an effective rate review process in place, HHS will accept, or will delegate the analysis associated under the Part III analysis to the states. And they, then the state will need to report their findings to HHS.

As of right now there's no standardized template, to our knowledge, for the states reporting their results to HHS for the Part III analysis.

Now, let me emphasize that Part III is again only required for those states that don't have an effective rate review program.

So what does the state have to do to have an

Page 20

effective rate review program? And I can almost classify this as essentially, get data from the carriers, review the data from the carriers and analyze the data from the carriers to determine if the rate increase that they are requesting is and/or are supported depending upon the number of policies, policy forms that are included in the filing.

So that really takes care of the first three items here.

The fourth item is that a standard has to be -- you have to apply a standard. Like set forth a statute of regulation for determining whether a rate increase is reasonable. Again, now, this is at the state level to have an effective rate review program. That doesn't necessarily have to be a numerical standard but there has to be some sort of standard so that it's not viewed as capricious. And states that, states again must provide access to Part I and Part II preliminary justification through their website. This is one of the changes from the preliminary and the final, at least according to our interpretation. From the preliminary we didn't see this maybe more as maybe

Page 21

it might be nice, but in the final it appears to us that now the states do have to provide some sort of access to Part I and Part II. It can be just a link to the HHS website, but it's important.

And again, as I indicated before, after the review is done, then the state has to submit to HHS the summary of its results and how they arrived at their opinion.

I overlooked one thing under 5, not only must the states provide access to Part I and Part II, they also have to have a means of accepting public comment on them as well. So that was a change from the original.

Here's some specific rate assumptions that must be reviewed. These 12 were listed in the, both the prelim-- well the final reg site, I guess there was one that was little different. So these are the 12 that are listed in the final regulations. I think it's, the most important point here is where it says where applicable, which means that if you have an effective rate review program, HHS is recognizing that the states need to have flexibility when reviewing

Page 22

these rate filings. And has enabled them to use their judgment that maybe not all of these may be applicable for every single filing.

These are the things, the 12 prescribed assumptions that could be subject for review.

Now we're going to talk about considerations for determining the reasonableness of a rate increase.

When we did our review we wanted to step back and say, absent any regulations, what are some of the factors that we would consider in addition to the components of trend which obviously are some of the, is the main driver of rate increases.

So one of the factors obviously are loss ratio and loss ratio requirements. When we started this process Maryland had a minimum loss ratio of 60 percent for individual policies and 75 percent for small group. Since that time regulations have been changed so that it's going to be 80 percent for small group and individual effective July 1st, 2011. And if I have my notation right I believe that's SB 183 that enabled that.

Then there are some other questions as to

Page 23

how would the loss ratio be applied. Should it be applied at the form level or at the market segment level? The minimum loss ratios under the ACA apply at the market level as opposed to the form level. And then some discussion as to how credibility should be applied.

We talked about administrative expenses, surplus expenses, pricing margins, and those we would, we commented on that really you want to focus on there is more of the change in levels of these components of a rate from one rate filing to another rate filing. You have the minimum loss ratios at the federal level of 80 percent for small group and individual, and 85 percent for the large group. So there is sort of a safety net that carriers, if they -- they have to rebate excess premiums if they don't comply with those minimum loss ratios. So you do have that floor. But even in addition to that you still want to look at any material changes from one filing to another to assess for reasonableness.

And then the last two are investment income and loss would be more pertinent probably if a company

Page 24

was having some surplus issues. Obviously you are also tasked with ensuring solvency for a company so you must be cognizant of the solvency standards. And a cost containment quality of improvement activities are also part of minimum loss ratio requirements as defined by NAIC and adopted by HHS. So these are all considerations that would go into determining if a rate increase was reasonable as defined by ACA.

COMMISSIONER GOLDSMITH: Ms. Bender, in terms of the administrative expenses, I note that you just said and I think you said it in your report, that one focus, anyway, would be on material changes in expenses from one filing to the next. And I saw in your report where you described certain benchmarks or standards that are used in other jurisdictions to assess the reasonableness of administrative expenses. Are there any, you know, besides looking at the delta between one rate filing and the next, are there any other standards or benchmarks either that you would recommend or that you would suggest that we consider?

MS. BENDER: Well, there are some public reports. Sherlock, I mean, these are some public

Page 25

reports that are obviously in the public domain, they're public reports. And they have done some analysis on administrative expenses for both what they call the blue plans and then for the commercial plans. And they also further segregate it between what I would call type of business, Medicare, Medicaid, I'm not sure if they have Medicare supplement right now, but at least also self funded. So that would be one source.

Another source would be to look at the, some of the administrative expenses as reflected in the NAIC database for companies completing what I would call the orange blank or the health blanks. This is going to be easier now that they have to, that companies are going to be required to submit that supplemental exhibit, and please don't ask me what the exhibit number is because I don't have it on the tip of my tongue.

COMMISSIONER GOLDSMITH: You could say anything and I'd believe you.

MS. BENDER: I'm sorry, I don't have it.

MS. TOMCZYK: I think it's called the

Page 26

supplemental healthcare.
MS. BENDER: That might be it.
And that supplemental healthcare exhibit, that's what we're calling it right now anyway, is a new exhibit required for the purposes of determining administrative expenses for the MLR, or at least -- for the allowable cost containment and quality administrations.
COMMISSIONER GOLDSMITH: Right.
I was thinking more in terms of the other administrative expenses category. But okay.
MS. BENDER: What do you mean?
MS. TOMCZYK: Operating expenses and claim processing.
COMMISSIONER GOLDSMITH: So the non quality improvement cost containment.
MS. BENDER: I think though that that's in there, I think all the administrative expenses are in there. But then they also, they just had to fill that out, if I'm remembering the exhibit right.
MS. TOMCZYK: If not it's certainly available, is it page 4, I can't remember, the

Page 27

statement of revenue and expenses that's in the statutory statement has that information. And we've actually done some studies using that data where we've developed benchmark populations or looked at a pool of carriers that are of similar size, have a similar mix of governmental, non private insurance, Medicaid, Medicare business, and within that cohort of similar carriers what kind of is the average expenses of the percent of premium and some ranges around that. So there's some good information there.
MS. BENDER: And I also believe what I would call the state reports, individual state reports segregate individual. I mean, sometimes the challenge of segregating individual from small group from large group sometimes that's the challenge.
COMMISSIONER GOLDSMITH: What do you mean by state reports, what state reports?
MS. BENDER: It's called state reports, it's part of the orange, again, I call it the orange blank.
COMMISSIONER GOLDSMITH: Okay.
MS. BENDER: It's the health.
MS. TOMCZYK: Page 29.

Page 28

MS. BENDER: Page 29.
MS. TOMCZYK: That one I know.
MS. BENDER: Okay.
And then there is also the one that has small group segregated too and that's a -- I'm not going to tell you the number of that, but we can get that to you.
So there are, like I said, the Sherlock reports and then the orange blanks or the NAIC data I would think would be another good source of benchmarking.
COMMISSIONER GOLDSMITH: Thank you.
MS. BENDER: So next major component of any rate filing is going to be the trend analysis.
Trend is generally probably 90 percent of the time the major driver of change in rates. So obviously the trend analysis is the major focus of any rate review. And also a miss of trend high or low is going to have a major impact on subsequent rate reviews as well.
I.e., if you overstate the trend in one year, then the next rate review you'd expect to have

Page 29

less than trend rate increase. Because you've, you have essentially excess premium that one year.
Conversely, if you understate the trend, the next year you can have significantly higher than trend increases. Now, sometimes trend isn't the only major driver, especially in new products, sometimes it is very, for new products it is difficult to get all the assumptions that are realized as you anticipate it originally. Probably one of the best examples of that was initially in the high deductible health plans I think carriers made some aggressive assumptions regarding the utilization savings that many of these plans were going to realize.
But so, but the trend is the major component.
This lists, I'm sorry, this list demonstrates that there are many drivers of trend. And which makes this analysis extremely complex. Obviously the first two, changes in provider reimbursement and changes in the number of services utilized, are generally the two that people focus on. And generally it's the changes in provider

Page 30

reimbursement that is the major driver. Although other things can, such as a change in the mix of services can actually make it appear that changes in provider reimbursement, either greater or less, than the underlying cost. So a mix in services can distort some of these other factors.

So that's why it's extremely important when analyzing any particular rate filing, it's not just as easy as comparing, you know, maybe a cost per member per month for this year compared to a cost per member per month from the year before, and that's your trend, it's generally not quite that easy to do. So here all the drivers of trend that anyone reviewing a rate increase or rate change would need to consider and also that someone submitting a rate change should be willing to demonstrate that they have considered as well.

Then you have all these other adjustments to trends, even if you've, you've considered all these others, those other factors in your emerging experience if you have large claims they can distort the trends upward and as they work their way through

Page 31

them they can also make it appear that trends are decreasing when in fact they aren't. You have benefit changes, you have demographic changes, all of these items here require adjustments to the emerging experience to ensure that you're not overstating the trend or that you're not understating the trend. And additional considerations which I would maybe benefit unique, if you have a high deductible health plan then the deductible, what we call deductible leveraging which in essence is just an actuarial term for recognizing that the value of a fixed dollar deductible decreases over time because of inflation. And that's what we call deductible leveraging. And then aggregate trends versus trends by types of service that there is not a universal trend between hospital inpatient, hospital outpatient, physician, X-ray, lab, pharmaceutical. So these are other considerations and you might want to look at isolating some of these trends, particularly between what I would call medical and pharmacy to get a better handle or estimate and see the true underlying trend.

One of the considerations in our discussions

Page 32

was, is there just as you asked, Commissioner, about, are there any benchmarks out there for maybe administrative expenses, are there some benchmarks other than the emerging experience in any particular rate filing available to test trend assumptions to. And we identified two entities currently in Maryland that are tasked with gathering information pertaining to specific types of medical care. And the first one is the health service cost review commission, HSCRC, and I'll have to look at this to make sure I get the acronym right, and they are responsible for collecting data on the hospitals all payer system. Their data can identify, they can identify the data by hospital and insurer, the challenge with that particular data is that they can't really identify or segregate between insured and self funded, or market segment, i.e., the non group market or non group HMO or small group, PPO, intermediate group, they don't have that capability right now. But the advantage of this data is that it is very timely. They gather this and so this data is available 45 to 60 days after each quarter ends. So that is a real advantage of this

Page 33

particular data set.

Now, there are some barriers to it. Right now they don't have a corresponding membership data. So you have the hospital data but you don't have the underlying membership so it's very, very difficult if not impossible to get that utilization component of trend. When we're going back on the other slide we were talking costs of providers and then utilization of services. So because we don't know the underlying membership we also can't really normalize it for the change in any demographic mix that may be occurring. This also is on an aggregate level, even if we could isolate, can isolate it for the commercial, and it's still not at that same level that would appear in any particular rate filing for any particular insurance carrier. So that is a barrier.

Currently they do not have what we call professional charges, those physician charges, or they do not have any information on prescription drugs, and those are two major, major components of regs. The data set includes only Maryland hospitals, which is good, but contracts that are issued in Maryland don't

Page 34

limit members only seeking services in Maryland hospitals. So the carriers -- and I'm using carriers and HMOs together, I'm not going to try to segregate those two. When I say carriers I mean carriers and HMOs as one. You know, they are going to be liable for, or have to pay hospitals that are outside Maryland, either because they have their insureds who live outside of Maryland, or you have Maryland insureds who may seek services to hospitals outside of Maryland. So even if we used, even if this data had some of these other barriers overcome, you would still have the issue that they're not covering all the claims that any particular carrier would have.

So as a result the use of this data would represent only the cost component to hospital, either hospital inpatient or hospital outpatient, for essentially a sub group of the total claims that may be included in any particular filing.

So those are sort of the barriers associated with that particular database.

COMMISSIONER GOLDSMITH: So in terms of the primary drivers of trend that are listed on slide 12,

Page 35

as the HSCRC data currently exists, in your view it would provide relevant information with respect to which of these primary drivers of trend?

MS. BENDER: It would provide relevant information obviously to changes in provider reimbursements for hospital services only. And it would provide I think that you could use this to assess the changes in the mix of services utilized. Changes in the mix of providers to a degree in that if services were switching among hospitals within Maryland, and between inpatient and outpatient, so it would provide maybe what I would call a subset of that. Changes in mix of providers utilized. It would provide a portion maybe of technical advances, those that take place in a hospital setting, either as an inpatient or an outpatient. It would not include those that might be taking place in only the physician's office, or on the drug side, pharmaceutical side.

COMMISSIONER GOLDSMITH: And how would it provide that, like at the procedure level?

MS. BENDER: Technical advances?

Page 36

COMMISSIONER GOLDSMITH: Um-hum.

MS. BENDER: Well, I think theoretically you could start to list some of the services provided and/or on the outpatient side some of them, and on the inpatient side, maybe the inpatient by DRGs and start drilling down in to see if there are some new -- I'm trying to think of an example, would that be like a neonatal intensive care? Or advances in cancer treatments that you would be able to track. It might not be easy but I think you might be able to glean some of that information.

You would not be able to do the age of the population, I think it would be very problematic on the cost shifting side because of the unique Maryland situation where you have sort of the single payer or single, same payment for all payers. The cost shifting you don't, theoretically you don't have cost shifting on the hospital side, the cost shifting more on the physician side, you would not have that at all here.

Changes in claim coding methodology you might be able to do that. That would be more of a

Page 37

longitudinal comparison of type services on the outpatient side and maybe on the hospital, again the hospital, either the DRG or the ICD-9 codes until ICD-10 codes come. You might be able to -- which in those codes, the DRG codes and the ICD-9 codes are essentially codes that are used on the institution side to indicate type of services -- no, type, what do I want to call it, diagnosis, heart problems, those kind of things.

COMMISSIONER GOLDSMITH: But the DRG for example, won't necessarily tell you what the treatment was or what level of technology was employed to provide the treatment or to conduct an evaluation?

MS. BENDER: The only thing you could probably do is if there's a shift of DRGs from one, you know, compare one set to another and for some reason a shift to more complex DRGs.

COMMISSIONER GOLDSMITH: Okay.

MS. BENDER: You might be able to do that. You know, theoretical you might have a chance of that.

Changes in morbidity I think would be very problematic to get from that. Changes in care

Page 38

management I think would be very, very problematic. Catastrophic claims since most of the cost of catastrophic claims are at hospital institutions that you probably could get absolute number of catastrophic claims. The problem is that you don't have the membership underlying, so, you know, if you have a larger membership you might expect a larger number of catastrophic claims. But you might be able to say, you know, X percent of our claims last year were over a hundred thousand, now Y percent are, something like that.

COMMISSIONER GOLDSMITH: But again limited to the slice that represents Maryland hospitals?

MS. BENDER: Only Maryland hospitals, you're absolutely right. And not the professional charges associated with that, just this very, very small slice.

You wouldn't be able to do changes in benefits and I don't think you would be able to do selection from that.

COMMISSIONER GOLDSMITH: Thank you.

MS. TOMCZYK: I'll just add two things to

Page 39

that. One, back on the DRG discussion, if the data has the revenue code on there, so within a DRG that revenue code will tell you the breakdown between, for example, drugs and radiology and how much of the claim is due to the room and board, so you could theoretically look at within a given DRG is the percentage of the claim that's made up by radiology charges changing.

And the other thing I just was going to comment that some of these are almost intertwined where it's hard to distinguish in the sense that if you're starting to see more claims under a given DRG is it because the morbidity is changing? Is it because the coding is changes? Is it because the mix of services is changing?

MS. BENDER: Or the aging population.

MS. TOMCZYK: Exactly. Yeah.

So it would be very difficult to look at the data, I think, and say this is due to this particular factor. Which makes trends analysis even more complicated.

DEPUTY COMMISSIONER SAMMIS: If we accept

Page 40

that because of the limitations in the data, that the HSCRC can't be used in a quantitative sense as the opposite of the actuaries reviewing the rates, is it possible in your view to be able to get a report or some sort of an analysis on a quarterly basis from the HSCRC that might tell us in a qualitative sense how changes in, just for Maryland hospitals, what changes they're seeing in terms of admissions, severity of the cases, things like that so that the actuaries may be able to have a more, a different kind of dialogue with the carrier about the trends that they're seeing for that particular product as opposed to what's being seen globally at the Maryland hospitals?

MS. BENDER: Sort of like a leading indicator.

COMMISSIONER GOLDSMITH: Yes.

MS. BENDER: You're saying that, no, we can't take this information and dump it into the rate filing and have it pop out with here's what's going to be your trend. But as a leading -- yes, I think you can. How strong it's going to be I think time will tell. And it might be one of these, like once you

Page 41

start tracking it you'll have a real better feel for how strong an indicator it is.

Obviously we have different issues between the individual market as it currently is now, where it's medically underwritten, accept, reject, there's certain uniqueness to that particular market that as opposed to the small group market which is guarantee issue rate now, that doesn't have some of those other characteristics sort of what I would call complicating or masking, or exaggerating trend appearances of trend shall I say.

CHIEF ACTUARY YU: I mean, well, in using basically hospital trends as a leading indicator, if you could -- as -- well, a couple questions come to mind. How big a portion are hospital claims roughly of total claims? And the second question is, are trends for different types of services, so hospital inpatient versus professional or prescription drugs, are they necessarily correlated?

MS. BENDER: I don't have the tip of my tongue what the distribution of claims are. I can give you something that on an allowed basis drug

Page 42

claims are somewhere between what, 15 and 20 percent of total allowable charges. And I would say that hospital claims, inpatient and outpatient, what, 40 to 50 percent, depending upon -- the network.

CHIEF ACTUARY YU: Okay. I was just looking for a ballpark.

MS. TOMCZYK: Yeah, I tend to have a better feel on the paid side, I usually see close to 50 percent being inpatient/outpatient combined. Maybe 40 percent for professional and other miscellaneous and 10 for drugs, on a paid basis.

MS. BENDER: The drugs really get leverage because the coinsurance generally go to about 50 percent one way or the other, I mean copays. So then you said, so that was the first part, then what was your second part, the correlation between --

CHIEF ACTUARY YU: Well, to the extent that we get a general feel, we use HSCRC results as a barometer of the general feel for hospital trends. Are hospital trends necessarily correlated with other, other types of services? Transfer other types of services?

Page 43

MS. BENDER: Well, there obviously has been a shift between inpatient and outpatient on the hospital side going on for the last many, many years. So to the extent that you're having services take place in an outpatient setting that used to be in an inpatient setting, you could actually have a decrease in hospital inpatient charges, but I'm not -- with not the corresponding decrease in professional services to the extent. You'd have a little decrease but maybe not as much of a decrease as you would maybe for what the hospital inpatient would decrease.

But we've also seen the hospital outpatient costs have been increasing rather rapidly.

I would like to say generally, yes, there's going to be a correlation because I said it's a very general yes. And it would be better to track this information and to tie that, whether it's a strong correlation, I would like to think that there is going to be a relatively strong correlation in the direction, not in the absolute magnitude, but if all of a sudden hospital utilization starts to, inpatient utilization starts to increase dramatically, I would say that you can expect that your general claims trends are going to increase as well. Will they increase one for one, I can't say that.

Page 44

MS. TOMCZYK: I think the correlation, what correlation there is is probably tied more to the utilization. More so than the cost. I don't know how much correlation just because the cost on a per unit basis is going up in hospital necessarily means drugs, that is probably more independent. But if hospital utilization is going up and, you know, one of the causes is because the population is becoming more morbid or is aging, it's likely that the more drug claims are going to be incurred as a result.

So from a utilization perspective there probably is some correlation. But again, the HSCRC data as it is today without having membership you really can't get at the utilization component, it's really the cost component.

MS. BENDER: You definitely cannot get at the, like a day's per thousand or things like that. You might be able to, when you're saying just the absolute number, you would have to track that and see.

Page 45

As long as you're not having a huge shift in population that might be, again, just a leading indicator. But I would say you would probably have to go back and either try to reconstruct it or track it forward to see how strong a correlation that was.

I must have skipped one here, huh? Did I skip one? I'm all confused here.

MHCC data is the other data source that is available in Maryland. And Maryland healthcare commission maintains a statewide medical care database. Historically they only carried or only kept, captured I should say, professional and prescription drug claims. But in 2009 they began to incorporate hospital claims. And membership in 2010. So ultimately this is going to be a, what I would call a complete database that could be an independent source for emerging experience.

Just for the record, it only contains payers with at least $1,000,000 in earned premium. That does not diminish its worth materially whatsoever. So --

The biggest barrier to using the MHCC data when it gets complete is really what I would call a

Page 46

timing issue. And that is that the data is not reported until six months after the year end, so that they can make sure that they, they've gathered all the service dates. And then it's generally not available until 10 to 12 months after the year end because once they get the data they have to, we call it scrub the data, we have to make sure that, that it's appropriate, you know, that it's clean and valid.

So the first full set of utilization data that includes all types of services as well as all membership isn't going to be available until the Fall of 2012. And that is going to be for 2011?

MS. TOMCZYK: Well, it would be the data representing 2010 and 2011, but to develop trends you need realistically two years of data to look at the change. So. And because the 2011 data is not reported until the Summer of 2012, and then by the time the data is validated it's going to be the Fall of 2012 before you can probably get some good trend estimates.

MS. BENDER: So and then you would still need to normalize that data to make sure that it, but

Page 47

that can be done. I mean, that's not -- because you have the membership so you, but you want to make sure that it's normalized for changes in membership.

Now, this data set only includes Maryland residents. So you have a little mismatch in that, again, the premiums that carriers are charging are for, especially in the group market, for all employees whether or not they live in Maryland. And it's very, very common that people will live in one state, especially in some of the smaller states and work in another state. So you could have people working in Maryland who are not Maryland residents. And they would not capture that data.

This has potential, again, but it's the timing issue. Right now rates are being developed for 2012, or it will shortly be developed for 2012, if they haven't already. Based upon 2010 experience. Whereas, that experience for 2010 will for the MHCC is not going to be available until, what, September or October of 2011 at the earliest. This is one though that if you begin to track this, there may be -- you may be able to develop some trends from this and see

Page 48

what the, what the lag is. Can you use this data to augment some of the information that you are seeing in the rate filings. And that's how I can best describe that. Again, it's not going to be one that you can dump in.

COMMISSIONER GOLDSMITH: Augment, could you elaborate a little bit, augment in what way? To what use? I'm just wondering if the data is too stale by the time it's available to be of meaningful use.

MS. BENDER: It may be challenging. What I was envisioning is, if you have a course of years, not just two or three, but over the course of years, and this data has been running, I'm just going to make up some numbers, you know, 6 percent, 7 percent, 8 percent, even though you have a gap, if someone is coming in with 14 percent, maybe you would say, okay, help me. Help me understand, you know, how I'm getting from here to here. There could be a perfectly rationale justification. You're not going to be able to, like I said, take this experience in 2010 -- I suppose another way that you might be able to do it is take this experience and project it using the emerging

Page 49

experience, but you would be projecting it longer time periods than maybe are included in the rate filings and you might have some mismatch there.

Again, I would say it's not going to be to use this in lieu of. It just isn't. The timing is going to be problematic. But if you develop enough of a history, and maybe in conjunction with -- I got to get the HSCRC data, you might be able to get some sort, since that's what I would call a leading indicator, more frequent indicator, you might be able to do some analysis to say, hey, when this says this then this, then the MHCC generally says this. You know, and -- but that's going to take sometime.

COMMISSIONER GOLDSMITH: With the idea being it might prompt further inquiry, for example?

MS. BENDER: Yes.

DEPUTY COMMISSIONER SAMMIS: But it would help us then, in your view, if the MHCC were to do some of this analysis to inform us as to whether or not it's worth continuing to use the HSCRC data as a leading indicator?

MS. BENDER: That would, and I think that we

Page 50

might be jumping ahead a bit, but yeah, that's one of the things that we had recommended that the MIA and the MHCC and the HSCRC to collaborate and see what is the potential. There's lots of good data out there, is there a way of using this in the rate review process? There may be, it's not going to be a turnkey operation, would be the best way of phrasing. There may be but it's going to require some resources to investigate and maybe some resources to do some econometric analysis, actuarial analysis as predicting powers.

So that takes us to rate filing submission requirements. And tammy gets to explain these.

MS. TOMCZYK: Okay.

So our next step we wanted to look at the different aspects of the filing requirements and whether there was a feasible or whether it could be feasible to perhaps standardize them in some capacity. There is going to be a lot more work with having an effective rate review program. And to the extent that things can be standardized or made more efficient we just wanted to look at it from that aspect. So we

Page 51

looked at both the requirements in terms of the data that's being submitted and the format that that data could be submitted in.

So for completeness we looked at, you know, what kind of standardized templates are out there that are being used today. And probably the most common one is the one that's used in the Medicare advantage market for the bid, it's called the bid pricing tool for the bidding process that carriers participating in that market use. It's, for those who aren't aware, it's an Excel based spreadsheet, it comes with a set of instructions about that thick in terms of how you have to fill it out. And the Medicare Advantage carriers use it. It prescribes the data that has to be used and essentially the formula so all carriers are using the same formula.

We talked about in our report some of the pros and cons to that template. The pros are, I guess, that it's uniform which could lead to more efficient, more efficiency. And the ability to take that data from a tool and dump it into some type of analytical tool.

Page 52

The cons are it's very, very different from how pricing is done in the commercial market today. It would require a lot of modification, Medicare Advantage is more of a community rated product, there is no age variation to the rates, that's not true of the commercial market. And it, it only uses one year of experience. So it's just really not conducive to being used for commercial pricing without a lot of, a lot of work. So not to jump ahead to our recommendations, but in our opinion the cons really outweigh the pros at this time.

That doesn't mean that it couldn't be investigated further but certainly not something we would recommend.

The other standardized type template is the preliminary justification form that Karen talked about that's going to have to be submitted for all, per the regulations, HHS regulations, for all carriers that exceed that threshold, that 10 percent in 2011. And I guess one of the pros to that is the carriers are going to have to submit it for those filings that are over the threshold and they'll become familiar with

Page 53

it. So, so that was the pro to that.

We also did a little bit of research to see if there are other states that use a standardized template in the commercial market. And we found two, New York and Colorado, and we included them in the appendix of our report. I'm not really going to talk about those much more than that.

So then we looked at the filing requirement, the filing requirements and is there any way to standardize that. Again to help promote efficiency of the work flow process that the office of the actuary, office of the chief actuary is going to conduct.

So there were several states that we found that had them, these that we list here, Oregon, Washington, Minnesota and Colorado are probably those that in our opinion were more robust in their checklist as well as contained data items that we thought were most valid to, or applicable I should say to all, all reviews or all filings.

So with that and other, just our general knowledge and working with carriers in other states and pricing, as actuaries, we developed a sample

Page 54

checklist that we included in the appendix as well for your consideration. I just want to state that that checklist is not by any means intended to be exhaustive or fully inclusive of all of the information that should be reviewed. It's intended to represent common data elements that are appropriate for, or should be reviewed in every filing, but that doesn't mean that on a case-by-case bases or filing-by-filing basis there's not going to be the need to go back to a carrier and ask for clarification, more information, and probably more common than not that that will have to occur.

So I just wanted to clarify it's not intended to be an all inclusive list.

COMMISSIONER GOLDSMITH: But the idea would be that it would cut down hopefully on the amount of time it would take given the back and forth that often occurs between the office of chief actuary and the carrier to try and streamline the process and get as much of the information required for the review submitted in the first instance as possible?

MS. TOMCZYK: Exactly. And as you almost

Page 55

alluded to, it will make the process more efficient. Having conducted rate filing reviews myself in other states, when you do a review and ask for more information from the carrier and then it kind of sits there for two weeks, or three weeks, and you get the information back, you almost have to refamiliarize yourself with the case. So to get most of the information up front would hopefully review, or increase the efficiency and it would decrease hopefully the need for significant followup. And perhaps shorten the timeline so that there's a shorter period between when the filing is submitted and when the approval date actually occurs. So carriers aren't having to implement the rate increase beyond the proposed effective date, which in a sense means the next time they file for a rate increase they missed a couple months of trend and only makes the next rate increase greater. So it perhaps even would stabilize the rate increases to some small extent, I'm not sure to what extent.

And then the last thing we just wanted to touch on was the actuarial standards of practice. The

Page 56

actuary signing the certification that's submitted with the filing is required to comply with actuarial standards of practice, ASOP-8 and so the American Academy of Actuaries has recommended that these are items that the actuary should include in their review and analysis in preparing the filing. So that's another, I guess, checklist that inherently is included in that process.

On to our recommendations.

I'm going to summarize the recommendations here, certainly if there are any questions feel free to ask. They're outlined in quite a bit of detail in the report, not only do we present our recommendations but some rationale for each one as to why, why we've come to form that recommendation.

And we've tried to classify them I guess in broad categories. The first what we thought were the most important in the primary subject of our work was those that were going to need to be made, the changes that were going to need to be made to have an effective rate review program.

So there aren't a lot here and that probably

Page 57

goes back to that first slide where we showed that little first graft down at the bottom and it showed that Maryland had quite, in our opinion, quite a thorough review process in place today. So these are really just additional requirements that are needed because they're outlined in the regulations from HHS. A couple of them may require a couple of regulatory changes, I'm trying to remember, see if I can get this right off the top of my head.

For example, administrative expenses, I don't believe for all carriers, carriers meaning non profit health service corporations, HMOs and insurance companies, I don't believe you have that authority for all three today and I can't remember exactly off the top of my head which one, but I just bring that to your attention that you may not have, and again a legal question, as Karen said we're not lawyers, there may be the need to have some regulatory changes.

COMMISSIONER GOLDSMITH: Or some legislative activity.

MS. TOMCZYK: Legislative, I'm sorry, yes. And again, I'm not sure if that needs to be done

Page 58

through legislature or regulatory. And so I'm not going to try to address any legal issues here.

The next group was around the type of review. And while the regulations only require these enhanced reviews be performed on non grandfathered filings, and those that exceed that threshold, again, 10 percent, 2011, we're recommending that they be performed for all individuals/small group filings. For a couple of reasons, first it provides the same level, equity amongst all Maryland consumers. Everyone is getting that same level of scrutiny, if you will, to all the components of the rates that they're being asked to pay from the insurance companies, not, not, based strictly on the change. So there could be misestimation of trend in one year that would cause a larger rate increase the following year. And put, cause a rate increase to exceed the 10 percent threshold. And to limit the review to just those that exceed the threshold, you're not really being equitable to all consumers in the sense that the real focus in my opinion at least should be what's the ultimate rate you're asking them to pay, not so much

Page 59

what's the change in the rate from the --

MS. BENDER: And conversely like you gave, where they underestimate, if the previous year they over estimated trends, so now all of a sudden maybe they're only going to get a 4 percent increase you may still warrant maybe the 4 percent isn't reasonable. If they used an unreasonable trend. And so that was another reasoning for applying it to all filings, not just the 10 percent threshold.

MS. TOMCZYK: Yeah. And again, well, the regulations address the rate increase and the reason, and they really focus on the reasonableness or unreasonableness of a rate increase, and this is my opinion, I think it really is, you know, are the rates reasonable in relation to the benefit. So that's the basis.

The other thing by having one standardized process it will allow the actuaries reviewing the filings to have more efficiencies. They won't get a filing on their desk and say, okay, now I have to look at this filing and I follow this process, or this filing is under 10 percent so I follow this other

Page 60

process. It'll promote some efficiencies there.

With respect to the large group, we recommend no changes. First of all we think the reviews you're performing in the large group market are more extensive than we typically see in many states. Many states don't even have the authority to review large group rates. And also the regulations don't apply to large groups. So we kept that to individual and small group.

The loss ratio test, our recommendation is to require the test be met at the market segment level and I guess there's not, the recommendation comes from the fact that the -- the recommendation comes from the fact that both your new law that was just passed in the state, and the HHS regulations both require that it be at the marketed level.

However, if the test can be met for a given filing, theoretically, theoretically if the test can be met for all filings or all products that a carrier has that comprise the market segment individually, then theoretically the market segment level test is met. So we're recommending that if, for that

Page 61

particular filing, taking into consideration the credibility of that filing, so if it's a filing that only covers a small number of policyholders you may not want to implement this, but taking credibility into consideration, if they can meet it or demonstrate that it will be met at the filing level then we don't really think that there's the need to require the market segment level test.

The next set in relation to timing, we looked at the lead time that carriers are required to file prior to the effective date as well as the deemer periods or the time period that the administration has to conduct the reviews. And we found both that they were consistent with other states and in our opinion seemed to allow sufficient time, so we aren't recommending any changes to that, those issues.

But we did notice that, I want to get this one right, insurance carriers and non profits in the individual market have different requirements for notifying consumers of their rate increases than HMOs and in the small group market. So the requirement is that they be, consumers be notified 40 days prior to

Page 62

the expiration of the grace period, which is 30 days, which essentially means technically they only have to notify consumers ten days before the effective date of the rate increase, which doesn't really allow a lot of time for consumers to shop if they're getting a large rate increase for other coverage. So we're recommending that you change it to be consistent with HMOs and that required in the small group market which is 45 days prior to the effective date of the rate increase.

With regard to filing requirements, we recommend you require all filings be submitted through SERFF. It's our understanding that SERFF has been reporting requirements that you're required to make to HHS. So again for efficiency purposes if they all come in through SERFF it's easier on your end to use that availability.

The rate filing checklist I already talked a little bit about, again, it's in Appendix D. And I guess I didn't touch on the fact that it would promote consistency in the data that's submitted, but again, getting as much of the data upfront will certainly

Page 63

hopefully reduce the time required for the review and make it more efficient and such.

And reduce followup.

And in that checklist we identify certain items that we're recommending the carriers be required to submit in Excel format. So premium membership claims information to facilitate the actuaries perhaps doing some of their own high level trend analysis or looking at the experience, as well as the carrier's trend analysis actually submitting that in Excel. So the actuaries can actually look at the formulas and form their own independent analysis on the appropriate, the appropriateness of the trend assumptions.

And we're also requiring, or recommending that all small group and individual filings include the Part I Preliminary, Part I Preliminary Justification Rate Summary Worksheet. Boy, that's difficult.

And really the driving force behind this recommendation is tied in great deal to our recommendations in the consumerism project that we'll

Page 64

talk about later. So to the extent that you decide to implement our recommendations there, this would, by having all carriers submit this information with all filings would facilitate the implementation of those recommendations. So we'll talk more about that when we talk about the other report later.

Finally, these were kind of some other recommendations that didn't really fit together in any kind of grouping or classification. We talked extensively, Karen did, about the data from HSCRC and MHCC and our recommendation there is to continue to work with them and investigate what information is available, how you might be able to use that information. Our focus was not really on taking a very deep, deep dive into that data and looking at in very detail the analytical tools, but more to make an assessment as to what data is available and should, I guess should further consideration be given to it.

Pricing margins and other relevant factors, other relevant factors we're defining as I guess, anything that's not part of the loss ratio component, so with the 80 percent loss ratio it's that other

Page 65

20 percent, admin, risk profit, we're recommending that you consider including those, those items in your review. And again, some of them may require legislative changes. And Karen talked about the reporting that you're going to have to provide to HHS for each filing that you review that falls under that subject to review category. There will be many aspects of it, to our knowledge today there isn't, there hasn't been any kind of direction or instructions or guidance provided in terms of what has to be included, and certainly if anything comes out that needs to be considered, but absent that, there are probably some common aspects of every filing that, and information that you're going to report to HHS. And we've given some ideas or our thoughts on what that information might be that HHS is looking for. But to the extent that it can be standardized, again, going back to standardization and making it efficient, there's going to be a lot of additional work and that kind of leads into the, I won't skip over the pre-approved trends, but just touching on the next one on staffing needs, there's just going to be an

Page 66

increase in the volume of the workload so anything that can be done to make the process more efficient is a plus.

The pre-approved trend factors, our understanding is today that carriers are allowed to file for a trend factor that they can use to increment rates on a monthly basis for a period of 12 months. At which point when the 12th month arrives the rates are essentially locked in until additional rates are filed, an additional rate filing is submitted to support increasing rates further than that point. And we're recommending you continue that process, one, hopefully absent that you may see an increase in the volume of rate increases. And with the consideration that in coming up with that pre-approved trend factor you may want to consider limiting it to that threshold that's used to determine whether a rate increase is deemed subject to review. So if that's 10 percent again for 2011, you may not want to approve a rating -- I'm sorry, a pre-approved trend factor that exceeds that amount because I'm not really sure how that would play in with causing a rate increase to exceed

Page 67

10 percent at that point isn't being reviewed. So if a carrier thinks their trends are higher than 10 percent well then maybe you require them to file more than once a year. But put a cap on the pre-approved.

As far as staffing I mentioned that there is probably, or there will be, if all of these, again, it will be dependent on which of our recommendations ultimately are implemented, but if they were to all be implemented there would be a significant increase in the filings that are reviewed, the reviews themselves would become more detailed, someone would have to work with HSCRC and MHCC to investigate how their data could be used. The reporting that has to occur to HHS. So all of that will increase the workload and the need for staff.

And we went through and we kind of thought that just what we have here, and this is independent from the other report, because as we'll see later there will be independent, or additional staffing needs required there, but just for what falls under the scope of the rate review, we thought that would be

Page 68

equivalent to one additional actuary and one additional actuarial student.

And finally our last recommendation was to give consideration to developing a procedures manual. Once you decide on what the new process will be, to document it, it will promote consistency amongst different reviewers, especially if the staff grows and you have more people performing the reviews. Efficiency and then training new staff, they'll have something that they can at least refer to on a regular basis until they get fully trained and implemented.

COMMISSIONER GOLDSMITH: Are you envisioning the actuarial student performing the role of an analyst? I thought I had seen an actuary and an analyst somewhere in your report?

MS. TOMCZYK: I don't recall if we used actuarial analyst, but I tend to think of an actuarial student or an actuarial analyst as someone who perhaps doesn't have their credentials so they haven't obtained the associateship in the business light of the actuaries. Not really being a person who is making a final decision on a rate filing. But maybe

Page 69

doing some of the work, for example, in putting together the reporting to, that gets submitted to HHS. They can certainly do that under the guidance of the chief actuary and with peer review. So taking some of the, I don't know how to say it, the tasks that require less experience. Because there will be a lot of them, just in the reporting requirements and the consumer disclosure, some of -- some of that student, actuarial student or actuarial analyst position, I don't know that this, implementing these recommendations would fully require a person full-time -- it may. But they could also work to fulfill some of the additional tasks that are going to be required under the other report.

MS. BENDER: And certainly an analyst can support the actuary by doing certain portions of the review, such as ensuring consistency in the data between this particular filing and analogous data points or time periods in previous filings. Those kind of analysis to sort of identify certain issues for the actuary that's going to be performing the review. But we do not recommend that final decision

Page 70

be made by a non qualified actuary.
MS. TOMCZYK: Yeah.
And another example might be if the checklist were recommending as implemented the actuarial student with some training could perhaps go through an initial high level review of the filing and kind of go down the checklist and make the actuary aware, the actuary who is actually going to perform, be responsible for performing the review and forming the opinion, make them aware of which items aren't there and initially before, if there's a significant amount of missing information, before the actuary even starts reviewing it correspond with the company and say, hey, you have eight things on this list that you haven't provided, we're not even going to review it until you provide this information.
MS. BENDER: Was it somehow lost in transmission, or something, you know, I mean, stranger things have happened?
MS. TOMCZYK: So there are probably skills that are beyond what an administrative type person could do. But there are a lot of functions that could

Page 71

be performed by a student or an analyst that's not yet credentialed.
MS. BENDER: And part of the wild card too is this, you know, the trend benchmarks and work with HSCRC and MHCC, that's going to require someone with some experience. You know, and depending upon the resources that are going to be required to support that effort, that has to be at what I would say an actuarial -- not analyst level. They might be able to do some of the preliminary analysis, pulling the data or something like that but, you know, trying to get correlations or something like that, probably would have to be, somebody at a more senior level.
So again --
MS. TOMCZYK: I guess we'll open it up to any additional questions that you have.
COMMISSIONER GOLDSMITH: Do you have much?
DEPUTY COMMISSIONER SAMMIS: No.
CHIEF ACTUARY YU: No.
COMMISSIONER GOLDSMITH: I have just one, I'm sensitive to wanting to give the court reporter a break but I have just one I think additional question

Page 72

I haven't asked yet. And that relates to the administration's review of trend analysis. You had set out in your report on page 71 three options. And in your recommendations you chose what appeared to me anyway to be the least robust of the three options, in terms of the review that occurs at the Maryland Insurance Administration. And as I read the report it appeared to me that at least part of the thinking there was just based on the realities of staffing levels at the Maryland Insurance Administration and I wanted to confirm whether that was, whether that was the case?
MS. TOMCZYK: That was. But I will add in terms of robustness, if the, in the checklist one of our recommendations is to require the analysis be provided in Excel format. So the analysis or the review in that third option could be a little more robust as opposed to having paper copies or a PDF that shows the calculations, but you can't really dig into the formulas and calculations. So, but you're correct, the primary reason for that recommendation was staffing. If staffing were not an issue we would

Page 73

have selected item 1.
COMMISSIONER GOLDSMITH: All right. Thank you. If no one else has any questions, I want to thank you for what I think was a very thorough and helpful report. And presentation here today.
For those of you who are here today, the slide deck is, if it's not already available it will be sometime today on our website there will be a link to it so if you're interested in having a hard copy of the slide deck, both this one and the consumer information slide deck.
CHIEF ACTUARY YU: It's already posted.
COMMISSIONER GOLDSMITH: Okay. So it is now available on our website.
Why don't we take about ten minutes and then we will come back and hear first from these folks who have signed up in advance to provide comments here today. If there are additional people who are present who have not signed up, we're happy to hear from you as well if you'd like to provide some testimony at today's hearing. And once we've done that we'll see where we are and either break for lunch or move on to

Page 74

the consumer information report.
(Whereupon, there was a recess in the proceedings.)
COMMISSIONER GOLDSMITH: My break turned into 20 minutes. I understand there's been some confusion in terms of access to the restroom but I'm told there is no card swiping necessary, so the doors are open and you need not worry about getting some kind of pass to get in. If that hasn't become apparent already.
In terms of public comment, we have three people who have signed up in advance to provide public comment and we're taking those as I understand it on a first come first served basis. And the first of those was Michael Robbins on behalf of the Maryland Hospital Association.
MR. ROBBINS: Good morning. I'm Mike Robbins, I'm senior vice president with the Maryland Hospital Association. I thank you for the opportunity to briefly comment since you have received my written comments already and they are part of the record.
We obviously spent a lot of time working

Page 75

with the HSCRC and believe there is a wealth of information that is publicly available, available to the commission, to the insurance administration for reviewing at least the hospital trend portion or at least the Maryland hospital trend portion of the premium rate requests that are before the insurance administration.
We would just support the consultants recommendations that you continue to look for ways to work with that information, both with the MHCC as well as the HSCRC. We believe that there is some inconsistency between some of the premium trends we've been seeing over the last few years and at least the hospital portion of the medical trend where we've been seeing very significantly single, low digit, single declines in single digit trends in at least the hospital trend for the Maryland hospitals. And again, that's the total trend, there's a lot of information that you need beyond that. But we would just encourage and support those recommendations to continue to work with the HSCRC, and the MHCC on getting additional information to help your process.

Page 76

COMMISSIONER GOLDSMITH: Thank you, Mr. Robbins.
Are there any questions for Mr. Robbins?
Thank you very much for being here. We appreciate it.
MR. ROBBINS: Thank you.
COMMISSIONER GOLDSMITH: Next we have Mr. Gene Ransom of MedChi.
MR. RANSOM: Good morning.
COMMISSIONER GOLDSMITH: Good morning.
MR. RANSOM: My comments are brief and for economy if it's okay I'll just make my comments for both reports right now unless there is any objection to that.
COMMISSIONER GOLDSMITH: I think that would be fine.
MR. RANSOM: Okay.
First and foremost I want to commend the insurance commission administration for using the opportunity to use these federal grants to provide these two reports which I think are very helpful for the citizens of Maryland. And I also want to commend

Page 77

you and applaud you for encouraging public participation and public comment throughout this regulatory process.
Our comments are mostly strongly supportive of the second report which you're about to hear, specifically we think the idea of the website adding the health insurance rate under the consumer tabs, the consumer friendly summary of the rate filings, creating the brochures and somehow figuring out a way possibly to do the automated e-mails would be very positive for our membership and for the patients they serve in Maryland so they have a better understanding of the process. I'm not going to read my entire written testimony but I'm going to ask it be submitted, and I've turned in copies to staff as part of this hearing.
COMMISSIONER GOLDSMITH: Do you have a copy for the court reporter, sir?
MR. RANSOM: Yeah. Sure.
COMMISSIONER GOLDSMITH: If we could mark that as, that would be 8.

(MIA HEARING Exhibit 8 was marked for identification and attached to the transcript.)

MR. RANSOM: Thank you very much.

COMMISSIONER GOLDSMITH: Thank you, sir.

And then Ms. Kimberly Robinson of the League of Life and Health Insurers of Maryland.

MS. ROBINSON: Good morning, Commissioner Goldsmith, and MIA staff.

COMMISSIONER GOLDSMITH: Good morning.

MS. ROBINSON: I'm Kimberly Robinson, Executive Director, of the League of Life and Health Insurers of Maryland, and thank you for the opportunity to comment today on the Oliver Wyman reports.

We appreciate the work that the MIA has done in this area, a very thorough review that you've commissioned in order to understand where Maryland stands for the rate review process. As we've heard in the presentation it's clear by the report Maryland currently has a very rigorous rate review process in place and it's to Maryland's credit that in order to meet the HHS guidelines there's very little that

actually has to be added in. I'm going to make my comments a little bit brief today, we're probably going to submit these to you in writing before the June 30th closing deadline but there are a couple of things I'd just like to highlight for you today in terms of our response to the recommendations contained in the Wyman report.

As an over arching principle, the members of the Legal Life and Health Insurers of Maryland who represent a good chunk of Maryland's health market, both individual, small group and large group with very levels of market share believe that it's important that rate review remain a very technical and objective financial and actuarial process conducted by qualified actuaries because we feel that taking into account projected claims, expenses, and risk changes will allow that review to be the greatest consumer protection that you're going to be able to provide to Marylanders in our marketplace. And any recommendation that the MIA accepts we believe should be aimed at this consumer protection goal and you should keep an eye on making sure it does not have the

unintended consequence of reducing the efficiency or increasing the administrative burden upon carriers and therefore the cost of the process of filing here in the State of Maryland.

Most importantly we think that this first step for Maryland should be to be consistent with and not go beyond the requirements of HHS' final rule as it was published May 23rd, 2011. And therefore focus specifically on those changes necessary to meet those requirements put forth by HHS. To that end there are some recommendations contained in the report that do in fact exceed the final rule as published by HHS. And just to very briefly highlight what some of those recommendations are and why they do cause us some concern, they would include the recommendation that the preliminary justification summary Part 1 be filed for all rate filings, not just those that meet the 10 percent threshold. As well as the recommendation that the enhanced review be performed for both grandfathered and non grandfathered policies in the individual and small group market.

While I know it was described as being

recommended to achieve some type of equity amongst Marylanders I look at it this way. The reason why we think Maryland should start at the point of what is required by the final rule is simply this. This is a new process for both the state and for carriers who are doing business across the country. HHS has set the 10 percent threshold and limited the review with regard to grandfathered versus non grandfathered plans after their own very thorough process and consideration of comments from interested parties. To go beyond that right now might just be a little premature in terms of our experience both for the administration and your actuarial staff who is getting their hands around what these new requirements are going to be and what the enhanced review is going to require, but also for the companies who are trying to accommodate new requirements on a 50 state basis. To give ourselves this first year as HHS is determining whether first of all, their threshold is even appropriate, might be a good time for us all to learn what it is we're doing and how it is we're going to do it before Maryland decides to go beyond what the

Page 82

federal government has also prescribed. And so it is our recommendation that Maryland follow certainly what is in the HHS rule but be very thoughtful about whether or not to go beyond that point.

A couple of other points just very quickly, while we understand the recommendation to collaborate with HSCRC and MHCC, of course we heard also what the limitations of that data may be so we understand and would encourage that to be a thoughtful process as well and one that you take your time with to understand the utility of the information in front of you.

Another point was the suggestion that you alter your authority to allow the law to follow more closely the law for non profit health service plans when it comes to the consideration of any other relevant factor within and outside of the state.

Looking from a national carrier perspective as opposed to companies who are currently subject to that portion of Maryland rate review law, many of those companies are not writing on a national basis. So I think for this segment of the industry trying to

Page 83

understand what that within and without, outside of the state would actually translate into is a slightly different consideration, is that our experience outside of the state what you'd be looking at how a plan is performing on a nationwide basis, are we looking at national trends and thresholds, for instance, medical CPI, that are tied to regional or national experience, particularly where some of those national trends are concerned, it is something that's discussed in the preamble to the HHS final rule. It was something that they cautioned taking into consideration and so trying to better understand how that type of a provision would be applied to plans who are operating on a national basis and what the consequence of that is is something that is certainly of concern to my members as well.

Lastly, there are the 12 factors that are enumerated within the HHS rule and in the Oliver Wyman report, the consultants did their best to try to explain what they believe HHS means by each of those 12 factors. The reality is HHS has not provided any guidance about what any one of those 12 factors

Page 84

actually means to a rate review process. So they do not go on in the final rule to explain what they mean by over, underestimation of medical trend in previous years and how that should be considered in an actuarial review. We would also ask that the MIA, particularly to the over and under estimation of medical trend to the reserve needs, and to the other administrative cost bullets under that list to be very thoughtful about how those things would be applied. For instance, over under estimation of medical trend while may having some impact as a company needs to adjust their rates as they're going forward based on the fact that actual versus expected experience did not previously match up, we're also still, need to be sensitive to what the anticipated trend is going forward. So that historical look has some relevance but to be careful not to overweight the need to correct what is believed to be an over estimation from the past as we're also trying to deal with projected trends going forward.

So that it does not have the unintended consequence of harming a rate that's being approved

Page 85

going forward.

And so, the need to review what each of those bullets is going to mean for Maryland is something that we would be interested in further development and better understanding of how Maryland would look at each of those things as you are reviewing a rate.

And actually my very last comment is to the MLR issues, we appreciate in the Wyman report that they do acknowledge that the federal guidance for MLR is tied to market level and not product or individual filing. We support the MIA's change in the law most recently to follow that federal rule. And to focus on the MLR at market segment. We think that that is appropriate and important and was well considered by HHS as they developed their rule and believe that that is the appropriate way to deal with the MLR issues as they're discussed in the report.

With that I will submit the rest of the comments in writing and answer any questions that you may have.

COMMISSIONER GOLDSMITH: Any questions for

Ms. Robinson?

Thank you very much for being here. We appreciate your comments.

MS. ROBINSON: Thank you.

COMMISSIONER GOLDSMITH: Is there anyone else who is here who wanted to provide comments regarding the rate review process report?

Okay.

I'm good to go since we just took a break, if others agree I think we ought to move on to the consumer information report.

Why don't we go off the record for a few minutes.

(Whereupon, there was a discussion off the record.)

COMMISSIONER GOLDSMITH: We're back on the record. And we're looking at a document now that I believe we should mark as Exhibit 9, Recommendations to the Commissioner on Information Provided to Consumers, that's slide deck.

(MIA HEARING Exhibit 9 was marked for identification and attached to the transcript.)

COMMISSIONER GOLDSMITH: Whenever you're ready.

MS. TOMCZYK: All right. This first slide just provides an overview again of our presentation. We've segmented the presentation into three areas, first the background research we conducted, some consumer focus groups that were conducted and then finally our recommendations.

So I'm going to start out with the background research. And as we all know, a little over a year ago the Affordable Care Act was past and when we hear about it we hear about accessibility and affordability but there is this component to it that deals with consumerism and transparent making the rate making process and rate review process more transparent to consumers. So there are a few aspects that I put up there, we put up there that specifically deal with this. The first that carriers have to submit justification, consumer friendly justification for the rate increases that exceed the threshold. And again, I'll keep referring to that as the 10 percent, or I forget the term Karen was using for it, trigger

level.

And the second is that the information has to be posted on HHS' website as well as the carrier's website. If the state has an effective rate review program in place, the state is also required to post the information on there, or make the information accessible on their website.

And then as part of the final regulations that weren't included in the draft regulations is the requirement that an effective rate review program allow or provide a mechanism to allow for public comment on the rate review program.

So given the objective that we were tasked with providing recommendations to the commissioner on information to be provided to consumers and the most efficient and effective manner in which that information should be provided, our first step was to look at what information is out there today. And we looked at both the Maryland Insurance Administration's website as well as brochures and other print information that was made available to us. And our understanding is that these brochures are provided at

a vast number of outreach events that occur, as well as placed in various public places such as the library or the Motor Vehicle Administration.

In reviewing this there were a couple of themes that we found in terms of the information that is available and the information that's not typically available today. The information that's available are general tips on purchasing insurance, how to file a complaint, how to appeal if you've had a denied claim. A listing of carriers that are licensed in the state to help consumers avoid purchasing a policy from what might potentially be a fraudulent insurer. Complaints that have been filed.

The information that we really didn't find much available today is information on the rate filing process, and review process as well as just general information on the rate development at a consumer friendly level, and actually I should say even at a more technical level I don't think we really found any of that information available today.

So for example, Maryland does not provide online access to rate filings as several other states

Page 90

do. They don't have a process to notify consumers when a carrier has filed a rate increase with the administration. They don't provide any information on the process that's used to review those rates or how the rates are developed.

This is probably hard to see up there, but as the commissioner mentioned, the presentation is available online, this chart is also included in our report. So we compared this information that's available and not available in Maryland today to some other states. And the other states were somewhat random, but we did select Oregon and Connecticut and Rhode Island specifically because to our knowledge those are states that in our experience have been historically more active and engaged in the consumer transparency aspect.

So if you look at the first column for Maryland, all those, all those first six or eight rows that don't have Xs in them are legally the items from the bottom half of this previous report, so the information on rate making and rate filing process, the items on the bottom are the ones that are

Page 91

available today. So you can see while some other states have Xs in those top areas, there are a fair number of states that aren't providing this type of information.

However, we expect that with the passage of the Affordable Care Act and the increased focus on transparency that the top half of that chart will begin to be filled out a little bit more over the next year or two. And we know that other states are starting to look at this.

COMMISSIONER GOLDSMITH: Are you aware of any information regarding, for example, in Oregon, Oregon allows consumers to post comments on rate filings and allows consumers to subscribe to e-mails updates on rate filings. Do you have any information about the uptake, the extent to which consumers in Oregon have taken advantage of those opportunities?

MS. BENDER: I don't think there's any statistics in the public domain right now regarding these kind of uptakes. I'm not even sure if there is any information in the public domain regarding, frequency, what we should call frequency of hits to

Page 92

the, to a website regarding a rate filing. Now, I'm just not aware of any. I suspect that these things may become more available as more states are introducing this as to find out maybe which are the most efficient ways and the best ways of communicating. But I personally am not aware.

Are you Tammy?

MS. TOMCZYK: No, and just to clarify our research was really limited to going out to these sites and looking at them. That said I will say that Oregon for example, I personally did pull up many rate filings and for the most part everyone had at least one or two comments that were posted. So, and again, this is just in my small sample set, I didn't see a lot where there wasn't any comment being posted. But that may not be, that may not hold overall.

COMMISSIONER GOLDSMITH: Okay. Thank you.

MS. TOMCZYK: So then we looked at either recent, recent regulatory action, either laws that have been passed or those that were currently being debated in several states and I'm not going to go

Page 93

through each one, California, Connecticut, Nevada and there's a couple more on this next slide. What I will say is there were really two underlying themes again to those, there was a move towards posting rate filings or the desire to post rate filings online and to accept comment from the public, whether it be through a rate hearing or just a bulletin board, there is a little variety in that there. But those are really the two themes that we were seeing in this pending or recently passed legislation.

So after we performed our background research to get an idea of what kind of information is made available to consumers today, both in the State of Maryland and in other states, we developed some preliminary recommendations. But we wanted to validate them. So we engaged a firm to help, assist us with conducting some consumer focus groups and Karen, I'll turn it over to her, she's going to talk a little bit about the content of those.

Oh, I'm sorry, that's still me, isn't it?

SPEAKER 2: You're not going to get off so easy.

Page 94

MS. TOMCZYK: So the purpose of them was really to initially just understand or gather a general awareness of Maryland consumers, or information on the general awareness of whether consumers were aware of the administration, if they were what was their idea of the administration's role. What type of information they felt should be made available to consumers and in what format.

So as I mentioned before I tried to hand it over to Karen quickly, we conducted the focus groups, we conducted five and there's no magic number to five other than probably the primary driver was the budget we had available to us.

We separated them between consumers and small employers, again, those were the, those are the subject of the new rate review regulations. In conjunction with the administration staff we developed a screener, a call screener that the research used to recruit individuals and small employers. And they're in the appendix but I'll just highlight some of the key aspects. For example, we asked them to screen out individuals over 65, they tend to primarily for the

Page 95

most part be on Medicare and we really wanted to focus on individuals and small employers that are purchasing comprehensive coverage.

We excluded individuals on Medicaid. We did require that it be limited to Maryland residents. And we also excluded state and federal employees.

Within the three consumer groups we, one of the three we included or targeted individuals where English is not their primary language. The primary reason being most if not all of this communication is going to be in print form so we wanted to be cognizant if there were any special needs that that particular demographic needed to address or needed to be taken into consideration when developing these materials.

And then for the two small employer groups we limited them to employers with 2 to 50 employees, again, to mirror the regulations.

And both the individual and the consumer, individual consumers and the small group employers, we didn't require that they had insurance coverage today, but we did ask that they had insurance coverage at some point in the last five years. So with the recent

Page 96

economic conditions, there were perhaps a fair number of people and we saw this in our results that had insurance coverage but no longer could afford it and had recently lost or just dropped their individual policy because they couldn't afford it. So we wanted to make sure we included those folks in to get their perspective.

So this next grouping of slides I'm going to go through relatively quickly not dwell on each one too much but if you have questions please ask.

COMMISSIONER GOLDSMITH: Maybe before I could, excuse me for interrupting you.

MS. TOMCZYK: Sure.

COMMISSIONER GOLDSMITH: Before we get to the composition of the focus groups, how did you go about identifying potential focus group participants to begin with?

MS. TOMCZYK: Meaning to contact them?

COMMISSIONER GOLDSMITH: Yes.

MS. TOMCZYK: As opposed to did we take a phone book and start calling them?

COMMISSIONER GOLDSMITH: Exactly.

Page 97

MS. TOMCZYK: We didn't do that ourselves, as I mentioned, we hired a research firm in Bethesda, Maryland.

COMMISSIONER GOLDSMITH: Do you know how they went about doing it?

MS. TOMCZYK: They have a database that they use that they contacted. The information that was shared with us is that many of these are people who have actively participated in focus groups before. We did have in one of our focus groups not to get too much into the details of participant, one participant who didn't really participate a lot and we asked them afterwards how they handled that and they do go back after the fact is my understanding and if they have participants that aren't actively participating they will remove them from their database.

So --

COMMISSIONER GOLDSMITH: What's the name of the consultant?

MS. TOMCZYK: Schugoll, S-C-H, I believe it's, S-C-H-U-G-O-L-L [sic] Research.

COMMISSIONER GOLDSMITH: So they have a

Page 98

database of people who have in the past participated in focus groups so they began with their database?

MS. TOMCZYK: Yes. And I don't know but I could call them and followup with you in terms of how people get added to that database, whether they've contacted them saying that I'm interesting in it. But many of them, they did indicate that many of the people who participated participate on a regular basis.

COMMISSIONER GOLDSMITH: Are they paid for their participation?

MS. TOMCZYK: They are.

COMMISSIONER GOLDSMITH: In your report on page 20 there's a statement that the call screen had specifically asked potential participants whether they were interested in knowing more about how insurance rates are developed. And if the participant said, no, I'm really not interested in knowing more about that, then they were not included in the focus group; correct.

MS. TOMCZYK: That's correct.

COMMISSIONER GOLDSMITH: So this is a, this

Page 99

is a group that has, A, is inclined to participate in focus groups. And, B, is kind of self selected in terms of their interest in learning more about the insurance rate making process?

MS. TOMCZYK: That's correct.

COMMISSIONER GOLDSMITH: Okay.

MS. TOMCZYK: I mean, from our perspective it didn't make sense to have a room of people who weren't interested and then there was no discussion and the cost associated with the research probably not, would not be very beneficial.

COMMISSIONER GOLDSMITH: Understood.

And then just one other question about the group composition, there had been a statement in the report about avoiding involving anyone involved in the medical community or healthcare related industry out of a concern that input from people who had a relationship with the healthcare industry might skew the results. But in Appendix C to this report it appeared to me that one individual was employed -- well, here, let me say exactly what it is -- we have one individual participant employed by a medical

Page 100

association. And then on the small employer's side of the 14 participants, one physician management practice, one physician's office and one physical therapy practice.

So my question is, is there a concern about any skewing of the input provided by focus group participants as a result of their relationship with the medical committee?

MS. TOMCZYK: On the individual side, just to separate the two, our call screener did ask that question, the questions you were just referencing. I think the one that slipped through is perhaps one that we didn't do the call screening, we relied on the firm. I think that one just in retrospect probably we would have liked to have screened out. But one out of, I believe there were roughly 30, somewhere between 25 and 30, on the individual side, we didn't think that was a terrible concern.

On the small group side that question was not included in the call screen. So there was not a question around that.

I think the --

Page 101

MS. BENDER: There was a question for the insurance industry, we did have them, is your company currently affiliated with the insurance industry on the small group side?

MS. TOMCZYK: Yeah. The small group that was focused on the insurance industry, the individuals we asked both about the healthcare and the insurance industry, so the three that you mentioned on small group fell into healthcare I think. So they probably answered no to are you associated with the insurance industry. But they did --

COMMISSIONER GOLDSMITH: And was there a reason for that inconsistency in the screening as between individual and small group?

MS. TOMCZYK: I don't think. I think honestly it was perhaps just oversight in the question.

But to answer your question about concern about the bias, in sitting through all of the focus groups and observing, I didn't, I didn't observe anything in my opinion that I thought said, we need to throw these results out.

Page 102

COMMISSIONER GOLDSMITH: Okay.
MS. BENDER: There's considerable consistency in the small employers as we'll get to later. So I would, I wouldn't be as worried about that. Like I said, we had the one that must have slipped through on the individual side. So that wouldn't be enough to skew any results.
COMMISSIONER GOLDSMITH: And on the small group you didn't see any trends towards people affiliated with the healthcare industry responding one way and others responding another way?
MS. BENDER: No, we did not.
MS. TOMCZYK: And I at least tried to pay particular attention. The research firm that recruited the individuals did not track that on, they provided us a spreadsheet daily with the recruiting efforts and they tracked some of the other information, like the employer group size, but some of those characteristics that are shown in that chart in the exhibit were actually gathered through the focus group itself. That's why you'll see when we start getting through some of the questions about what, who

Page 103

the insurance carrier is and there's a fair number in the unknown column, sometimes in the spirit of keeping the conversation and the dialogue going the moderator used judgment and keeping people engaged and they didn't always answer that question. And some people just truly didn't know. Primarily I would presume the individuals who had coverage through their employer they just, that was kind of interesting.
COMMISSIONER GOLDSMITH: Thank you.
MS. BENDER: We probably should submit that Shugoll is a professional market research firm that specializes in doing focus groups for a broad range of industries. The individual that, or individuals that helped us did focus in the insurance field specifically. And then we --
MS. TOMCZYK: And healthcare.
MS. BENDER: And healthcare, you're right.
And we also, the facilitator was a professional facilitator to ensure that there was no domination of a particular person and to try to make sure that everyone was engaged.
COMMISSIONER GOLDSMITH: Okay. Thank you.

Page 104

MS. TOMCZYK: So just quickly through these next slides, we, once we gathered or recruited our target population we wanted to make sure that we didn't have any significant concerns about skewness and one of the items you just alluded to. So we tried to compare for different demographic breakdowns or cross sections how the demographics and the make up of our focus group sample compared with the Maryland population in general to ensure it was at least somewhat representative in that respect. So this first one is gender, I don't think we could get a better match on gender.
The next one is by age. You will notice that our focus groups had a slightly younger population. We suspect that was due at least in part to the exclusion of the federal and state employees, in our experience they tend to have an older average age than the population in general. And by taking out the population that has an older average age you're by default left with a somewhat younger population. But there was a mix and it lined up reasonably well so we weren't terribly concerned about that.

Page 105

The next one is by ethnicity. Again, you'll see there's a little bit of a skewing towards the Hispanic population. And we show it separately for the consumers and the English second language consumers and that's what's driving that over representation by the Hispanic population was out desire to have one focus group combined entirely of individuals where English was their second language. We did not give specific benchmarks or targets in terms of different ethnicities within that group. We asked to have a broad cross section, but it wasn't like we said, we want 20 percent African-American, 20 percent Asian. So it just fell out.
I think within the English second language consumers and between the English second language consumers and the other consumer groups we didn't observe anything that was significantly different that I thought was really worth warranting significant comment.
The next one is the distribution by where consumers, how consumers obtain their insurance, either privately meaning an individual policy that

Page 106

that they purchase themselves, through their employer or whether they're uninsured. The Maryland population in general many more people who have insurance get it through their insurer than purchase it directly. But we did target a 50/50 mix. We wanted to get a little more perspective from the people who are actually paying the entire cost out of their own pocket. They're the ones who, well I guess I'll just say that we tried to focus a little bit more on them.

They may be more sensitive to rate increases than those who are receiving it, the coverage through their employer where perhaps their employer is paying 80 percent of it. They're still going to absorb the rate increase but not to the same level. So that skewness I guess was intended.

The next one is by the carrier for those who did have insurance. Our source, it's showing up in yellow so you can't read it there, unfortunately. But the source that we had broke the current Maryland insurance market between Aetna, CareFirst, Kaiser, United and then all other. So that's why there is nothing in that last row for guardian because they

Page 107

fell in the all other so we didn't have a true apples to apples comparison. But in general CareFirst is the dominant carrier, it was the most prevalent carrier in our sample. And likewise for the unknown we didn't have any information because it was unknown.

So in general the distribution is relatively consistent with the population in general.

These last two slides we couldn't locate any comparable Maryland specific information to compare to. This one is by group size amongst the small employers. It does show that there is a reasonable distribution. We didn't get all two to ten employers or all employer groups that were closer to 50. So there was a broad cross section.

And then the last one is by, again, amongst the small employers we asked each of the representatives from the small employers to indicate what percentage of the premium they contribute toward their employees' health care.

A And again a broad range, ranging from 50 percent of the premium to the entire premium, to a flat defined contribution dollar so again a nice broad

Page 108

cross section. But again, we didn't have any comparable benchmarks to compare them to. So for these last two we're really just trying to ensure we had a cross section.

So now I'm going to turn it over to Karen to talk a little bit more about the topics that we discussed with the focus groups.

MS. BENDER: Again, one of the goals of having focus groups was essentially to establish what I would call a baseline of understanding of what the understanding is in the general public of the administration, the administration's role, the knowledge of rate making in general. What are the sources that consumers are currently using to get their information. And what are the sources that the consumers believe would be the most effective way and efficient way of getting information pertaining to rates and pertaining to rate increases. And information regarding rate making in general.

Actually it was a very interesting process. I will say. Getting feedback from the consumers was very enlightening.

Page 109

One of the things that we learned is that the administration is not well-known to consumers in spite of what I would call tremendous outreach efforts. If we asked -- we put MIA up on the board and no one got the right acronym, let's just put it that way, you know.

A couple of -- step back.

The small employers were more cognizant that there was either, they might call it a commission, or the commissioner of insurance as opposed to definitely, you know, the administration, but they were more cognizant that the entity existed and that the entity had a role in the rate making process. But on the individual, what we refer to as the consumer groups there really was not a lot of awareness of the resources that are currently made available to the consumers through the administration.

The other thing that we discovered is small employers rely tremendously on their brokers. And as we go through some of the succeeding slides, they would often say, well, yeah, I think this information should be made available, I'm not going to look at it,

Page 110

but I want my broker to look at it. Because I have a business to run and anything to do with insurance I hand over to my broker, that's what I'm paying him to do. So that was rather enlightening as well.

And for individuals almost everyone agreed that the internet is the best way and most efficient way to post information. And that, that the most effective way for the administration to communicate pertaining to issues regarding rate filings, especially time sensitive information. And that the internet should be the primary source.

Quite frankly we had some mixed reactions on how the information would be used. We asked them, would you really look at it? It was less heartening shall we say. We had probably, most of the individuals said they probably wouldn't look at it. And that they were not sure if they would really access this information or not. But again, the employers wanted their brokers to have access to the information.

But generally we discovered that employers and consumers both, that they were not aware of how

Page 111

rates are developed, how rates are reviewed, or the administration's role in the review process currently or obviously then any enhanced reforms.

Now we're going to go to our recommendations. And one of the first things that we would recommend is that the administration develop a separate area dedicated to health insurance rates. And I should probably say health insurance rate filings would probably be a better technical term there.

So that consumers have access to this information.

And now I think that the final regs require that at least for those rate filings that are over 10 percent or more that somewhere on the administration's website at least there has to be a link or something to HHS website so that consumers can get that information.

We also recommend that the non confidential portions of the rate filings be included on this administration website. We are not making any recommendation as to what should or should not be

Page 112

considered non confidential, that's really what I would consider a legal issue. And not an actuarial issue.

We would recommend posting the consumer, what we call the consumer friendly summary of rate filings, and obviously, again, you have to post the Part I one for the rate increases that trigger the threshold. In our other report we're recommending that all carriers file this particular form for all rate filings, we would then suggest that that form be made available on the website.

Notification of an approved premium rate increase, the first point is consistent with the recommendations that we made in the previous report regarding just getting consistency across all types of carriers regarding the advanced notice. And then also that we post a consumer, what we call consumer friendly summary of the administration's decisions on its website for each filing review. Again, for the filings that are 10 percent or more right now, the administration is going to have to post their, or report to HHS the results of their analysis. We just

Page 113

extended this to say, post the results of your analysis for all rate filings.

And then we would say that we would, we would urge the administration to research the IT costs associated with enabling consumers to subscribe to receive automated e-mails, now consistent with what Tammy was referring to in the previous slides that that is available in some states. We have no idea as to the cost associated with that. And that might be, you're really going to have to do a cost benefit analysis of that. Especially in light of at least the consumer feedback that we got, maybe something else would be to maybe broaden that consumer research to see if this is something that consumers would use.

COMMISSIONER GOLDSMITH: Broaden in terms of additional focus groups, increase the number of people --

MS. BENDER: Either additional focus groups, other surveys. This is not exactly my area of expertise, how to do that kind, but, yes -- especially if the IT costs are great. Now if the IT costs, I don't know anything about IT, if it's just flipping a

Page 114

switch or something so, you know, it's not very expensive, well, then it might not, the cost of doing the additional research might not warrant. But if the cost to do it are significant then before I would commit those kind of resources you definitely want to see something consumers are going to use. You know, if they're not going to use it then put those resources somewhere else where that would better serve the consumers.

MS. TOMCZYK: I'll just say we did receive comments from the consumers, they were very, many times they would preface their responses to questions with, well, if it's cost benefit, they were cognizant of adding all these resources would mean potentially more tax dollars that they're paying, so they wanted to make sure if people are going to be asked to pay, or if tax dollars are going to be used to provide this information that it's actually going to be beneficial.

MS. BENDER: Yeah, we were very pleased, shall I say, with the financial acumen, would that be the right word, of the consumers regarding the stuff is going to cost money so they really want to have a

Page 115

cost benefit. And they would even make some comments about the whole transparency process that if it's going to add to my premiums I don't really want it unless it's going to somehow save on my premiums. Which I was excited, I was pleasantly surprised on that.

DEPUTY COMMISSIONER SAMMIS: But it's also possible that, that individual consumers may not be interested but groups representing consumers might find it of interest and obviously in a focus group you are not making an assessment of that, correct?

MS. BENDER: Absolutely. And the brokers, and again, it was also universal for the small employers, they are relying on their brokers and they want their brokers to have access to this information. That was universal. I can't remember a single one that said that they would not --

MS. TOMCZYK: But that begs the point that maybe perhaps with some, you know, the next cycle of funding from the grants if the state applies for it, there are other stakeholder groups that we didn't include, we included individuals and small groups, but

Page 116

there are brokers, there are consumer advocacy groups, there may be other stakeholders that you might consider gaining their opinions.

MS. BENDER: The next recommendations are regarding consumer input into the rate review process.

Again, the final regulations may provide that there has to be the ability for consumers to respond or comment on the rate increase. They don't say how. You know, they can be what, an address or something, or a telephone -- or a call center or something, but there is going to have to be some sort of mechanism for receiving public comments. Again, we would maybe urge the state to investigate the cost of developing an electronic bulletin board which some states have, or allows people to comment on specific rate filings. Or to post comments on electronic bulletin boards. Obviously there's some cost with that, you have to be, someone has to screen some of these comments to make sure that there aren't obscene words or something like that, you know, so there is a cost to doing that. Someone is going to have to maintain it.

Page 117

Like I said, this probably had a mixed reaction with the consumer groups and as Tammy said they were very cognizant of the costs of maintaining this. So like something that has to be taken into consideration.

There's, we identified a need for general information on rate making and rate review. We developed some general educational materials of what we call frequently asked questions related to the rate making process. These are included in Appendix F through I of the report as examples.

Appendices F and G were actually tested on the focus groups and were revised based upon input from those focus groups trying to enable to make these what we would call consumer friendly, these are difficult subjects to try to make, to translate some of these concepts into what we would call consumer friendly papers.

So these would be things that could be posted to the administration's website. These are types of materials that are not time sensitive. They are sort of what I call the background information,

Page 118

how a rate is developed, you know, what is the process. So they would need to -- they wouldn't have to be updated often, they might have to be updated periodically for changes.

MS. TOMCZYK: I was just going to say they're not specific to a rate filing.

MS. BENDER: Right.

MS. TOMCZYK: They're more general.

MS. BENDER: Very, very, very general.

MS. TOMCZYK: Rate making, rate review type.

MS. BENDER: As opposed to a specific rate filing which obviously is very time sensitive.

We would say to continue to include the brochures in places at the locations frequented by consumers and distributed at outreach appearances. But we would also urge maybe the administration to reassess some of the current outreach programs.

We were provided all the outreach programs that are being done right now, I mean, the administration is devoting a tremendous amount of resources in outreach programs. And it must be rather discouraging that at least based upon our focus groups

Page 119

they have not been as effective as one would hope to be.

Also, again, to assess the available IT resources to determine if increased needs can be met with the current staff, and what we're talking about is current staff in both places. What I would call the consumer support division as well as the actuarial division. Because there's positives and negatives about increasing consumer transparency. When you increase consumer transparency you can also expect to increase consumer questions. And so there's probably going to be more questions regarding maybe rate making in general, but probably specifically related, or more specifically related to a particular rate filing as that process works its way through. Or why is my rate, I got a rate increase, why is my rate different from what the rate increase that was put out on the website, and there's lots, that's one of the papers, it's in one of these exhibits that we did is why is my rate increase different than what was published. But, you know, I would suspect that there are going to be lots more questions.

Page 120

COMMISSIONER GOLDSMITH: What was published meaning the average rate increase? Why is an individual insured's rate increase greater than the --

MS. BENDER: Absolutely, yeah, the average rate increase, absolutely.

And then just assess the additional staffing needs to support consumer transparency as well.

And that was the conclusions for, or that concludes our presentation for the consumer transparencies portion of our paper. Of the papers.

COMMISSIONER GOLDSMITH: Any questions?

ASSOCIATE COMMISSIONER HATCHETTE: Question for you. On your Appendix I you sort of developed the format of FAQs to basically put static information. Oregon sort of has three different approaches, it has FAQs sort of a list that goes into a lot of detail and then something that's very visual for the consumer. Based on your information that you received from the focus group, do you think one is better than the other? Or do you need some type, maybe all three to reach different types of consumers?

MS. BENDER: That's a good question.

Page 121

MS. TOMCZYK: It's interesting. I'll bring up another observation that we had that might provide some information, it's not going to directly answer your question.

We had three different pieces of information, print information that we presented, or had the moderator present to the focus groups to comment on. And one of them was a sample of this rate filing decision summary, the summary that the actuary, the actuaries would develop which would be posted out explaining the process they went through and how they came to their decision.

We had one that was more narrative. And one that was more numerical with tables and charts. And we presented both of them to the focus groups. And we mixed it up, some saw the narrative first, and then the one that had table data and table format second. And other groups saw them in the reverse order and every single time the one that was shown second was the one that they stated was more, more efficient and understandable. Our suspicion is part of that was due to the fact that they were shown the first one, there

Page 122

was some discussion and when they were looking at the second one they already had some idea of the content in it. So somewhat biased perhaps.

But I guess I just share that with you and I know, Joy, you were at some of these and observed this, but there probably is to some extent a different desire in how to communicate to different individuals. But again, I don't know that we can directly answer your question specifically.

MS. BENDER: I know that some people don't really want to read a lot on any website. So to the extent that some of this can be converted into a more visual, quite frankly, actuaries probably are not the best profession to do that. You know, I'll admit my own failing -- I'm really good at numbers, but this probably is stretching. So I would definitely say that might be something that you would want to consider, that is something that we did see, and I think that's, you know, some people like the pie graphs better than the other things.

The problem is this particular one that you refer to, how the administration reviews requests for

Page 123

rate increases, boy, this is just not the most interesting, I don't think it's going to make the top ten no matter what we do here, it's pretty dry. It's important, but -- so anything you can do to make it lively God bless you. I think it will, you know, it's three pages, it's probably at the limit, absolutely at the limit. And this is not based upon my experience as an actuary outside because I do not proclaim to be, the actuarial profession is just not really our, you know, maybe our expertise as far as the limitations and things. I'm just speaking for myself a lot of times. And the input though that we got back from the focus groups. We could tell that there really was sort of a, a limit as to concentration shall we say for these topics. And, you know, for people who aren't in the business, they have real lives and they have real jobs, and this is, this jargon is very specific to, you know, rate reviews, it's almost like a foreign language. And so it's not easy stuff. To do. So I think that that might be something you want, like I said, anything, different colors, I don't know, get a graphic artist or something, I don't know,

Page 124

anything that you can do to make it more palatable.

MS. TOMCZYK: And we did in Appendix E which is that rate filing decision, this again was the one where they saw the two versions, one first and one second, and I neglected to say that at the very end they did comment that there were positive features to both. So our revised recommendation is really a merger of the two. And on page 71, and unfortunately we don't have it on that computer, we show in numerical format a table of a breakdown of the rate increase between, or the rate between claim, cost, profit and administration, administrative expenses and then a pie chart too. So this was designed such that if that Part I preliminary justification worksheet is obtained for all filings, feasibly with -- you could design a tool such that that could be the input and it could develop this, a majority of this. There's still going to be the portion that's unique to the filing in terms of the actuary's decision on the outcome.

But it would populate both that table and this pie chart. So if you're a visual person you can see the pie chart that shows that roughly

Page 125

three-quarters of the pie chart is blue and that's the claim costs. Or if you're a numbers person you can look at the table. So we're trying to, without making it too long and too complex accommodate both types of people.

MS. BENDER: Also, that HHS Form I feeds into, they have a, call it software, Excel sheets.

MS. TOMCZYK: I don't know too much about it. We've seen an example what the output was.

MS. BENDER: It's as exciting as you can probably make this stuff be. You know. I don't know if there's going to be, if you could use it for the non, or if it -- I don't know exactly how that's going to feed in. But that might be something too to consider, maybe we could ask the HHS brethren if they'd be willing to share that for the under 10 percent as well. But, yeah, this is -- this is tough stuff. And anything you can do to make it, like you say, more consumer friendly visually, anything else would certainly facilitate I think getting consumers more engaged.

DEPUTY COMMISSIONER SAMMIS: Maybe just this

Page 126

one last question because since Joy brought up Oregon, when you looked at the websites of the different states, not ours, did you think that Oregon had the best website? You know, the best feature on their website dedicated to rates? Or did you think Connecticut's was -- I mean, where would you -- look for inspiration.

MS. TOMCZYK: In my opinion, because -- I was the one who kind of went out trying to see what I could find. There are different aspects. Some sites were better in the sense that I could find the information very easily. Others I dug and dug and I was just about to the point where I was about to give up and I found a link and it's like oh, here's a description of the rate review process buried deep in. So some were better than others in terms of how easy it was to find the information. Some were better than others in terms of the type of information and the amount of information. But Oregon I guess if I had to pick one and only one, that probably would be one of the ones that I would pick. But I guess, again, I don't mean to say that there weren't aspects of their

Page 127

website that I thought another state might have done different so there are pros and cons to all of them.

MS. BENDER: I'm just going to make a general statement for all states and I think it's going to be a real challenge for them to maybe make the website for this particular rate filings more consumer friendly or easier to find. It's just not, you know, the information on the website -- it's not any one particular state. Up until this point in time as that one graphic showed, states weren't putting them out there. So they didn't have to worry about how consumers found them because they weren't being posted. Now that they're going to be posted, you know, maybe all states are going to have to look and see how friendly are their websites. How easy is it to navigate the websites. And they may have to assess those needs as well. I'm not saying yours is good, bad or indifferent. I'm just saying, and it's not Maryland versus anyone else's. I think Allstate's are sort of similar to that. Just when you think you finally, like you say, you think you found something, nope, that's not it, or, yeah, it is but I can't get

Page 128

to it again type thing.

MS. TOMCZYK: One thing I might recommend is that when, when you design, if you do implement the recommendation, maybe test it with some individuals. I know for myself when I'm looking for something on the internet there's kind of this limited amount of time and if I can't find it in a certain amount of time I give up. So maybe some testing to make sure that, I don't know who you would do on this test, friends, family, say, you know, go out here and see if you can find the rate increase filings and see how easy it is for people to find them. Because I think that's key.

ASSOCIATE COMMISSIONER HATCHETTE: Before we leave this, because I know that some of the consumers also believe that we needed written material. Do you believe that the rate increase written material should be a stand alone brochure, or could it be a part of an existing health brochure?

MS. BENDER: The background information I think either way. Anything to do with a specific rate filing I just, this is my own opinion, I just don't

Page 129

think it's a cost benefit to put it anywhere except on the website. It's too time sensitive, it's going -- you know, if you put a bunch of that out there, the only thing you know is they're going to pick up the one from the previous rate filing, or something like that. So I think anything that's time sensitive really the best place, and that's what the focus group said as well. The best place is the website. Some of this other information I think you have more flexibility, website and a combination of handouts, brochures.

COMMISSIONER GOLDSMITH: Any other questions? Then I thank you very much for your report and your presentation.

MS. TOMCZYK: Thank you.

COMMISSIONER GOLDSMITH: Again, very helpful.

Mr. Robbins, do you wish to comment separately on the consumer disclosures?

MR. ROBBINS: Sure.

Thank you again, Mike Robbins with the Maryland Hospital Association. And I again want to

Page 130

support the comments and recommendations being made by Wyman in this report as well. But one thing I would point out as valuable the website, the use of the internet can be, I think we always need to be reminded that not all consumers have ready access to the internet. Not just for accessing the information but also providing the insurance administration with input regarding decisions they're about to make on rate requests. So we would suggest at least for maybe some of the larger insurers, consideration of some kind of more formal public process where in advance the public would receive notification of those rate requests, and be given the opportunity both through the internet as well as through some kind of formal public hearing process similar to this where they could provide the insurance administration with the information they need to understand the impact of those potential decisions on the public. So I think we just need to be reminded that not all the information can be derived both from, or provided through the internet for these important decisions.

COMMISSIONER GOLDSMITH: I think it's always

Page 131

dangerous to make generalizations, but I do note that the average age of the focus group participant was younger than the average age of the Maryland residents. And certainly some older individuals are very computer savvy and can use the internet as well as the next person. But there may be, again, this isn't based on scientific research, but anecdotally that there may be certain members of the older population who might not as readily turn to the internet as some of the younger folks might as an example of, at least in my own mind, the importance of a multi modality approach to getting the word out and providing an opportunity to give input.

MR. ROBBINS: And we've suggested in our written testimony that rather than require this kind of public hearing process for all insurers, we look at maybe those that just have a larger share of the market based on some percentage of the marketplace, similar to the list I think that was shown on the screen earlier, so it would not necessarily be overly burdensome for the insurance administration to hold that kind of form of public hearing process.

Page 132

COMMISSIONER GOLDSMITH: Was there anything magic about the 3 to 5 percent?

MR. ROBBINS: No, I just know from my experience from many years in West Virginia that was the process that they used there. Generally it was over 5 percent. That they did have those public hearings that were held there. Not always well attended, but still available to the public when available.

Thank you.

COMMISSIONER GOLDSMITH: Thank you very much.

Any questions?

Thank you.

Mr. Ransom, I know has already provided his comments.

Ms. Robinson, did you have anything on this report?

MS. ROBINSON: Again, Kimberly Robinson on behalf of the League of Life and Health Insurers of Maryland.

And again, my one comment is actually this.

Page 133

To the extent that the recommendations you just heard regarding the public hearing, Maryland does get a number of rate filings and I think even setting some threshold we would spend a tremendous amount of time, both your staff and the prominent carriers in our state in this room having public hearings on these rate filings and we do believe that may not be the most efficient manner of obtaining public comment or the most efficient use of your staff's time or the carrier's staff's time. And that would end up having an unintended economic impact for both the insurance administration as well as the insurance community.

However, to the point of all consumers main not necessarily have internet based access I do think there's ways that you can address that ability to comment through a means other than the internet short of in fact having a public hearing. For instance, we've had many instances in our state where an agency will make documents available for review in paper, if someone comes to the agency, they can obtain a copy, they can certainly submit their comments in writing and not exclusively by e-mail. That would still be

Page 134

able to engage any part of our population who was not able to do so through internet portal without necessarily needing to do it through a public hearing and the time and resource commitment that a public hearing itself would take. So we would just suggest that while you're being thoughtful how to engage the public you're also balancing those efficiency and accessibility needs for both your staff and for the insurance community. That's it.

DEPUTY COMMISSIONER SAMMIS: And how would the consumer know?

MS. ROBINSON: Well, I think that's going to be the question even if you do a public hearing. There's still going to have to be someway to communicate that broadly. So whatever mechanism that you would envision to announce a public hearing would be perhaps the same method that you would use to announce that there was a filing available for review. The federal government does it when they do the review of regulations, they often do that process by paper, they also do it now electronically. But there are places in our state where we routinely announce things

Page 135

in print. The balance has to be between the timeliness of the comments which I do believe is part of why the consultants had even recommended the internet as the appropriate place because it does allow things to move a little bit more quickly to let the filings get through their process efficiently so things are not delayed. Anytime you're taking it offline you're going to slow that down some. But the Maryland Register, Hearing Scheduler, there are plenty of other places where things can be announced without necessarily the need for a hearing.

DEPUTY COMMISSIONER SAMMIS: If I remember, I can't remember if it was in the focus groups that Oliver Wyman did, or something that some of the other consumer groups or focus groups that I looked at for different projects, maybe even HHS, I can't remember, but there was some discussion about the carriers being required to provide a notice to consumers that they have filed a rate increase. So I don't think it's fair to ask you today because you haven't had time to talk to your companies, but maybe it's a thing to get back to us about at some point in time about whether

Page 136

or not the carriers see it as being, you know, to what extent they would see it as being a reasonable approach for them to post something on their internet site, or to give a notice to their, to the broker community, for example, that they have filed a rate increase with the Maryland Insurance Administration and have obtained information.

MS. ROBINSON: I'd be more than happy to inquire with our membership and include a response in our comments by the end of next week. I do think part of that answer will be driven again by whether that communication could happen electronically as opposed to whether or not it's happening in paper. For instance, if you're doing in a group marketing to a broker who can then access electronically, it's different than mailing a copy to every insured on your books so those are the kind of things we'll take into consideration.

DEPUTY COMMISSIONER SAMMIS: But I do think the companies even on the individual side are beginning to collect e-mail addresses.

MS. ROBINSON: And again, because you can do

Page 137

it electronically.

COMMISSIONER GOLDSMITH: Right.

MS. ROBINSON: Rather than by paper and mailing, you know, postage has come into the costs these days.

COMMISSIONER GOLDSMITH: Anything else?

Thank you very much, Ms. Robinson, for your comments.

Anyone else who is here who hasn't signed up but would like to comment on the consumer information aspect of the reports?

Well then I believe that concludes our proceeding. I want to thank everyone for your input, both here today and in writing.

And we will consider it all as a part of the record in this proceeding in coming to our conclusions about moving forward.

Thank you. Thank you for coming.

(Whereupon, the hearing concluded at 1:00 o'clock p.m.)

CERTIFICATE OF SHORTHAND REPORTER - NOTARY PUBLIC

I, DARLENE S. TRAFICANTE, Registered Professional Reporter, Certified Shorthand Reporter and Notary Public, the officer before whom the foregoing public hearing was taken, do hereby certify that the foregoing transcript is a true and correct record of the testimony given; that said testimony was taken by me stenographically and thereafter reduced to typewriting under my supervision; and that I am neither counsel for or related to, nor employed by any of the parties to this case and have no interest, financial or otherwise, in its outcome.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal this 23rd day of June 2011.

My commission expires:

July 25, 2011

_____

NOTARY PUBLIC IN AND FOR THE STATE OF MARYLAND

A

ability 51:20 116:7 133:15
able 36:9,10,12,22 37:4,19 38:8,18,19 40:4,10 44:21 47:22 48:19,21 49:8,10 64:13 71:9 79:18 134:1,2
absent 22:9 65:12 66:13
absolute 38:4 43:20 44:22
absolutely 17:9 38:15 115:12 120:4,5 123:6
absorb 106:13
ACA 14:14,16 23:3 24:8
Academy 56:4
accept 19:12 39:22 41:5 93:6
accepting 21:11
accepts 79:20
access 20:18 21:3,10 74:6 89:22 110:18,19 111:11 115:15 130:5 133:14 136:15
accessibility 87:12 134:8
accessible 88:7
accessing 130:6
accommodate 81:17 125:4
account 79:15
Accountable 10:7 15:2
achieve 81:1
acknowledge 85:10
acronym 32:11 109:5
Act 6:20 10:7 15:2 87:11 91:6
action 92:20
active 90:15
actively 97:9,15
activities 24:4
activity 57:20
actual 84:13
actuarial 5:18 6:15 9:14 31:10 50:10 55:22 56:2 68:2,13 68:17,17,18 69:9,9 70:5 71:9 79:14 81:13 84:5 112:2 119:7 123:9
actuaries 17:13 40:3,9 53:22 56:4 59:18 63:7,11 68:21 79:15 121:10 122:13
actuary 3:5 6:8 9:13 9:16 11:18,19 41:12 42:5,17 53:11,12 54:18 56:1,5 68:1,14 69:4,16,21 70:1,7,8 70:12 71:19 73:12 121:9 123:8
actuary's 124:19
acumen 114:20
add 38:22 72:13 115:3
added 79:1 98:5
addendum 14:10,12
adding 77:6 114:14
addition 22:10 23:18
additional 8:20 31:7 57:5 65:19 66:9,10 67:20 68:1,2 69:13 71:16,22 73:18 75:22 113:16,18 114:3 120:6
address 58:2 59:11 95:13 116:9 133:15
addresses 136:21
adjust 84:12
adjustments 14:6 30:18 31:4
admin 65:1
administration 1:4 2:4 3:2 5:7 6:6,13 10:2 11:19 12:9 61:12 72:7,10 75:3,7 76:19 81:13 89:3 90:3 94:5 94:17 108:12 109:2 109:11,17 110:8 111:6,21 112:21 113:4 118:16,20 122:22 124:12 130:7 130:16 131:21 133:12 136:6
administrations 26:8
administration's 6:15 11:15 72:2 88:19 94:6 108:12 111:2,16 112:18 117:20
administrative 23:7 24:10,16 25:3,11 26:6,11,18 32:3 57:10 70:21 80:2 84:8 124:12
admissions 40:8
admit 122:14
adopted 24:6
advance 73:17 74:12 130:11
advanced 112:16
advances 35:14,22 36:8
advantage 32:19,22 51:7,13 52:4 91:17
advocacy 3:7 6:11 116:1
Aetna 106:20
Affairs 9:4
affiliated 101:3 102:10
affixed 138:14
afford 96:3,5
affordability 87:13
Affordable 6:19 87:11 91:6
African-American 105:12
age 36:12 52:5 104:13 104:18,19 131:2,3
agency 133:18,20
aggregate 31:14 33:12
aggressive 29:11
aging 39:16 44:12
ago 87:11
agree 86:10
agreed 110:5
agreement 2:12
ahead 50:1 52:9
aimed 79:21
allow 59:18 61:15 62:4 79:17 82:14 88:11,11 135:5
allowable 26:7 42:2
allowed 41:22 66:5
allows 91:13,14 116:15
Allstate's 127:19
alluded 13:22 55:1 104:5
alter 82:14
American 56:3
amount 54:16 66:21 70:12 118:20 126:19 128:6,7 133:4
analogous 69:18
analysis 10:9 15:13 19:13,14,18 25:3 28:14,17 29:18 39:20 40:5 49:11,19 50:10 50:10 56:6 63:8,10 63:12 69:20 71:10 72:2,15,16 112:22 113:2,11
analyst 68:14,15,17,18 69:9,15 71:1,9
analytical 51:22 64:16
analyze 20:4
analyzing 30:8
and/or 20:5 36:4
anecdotally 131:7
announce 134:16,18 134:22
announced 135:10
answer 7:14 8:2 85:20 101:18 103:5 121:3 122:8 136:11
answered 101:10
answering 7:18
anticipate 29:8
anticipated 84:15
Anytime 135:7
anyway 24:12 26:4 72:5
apparent 74:10

appeal 89:9
appear 30:3 31:1 33:14
appearances 41:10 118:15
appeared 72:4,8 99:20
appears 21:1
Appendices 117:12
appendix 53:6 54:1 62:19 94:20 99:19 117:10 120:13 124:2
applaud 77:1
apples 107:1,2
applicable 21:20 22:2 53:18
applied 23:1,2,6 83:13 84:9
applies 115:20
apply 14:18 15:7,10,22 20:11 23:3 60:8
applying 59:8
appreciate 9:18 76:5 78:15 85:9 86:3
approach 131:12 136:3
approaches 120:15
appropriate 46:8 54:6 63:13 81:20 85:15,17 135:4
appropriateness 63:13
approval 55:13
approve 66:19
approved 7:1 12:1 84:22 112:12
arching 79:8
area 78:16 111:7 113:19
areas 87:5 91:2
aren't 31:2 51:10 55:13 56:22 61:15 70:10 91:3 97:15 116:19 123:16
arrived 21:7
arrives 66:8
artist 123:22
ASA 3:10
Asian 105:13
asked 6:21 32:1 58:13 72:1 94:21 97:12 98:15 101:7 105:11 107:16 109:4 110:13 114:16 117:9
asking 58:22
ASOP-8 56:3
aspect 50:22 90:16 137:11
aspects 12:2 50:16 65:8,13 87:16 94:21 126:10,22
assess 23:19 24:16 35:8 119:3 120:6 127:16
assessment 64:17 115:11
assist 93:16
Associate 3:6 6:10 120:12 128:14
associated 19:13 34:19 38:16 99:10 101:10 113:5,9
associateship 68:20
association 8:16 74:16 74:19 100:1 129:22
associations 15:20
assumptions 21:14 22:5 29:8,11 32:5 63:14
attached 4:3 11:2 78:2 86:22
attended 132:8
attention 57:16 102:14
augment 48:2,6,7
authority 13:2,3,4 57:13 60:6 82:14
authors 9:17
automated 77:10 113:6
availability 62:17
available 6:22 9:2 26:22 32:5,21 45:9 46:4,11 47:19 48:9 64:13,17 73:7,14 75:2,2 88:21 89:6,7,7 89:15,20 90:8,10,10 91:1 92:3 93:13 94:8 94:13 109:16,22 112:11 113:8 119:3 132:8,9 133:19 134:18
average 27:8 104:17 104:19 120:2,4 131:2 131:3
avoid 89:11
avoiding 99:15
awarded 7:6
aware 51:10 70:8,10 91:11 92:2,6 94:5 110:22
awareness 94:3,4 109:15
a.m 1:13 5:3

B

B 4:2 8:15 99:2
back 22:9 33:7 39:1 45:4 54:10,17 55:6 57:1 65:18 73:16 86:16 97:13 109:7 123:12 135:22
background 6:12 87:6 87:10 93:11 117:22 128:20
bad 127:18
balance 135:1
balancing 134:7
ballpark 42:6
Baltimore 1:11 2:7
barometer 42:19
barrier 33:16 45:21
barriers 33:2 34:11,19
Barrow 9:3
based 12:15 13:11 15:19 17:15 47:17 51:11 58:14 72:9 84:12 117:13 118:22 120:18 123:7 131:7 131:18 133:14
baseline 108:10
bases 54:8
basically 41:13 120:14
basis 40:5 41:22 42:11 44:8 54:9 59:16 66:7 68:11 74:14 81:17 82:21 83:5,14 98:9
becoming 44:11
began 45:13 98:2
beginning 18:4 136:21
begs 115:18
behalf 8:16 74:15 132:20
believe 10:14 22:20 25:20 27:11 57:11,13 75:1,11 79:12,20 83:20 85:16 86:18 97:20 100:16 108:16 128:16,17 133:7 135:2 137:12
believed 84:18
benchmark 27:4
benchmarking 28:11
benchmarks 24:14,19 32:2,3 71:4 105:9 108:2
Bender 3:10 9:9,11,12 10:12,18 11:3 13:21 14:11 17:9,12,18 24:9,21 25:21 26:2 26:12,17 27:11,18,21 28:1,3,13 35:4,22 36:2 37:14,19 38:14 39:16 40:14,17 41:20 42:12 43:1 44:19 46:21 48:10 49:16,22 59:2 69:15 70:17 71:3 91:18 101:1 102:2,12 103:10,17 108:8 113:18 114:19 115:12 116:4 118:7,9 118:11 120:4,22 122:10 125:6,10 127:3 128:20
beneficial 99:11 114:18
benefit 31:2,7 59:15 113:10 114:13 115:1

129:1
benefits 38:19
best 29:9 48:3 50:7 83:19 92:5 110:6 122:14 126:4,4 129:7 129:8
Beth 3:4 6:7
Bethesda 97:2
better 31:20 41:1 42:7 43:16 77:12 83:12 85:5 104:12 111:9 114:8 120:19 122:20 126:11,16,17
beyond 55:14 70:21 75:19 80:7 81:11,22 82:4
bias 101:19
biased 122:3
bid 51:8,8
bidding 51:9
big 41:15
biggest 45:21
bill 14:16
bit 5:10 6:12 48:7 50:1 53:2 56:12 62:19 79:2 91:8 93:19 105:2 106:9 108:6 135:5
blank 25:13 27:19
blanks 25:13 28:9
bless 123:5
blue 25:4 125:1
board 39:5 93:7 109:4 116:14
boards 116:17
book 96:21
books 136:17
bottom 12:20 57:2 90:20,22
boy 63:18 123:1
break 71:22 73:22 74:4 86:9
breakdown 39:3 124:10
breakdowns 104:6
brethren 125:15
brief 14:13 19:4 76:11 79:2
briefly 74:20 80:13
bring 57:15 121:1
broad 56:17 103:12 105:11 107:14,20,22
broaden 113:13,15
broadly 134:15
brochure 128:18,19
brochures 77:9 88:20 88:22 118:14 129:11
broke 106:19
broker 110:1,3 136:4 136:15
brokers 109:19 110:19 115:12,14,15 116:1
brought 126:1
budget 94:12
bulletin 4:5 5:14 93:7 116:14,17
bulletins 11:10
bullets 84:8 85:3
bunch 129:3
burden 80:2
burdensome 131:21
buried 126:15
business 25:6 27:7 68:20 81:6 110:2 123:16

C

C 3:1 99:19
calculations 13:9 72:19,20
California 93:1
call 19:1 25:4,6,13 27:12,19 31:9,13,20 33:17 35:12 37:8 41:9 45:15,22 46:6 49:9 91:22 94:18 98:4,14 100:10,13,20 108:10 109:3,9 112:5 112:17 116:10 117:9 117:15,17,22 119:6 125:7
called 14:1 25:22 27:18 51:8
calling 26:4 96:21
cancer 36:8
can't 26:22 32:15 33:10 40:2,18 44:3 44:17 57:14 72:19 106:18 115:16 127:22 128:7 135:13 135:16
cap 18:9 67:4
capability 32:19
capacity 50:18
capricious 20:17
capture 47:13
captured 45:12
card 71:3 74:7
care 6:20 10:7 15:2 20:8 32:8 36:8 37:22 45:10 87:11 91:6 107:19
CareFirst 106:20 107:2
careful 84:17
carried 45:11
carrier 16:3,6 33:16 34:13 40:11 54:10,19 55:4 60:19 67:2 82:18 90:2 103:1 106:16 107:3,3
carriers 11:13 12:10 12:17 19:2,6 20:3,3,4 23:15 27:5,8 29:11 34:2,2,4,4 47:6 51:9 51:14,15 52:18,20 53:21 55:13 57:11,11 61:10,18 63:5 64:3 66:5 80:2 81:5 87:18 89:10 112:9,16 133:5 135:17 136:1
carrier's 63:9 88:3 133:10
case 55:7 72:12 138:11
cases 40:9
case-by-case 54:8
catastrophic 38:2,3,4 38:8
categories 56:17
category 26:11 65:7
cause 58:16,17 80:14
causes 44:11
causing 66:22
cautioned 83:11
center 116:10
certain 24:14 41:6 63:4 69:16,20 128:7 131:8
certainly 26:21 52:13 56:11 62:22 65:11 69:3,15 82:2 83:15 125:20 131:4 133:21
CERTIFICATE 138:1
certification 56:1
Certified 138:3
certify 138:5
challenge 27:13,15 32:14 127:5
challenging 48:10
chance 37:20
change 18:4,5,5 21:12 23:10 28:16 30:2,14 30:15 33:11 46:16 58:14 59:1 62:7 85:12
changed 22:18
changes 11:7 20:20 23:19 24:12 29:19,20 29:22 30:3 31:3,3 35:5,8,9,13 36:21 37:21,22 38:18 39:14 40:7,7 47:3 56:19 57:8,18 60:3 61:16 65:4 79:16 80:9 118:4
changing 39:8,13,15
characteristics 41:9 102:19
charges 33:18,18 38:15 39:8 42:2 43:7
charging 47:6
chart 12:20 90:8 91:7 102:19 124:13,21,22 125:1
charts 121:14

checklist 53:17 54:1,3 56:7 62:18 63:4 70:4 70:7 72:14
chief 3:5 6:7 11:18 41:12 42:5,17 53:12 54:18 69:4 71:19 73:12
chose 72:4
chunk 79:10
citizens 76:22
claim 26:13 36:21 39:4 39:7 89:9 124:11 125:2
claims 30:21 34:13,17 38:2,3,5,8,9 39:12 41:15,16,21 42:1,3 44:1,13 45:13,14 63:7 79:16
clarification 17:2 54:11
clarify 54:13 92:8
classification 64:9
classify 20:2 56:16
clean 46:8
clear 78:19
close 42:8
closely 82:15
closer 107:13
closing 79:4
CMRS 1:21
CMS 17:21
code 39:2,3
codes 37:3,4,5,5,5,6
coding 36:21 39:14
cognizant 24:3 95:11 109:8,12 114:13 117:3
cohort 27:7
coinsurance 42:13
collaborate 50:3 82:6
colleague 9:14
colleagues 6:5 7:14
collect 136:21
collecting 32:11
Colorado 53:5,15
colors 123:21
column 90:17 103:2
combination 129:10
combined 42:9 105:7
come 37:4 41:14 56:15 62:16 73:16 74:14 137:4
comes 51:11 60:12,13 65:11 82:16 133:20
coming 48:16 66:15 137:16,18
commend 76:18,22
comment 7:20 8:3 21:12 39:10 74:11,13 74:20 77:2 78:13 85:8 88:12 92:15 93:6 105:19 116:8,15 121:8 124:6 129:18 132:22 133:8,16 137:10
commented 23:9
comments 4:8,9,10 8:5 8:7,11,14,20 73:17 74:21 76:11,12 77:4 79:2 81:10 85:20 86:3,6 91:13 92:13 114:11 115:1 116:12 116:16,19 130:1 132:16 133:21 135:2 136:10 137:8
commercial 6:16 25:4 33:13 52:2,6,8 53:4
commission 32:9 45:10 75:3 76:19 109:9 138:16
commissioned 78:17
commissioner 3:3,4,6 5:1,20 6:1,7,10 7:12 9:11 10:12,16,19 14:5,9 17:1,11,17 24:9 25:19 26:9,15 27:16,20 28:12 32:1 34:21 35:20 36:1 37:10,18 38:12,21 39:22 40:16 48:6 49:14,17 54:15 57:19 68:12 71:17,18,20 73:2,13 74:4 76:1,7 76:10,15 77:17,20 78:4,7,9 85:22 86:5 86:16,19 87:1 88:14 90:7 91:11 92:17 96:11,14,19,22 97:4 97:18,22 98:10,13,22 99:6,12 101:12 102:1 102:8 103:9,22 109:10 113:15 115:7 120:1,11,12 125:22 128:14 129:12,16 130:22 132:1,11 134:10 135:12 136:19 137:2,6
commit 114:5
commitment 134:4
committee 100:8
common 47:9 51:6 54:6,12 65:13
communicate 18:7,10 110:8 122:7 134:15
communicating 92:6
communication 95:10 136:12
community 52:4 99:16 133:12 134:9 136:5
companies 25:12,15 57:13 58:14 81:16 82:19,21 135:21 136:20
company 8:10 23:22 24:2 70:13 84:11 101:2
comparable 107:9 108:2
compare 13:16 37:16 104:6 107:9 108:2
compared 30:10 90:9 104:8
comparing 30:9
comparison 37:1 107:2
complaint 89:9
Complaints 89:12
complete 45:16,22
completeness 51:4
completing 25:12
complex 29:18 37:17 125:4
complicated 39:21
complicating 41:9
comply 23:16 56:2
component 28:13 29:15 33:6 34:15 44:17,18 64:21 87:13
components 22:11 23:10 33:20 58:12
composition 96:15 99:14
comprehensive 6:16 13:14 95:3
comprise 60:20
computer 124:9 131:5
concentration 123:14
concepts 117:17
concern 80:15 83:16 99:17 100:5,18 101:18
concerned 83:9 104:22
concerns 104:4
concluded 137:19
concludes 120:9 137:12
conclusions 120:8 137:16
conditions 96:1
conducive 52:7
conduct 17:7 37:13 53:12 61:13
conducted 17:8 55:2 79:14 87:6,7 94:10 94:11
conducting 93:17
confidential 111:19 112:1
confirm 72:11
confused 17:2 45:7
confusion 74:6
conjunction 49:7 94:17
Connecticut 90:12

93:1
Connecticut's 126:6
cons 51:18 52:1,10 127:2
consequence 80:1 83:15 84:22
consider 22:10 24:20 30:14 65:2 66:16 112:2 116:3 122:18 125:15 137:15
considerable 102:2
consideration 54:2 61:1,5 64:18 66:14 68:4 81:10 82:16 83:3,12 95:14 117:5 130:10 136:18
considerations 8:21 22:6 24:7 31:7,18,22
considered 30:16,19 65:12 84:4 85:15 112:1
considering 15:19
consistency 62:21 68:6 69:17 102:3 112:15
consistent 61:14 62:7 80:6 107:7 112:13 113:6
consultant 97:19
consultants 75:8 83:19 135:3
consulting 5:18 9:13 9:14,15
consumer 3:7 6:11 7:22 8:3,8 69:8 73:10 74:1 77:7,8 79:17,21 86:11 87:7,19 89:17 90:15 93:17 95:7,18 105:16 109:14 112:4 112:5,17,17 113:12 113:13 116:1,5 117:2 117:15,17 119:7,9,10 119:11 120:7,9,17 125:19 127:7 129:19 134:11 135:15 137:10
consumerism 63:22 87:14
consumers 5:21 6:22 58:10,20 61:20,22 62:3,5 86:20 87:16 88:15 89:11 90:1 91:13,14,16 93:13 94:3,5,8,14 95:19 105:4,5,15,16,21,21 108:14,16,21 109:2 109:17 110:22 111:11,17 113:5,14 114:6,9,11,21 115:8 115:9 116:7 118:15 120:21 125:21 127:12 128:15 130:5 133:13 135:18
contact 9:3 96:18
contacted 97:7 98:6
contained 7:15 53:17 79:6 80:11
containment 24:4 26:7 26:16
contains 45:18
content 93:19 122:2
continue 64:11 66:12 75:9,21 118:13
continuing 49:20
contracts 33:22
contribute 107:18
contribution 107:22
conversation 103:3
conversely 29:3 59:2
converted 122:12
copays 42:14
copies 12:7,8 72:18 77:15
copy 4:11,13 10:15 73:9 77:17 133:20 136:16
corporations 57:12
correct 10:17,18 14:10 14:11 17:9 72:21 84:18 98:20,21 99:5 115:11 138:6
correlated 41:19 42:20
correlation 42:16 43:15,18,19 44:4,5,7 44:15 45:5
correlations 71:12
correspond 70:13
correspondence 12:1,8
corresponding 33:3 43:8
cost 24:4 26:7,16 30:5 30:9,10 32:9 34:15 36:14,16,17,18 38:2 44:6,7,18 80:3 84:8 99:10 106:7 113:9,10 114:2,4,13,22 115:1 116:13,17,21 124:11 129:1
costs 33:8 43:13 113:4 113:21,21 117:3 125:2 137:4
couldn't 52:12 96:5 107:8
counsel 138:10
count 15:12
country 81:6
couple 41:14 55:17 57:7,7 58:9 79:4 82:5 89:4 93:2 109:7
course 48:11,12 82:7
court 10:14,19 71:21 77:18
coverage 62:6 95:3,20 95:21 96:3 103:7 106:11
covering 34:12
covers 61:3
CPI 83:7
creating 77:9
credentialed 71:2
credentials 68:19
credibility 23:5 61:2,4
credit 78:21
cross 104:7 105:11 107:14 108:1,4
CSR 1:21
current 6:15 10:1 11:4 11:8,9 12:12 13:15 106:19 118:17 119:5 119:6
currently 6:22 11:11 12:15 32:6 33:17 35:1 41:4 78:20 82:19 92:21 101:3 108:14 109:16 111:2
cut 54:16
cycle 115:19

D

D 8:9 62:19
daily 102:16
dangerous 131:1
Darlene 1:21 2:12 138:2
data 10:17 18:9 20:2,3 20:4 27:3 28:9 32:12 32:12,13,14,19,21 33:1,3,4,21 34:10,14 35:1 39:1,19 40:1 44:16 45:8,8,21 46:1 46:6,7,9,13,15,16,18 46:22 47:4,13 48:1,8 48:13 49:8,20 50:4 51:1,2,14,21 53:17 54:6 62:21,22 64:10 64:15,17 67:13 69:17 69:18 71:10 82:8 121:17
database 25:12 34:20 45:11,16 97:6,16 98:1,2,5
date 8:5 15:1 16:13,16 55:13,15 61:11 62:3 62:9
dated 5:21 6:2
dates 46:4
day 14:2 138:14
days 11:18 32:21 61:22 62:1,3,9 137:5
day's 44:20
deadline 79:4
deal 63:21 84:19 85:17 87:18
dealing 14:15
deals 87:14
debated 92:22

decide 17:19 64:1 68:5
decides 81:22
decision 68:22 69:22 121:9,12 124:3,19
decisions 112:18 130:8 130:18,21
deck 10:13 73:7,10,11 86:20
declines 75:16
decrease 43:6,8,9,10 43:11 55:9
decreases 31:12
decreasing 31:2
dedicated 111:7 126:5
deductible 29:10 31:8 31:9,9,12,13
deemed 66:18
deemer 61:11
deep 64:15,15 126:15
default 104:20
defined 6:20 13:18 24:6,8 107:22
defining 64:20
definitely 44:19 109:11 114:5 122:16
definition 15:5,9,15
degree 35:9
delayed 135:7
delegate 19:13
delta 24:17
demographic 31:3 33:11 95:13 104:6
demographics 104:7
demonstrate 30:16 61:5
demonstrates 29:17
demonstrations 11:16
denied 89:9
Dennis 3:5 6:8
Department 7:7
dependent 67:8
depending 20:6 42:4 71:6
Deputy 3:4 6:6 39:22 49:17 71:18 115:7 125:22 134:10
135:12 136:19
derived 130:20
describe 48:3
described 12:20 24:14 80:22
description 126:15
design 124:16 128:3
designed 124:13
desire 93:5 105:7 122:7
desk 59:20
detail 11:20 13:20 56:12 64:16 120:16
detailed 19:9 67:12
details 9:6 97:11
determine 20:4 66:17 119:4
determining 10:8 20:12 22:7 24:7 26:5 81:18
develop 46:14 47:22 49:6 111:6 121:10 124:17
developed 27:4 47:15 47:16 53:22 85:16 90:5 93:14 94:17 98:17 111:1 117:8 118:1 120:13
developing 13:22 68:4 95:14 116:14
development 85:5 89:17
devoting 118:20
diagnosis 37:8
dialogue 40:10 103:3
didn't 20:22 62:20 64:8 89:14 92:14 95:20 97:1,12 99:8 100:13,17 101:20,20 102:9 103:5,6 104:4 105:16 107:1,4,12 108:1 115:21 127:11
differences 14:4,8 15:12
different 17:19 21:17 40:10 41:3,17 50:16 52:1 61:19 68:7 83:3 104:6 105:10,17 119:16,20 120:15,21 121:5 122:6,7 123:21 126:2,10 127:2 135:16 136:16
difficult 29:7 33:5 39:18 63:19 117:16
dig 72:19
digit 75:15,16
diminish 45:20
direction 43:20 65:9
directly 106:4 121:3 122:8
director 9:4 78:11
disclosure 10:3 69:8
disclosures 129:19
discouraging 118:22
discovered 109:18 110:21
discuss 9:18 10:1
discussed 83:10 85:18 108:7
discussion 9:21 23:5 39:1 86:14 99:9 122:1 135:17
discussions 31:22
distinguish 39:11
distort 30:5,21
distributed 118:15
distribution 41:21 105:20 107:6,12
dive 64:15
division 119:7,8
document 8:15 10:13 10:20 68:6 86:17
documentation 19:9
documents 133:19
doesn't 20:15 41:8 52:12 54:8 62:4 68:19
doing 63:8 69:1,16 81:6,21 97:5 103:12 114:2 116:21 136:14
dollar 31:11 107:22
dollars 114:15,17
domain 25:1 91:19,21
dominant 107:3
domination 103:20
don't 15:7 19:20 23:16 25:16,17,21 32:18 33:3,4,9,22 36:17,17 38:5,19 41:20 44:6 57:11,13 60:6,8 61:6 68:16 69:5,10 73:15 86:12 89:19 90:1,3 90:19 91:18 98:3 101:15 104:11 113:22 115:3 116:8 122:8,10 123:2,21,22 124:9 125:8,11,13 126:22 128:9,22 135:19
doors 74:7
draft 14:2 88:9
dramatically 43:22
DRG 37:3,5,10 39:1,2 39:6,12
DRGs 36:5 37:15,17
drilling 36:6
driven 136:11
driver 22:12 28:16 29:6 30:1 94:12
drivers 29:17 30:13 34:22 35:3
driving 63:20 105:5
dropped 96:4
drug 35:18 41:22 44:12 45:13
drugs 33:19 39:4 41:18 42:11,12 44:8
dry 123:3
due 39:5,19 104:15 121:21
dug 126:12,12
dump 40:18 48:5 51:21
dwell 96:9

E

E 3:1,1 4:2 124:2
earlier 131:20
earliest 47:20

earned 45:19
easier 25:14 62:16 127:7
easiest 14:20 15:5
easily 126:12
easy 30:9,12 36:10 93:22 123:19 126:16 127:15 128:12
econometric 50:10
economic 96:1 133:11
economy 76:12
Education 3:7 6:11
educational 117:8
effect 16:2
effective 6:19 13:18 15:1 16:4,5,6,9,10,15 16:18 17:6 18:9,10 18:18 19:7,11,21 20:1,14 21:21 22:19 50:20 55:15 56:21 61:11 62:3,9 88:4,10 88:16 108:16 110:8 119:1
efficiencies 59:19 60:1
efficiency 51:20 53:10 55:9 62:15 68:9 80:1 134:7
efficient 50:21 51:20 55:1 63:2 65:18 66:2 88:16 92:5 108:17 110:6 121:20 133:8,9
efficiently 135:6
effort 71:8
efforts 102:17 109:4
eight 70:14 90:18
either 12:16 13:1 24:19 30:4 34:7,15 35:15 37:3 45:4 73:22 92:19,20 105:22 109:9 113:18 128:21
elaborate 48:7
electronic 116:14,16
electronically 134:21 136:12,15 137:1
elements 54:6
else's 127:19
emerging 30:20 31:4 32:4 45:17 48:22
emphasize 19:19
employed 37:12 99:20 99:22 138:10
employees 15:12 47:7 95:6,16 104:16 107:19
employer 95:15 102:18 103:7 106:1 106:12,12 107:13
employers 94:15,19 95:2,16,19 102:3 107:11,12,16,17 109:8,19 110:19,21 115:14
employer's 100:1
employing 10:2
enable 117:14
enabled 22:1,21
enabling 113:5
encourage 75:20 82:9
encouraging 77:1
ends 32:22
engage 13:7 134:1,6
engaged 6:13 90:15 93:16 103:4,21 125:21
English 95:9 105:4,8 105:14,15
enhance 6:1 7:3,12 10:16
enhanced 58:5 80:19 81:15 111:3
enhancements 11:7
enhancing 6:17
enlightening 108:22 110:4
ensure 31:5 103:19 104:9 108:3
ensuring 24:2 69:17
entire 77:13 106:7 107:21
entirely 105:7
entities 32:6
entitled 5:19 10:15
entity 109:12,13
enumerated 83:18
envision 134:16
envisioning 48:11 68:12
equal 18:16
equitable 58:20
equity 58:10 81:1
equivalent 68:1
especially 29:6 47:7,10 68:7 110:10 113:11 113:20
essence 31:10
essentially 14:22 20:2 29:2 34:17 37:6 51:15 62:2 66:9 108:9
establish 6:18 108:9
estimate 31:21
estimated 59:4
estimates 46:20
estimation 84:6,10,18
ethnicities 105:10
ethnicity 105:1
evaluation 37:13
events 7:10 89:1
exactly 39:17 54:22 57:14 96:22 99:21 113:19 125:13
exaggerating 41:10
example 12:22 36:7 37:11 39:4 49:15 57:10 69:1 70:3 89:21 91:12 92:11 94:21 125:9 131:11 136:5
examples 29:9 117:11
exceed 52:19 58:6,17 58:19 66:22 80:12 87:20
exceeding 18:16
exceeds 66:20
Excel 18:20 51:11 63:6 63:10 72:16 125:7
excess 23:16 29:2
excited 115:5
exciting 125:10
excluded 95:4,6
exclusion 104:16
exclusively 133:22
excuse 96:12
Executive 78:11
exhaustive 54:4
exhibit 5:14,22 6:3 7:13 8:12,17 10:20 11:1 25:16,17 26:3,5 26:20 78:1 86:18,21 102:20
exhibits 4:3,4 8:11 119:19
existed 109:12
existing 10:4 128:19
exists 35:1
expand 7:3
expect 28:22 38:7 44:1 91:5 119:10
expected 84:13
expenses 23:7,8 24:10 24:13,16 25:3,11 26:6,11,13,18 27:1,8 32:3 57:10 79:16 124:12
expensive 114:2
experience 19:4,5 30:21 31:5 32:4 45:17 47:17,18 48:20 48:22 49:1 52:7 63:9 69:6 71:6 81:12 83:3 83:8 84:13 90:14 104:17 123:7 132:4
expert 13:9
expertise 113:20 123:10
experts 13:8
expiration 62:1
expires 138:16
explain 50:13 83:20 84:2
explaining 121:11
extended 113:1
extensive 60:5

extensively 64:10
extent 42:17 43:4,9 50:20 55:19,20 64:1 65:17 91:16 122:6,12 133:1 136:2
extreme 13:3
extremely 29:18 30:7
eye 79:22
e-mail 133:22 136:21
e-mails 77:10 91:14 113:6

F

F 117:10,12
facilitate 63:7 64:4 125:20
facilitator 103:18,19
fact 31:2 60:13,14 62:20 80:12 84:13 97:14 121:22 133:17
factor 39:20 66:6,15 66:20 82:17
factors 19:3 22:10,13 30:6,20 64:19,20 66:4 83:17,21,22
failing 122:15
fair 91:2 96:1 103:1 135:20
fall 13:1 46:11,18
falls 65:6 67:21
familiar 52:22
family 128:10
FAQs 120:14,16
far 67:6 123:10
FCA 3:10
feasible 50:17,18
feasibly 124:15
feature 126:4
features 124:6
federal 6:20 15:8 23:12 76:20 82:1 85:10,13 95:6 104:16 134:19
Federated 8:10
feed 125:14
feedback 108:21 113:12
feeds 125:6
feel 41:1 42:8,18,19 56:11 79:15
fell 101:9 105:13 107:1
felt 94:7
field 103:14
figuring 77:9
file 55:16 61:11 66:6 67:3 89:8 112:9
filed 16:7 66:10 80:16 89:13 90:2 135:19 136:5
filing 10:10 11:12,21 11:22 12:9,17 16:11 18:14 20:7 22:3 23:11,11,19 24:13,18 28:14 30:8 32:5 33:15 34:18 40:19 50:12,16 53:8,9 54:7 55:2,12 56:2,6 59:20 59:21,22 60:18 61:1 61:2,2,6 62:11,18 65:6,13 66:10 68:22 69:18 70:6 80:3 85:12 89:15 90:21 92:1 112:19 118:6,12 119:14 121:9 124:3 124:18 128:22 129:5 134:18
filings 12:8,17 16:20 16:21 18:16 22:1 48:3 49:2 52:21 53:19 58:6,8 59:8,19 60:19 62:12 63:16 64:4 67:11 69:19 77:8 80:17 89:22 91:14,15 92:12 93:5 93:5 110:9 111:9,14 111:20 112:6,10,20 113:2 116:16 124:15 127:6 128:11 133:3,7 135:6
filing-by-filing 54:9
fill 26:19 51:13
filled 18:21 91:8
final 10:6 14:3,3,7 15:19 20:21 21:1,16 21:18 68:22 69:22 80:7,12 81:4 83:10 84:2 88:8 111:13 116:6
finally 11:22 64:7 68:3 87:8 127:21
financial 79:14 114:20 138:12
find 89:14 92:4 115:10 126:10,11,17 127:7 128:7,11,12
finding 9:3
findings 5:17 7:11 19:15
fine 76:16
firm 93:16 97:2 100:14 102:14 103:11
first 6:14 7:10 8:1,7 9:22 11:7 18:1 20:8 29:19 32:8 42:15 46:9 54:21 56:17 57:1,2 58:9 60:3 73:16 74:14,14,14 76:18 80:5 81:18,19 87:3,6,18 88:17 90:17,18 104:11 111:5 112:13 121:16 121:22 124:4
Firstly 14:18
fit 64:8
five 94:11,11 95:22
fixed 31:11
flat 107:22
flexibility 21:22 129:10
flipping 113:22
floor 23:17
flow 53:11
focus 23:9 24:12 28:17 29:21 58:21 59:12 64:14 80:8 85:13 87:7 91:6 93:17 94:10 95:1 96:15,16 97:9,10 98:2,19 99:2 100:6 101:19 102:20 103:12,14 104:8,14 105:7 106:9 108:7,9 113:16,18 115:10 117:13,14 118:22 120:19 121:7,15 123:13 129:7 131:2 135:13,15
focused 101:6
focusing 14:17
folks 73:16 96:6 131:10
follow 59:21,22 82:2 82:14 85:13
followed 8:2,3
following 18:11 58:16
followup 14:5 55:10 63:3 98:4
force 63:20
foregoing 138:5,6
foreign 123:19
foremost 76:18
forget 87:22
form 14:10,12 18:20 19:2 23:2,4 52:16 56:15 63:12 95:11 112:9,10 125:6 131:22
formal 130:11,14
format 51:2 63:6 72:16 94:8 120:14 121:17 124:10
forming 70:9
forms 20:7
formula 51:15,16
formulas 63:11 72:20
forth 5:18 7:11 20:11 54:17 80:10
forward 18:11 45:5 84:12,16,20 85:1 137:17
found 53:4,13 61:13 89:5,19 126:14 127:12,21
fourth 20:10
frankly 110:12 122:13
fraudulent 89:12

free 19:1 56:11
frequency 91:22,22
frequent 49:10
frequented 118:14
frequently 13:6 117:9
friendly 77:8 87:19 89:18 112:5,18 117:15,18 125:19 127:7,15
friends 128:10
front 55:8 82:11
FSA 3:11
fulfill 69:12
full 46:9
fully 15:20 54:4 68:11 69:11
full-time 69:11
functions 70:22
funded 7:5 25:8 32:16
funding 115:20
further 25:5 49:15 52:13 64:18 66:11 85:4

G

G 117:12
gaining 116:3
gap 48:15
gather 32:20 94:2
gathered 46:3 102:20 104:2
gathering 32:7
gender 104:11,12
Gene 76:8
general 12:18 42:18,19 43:16 44:1 53:20 89:8,16 94:3,4 104:9 104:18 106:3 107:2,6 107:7 108:11,13,19 117:6,8 118:8,9 119:13 127:4
generalizations 131:1
generally 28:15 29:21 29:22 30:12 42:13 43:14 46:4 49:12 110:21 132:5
getting 48:18 58:11 62:5,22 74:8 75:22 81:13 102:22 108:17 108:21 112:15 125:20 131:12
give 14:13 17:14 41:22 68:4 71:21 81:18 105:9 126:13 128:8 131:13 136:4
given 39:6,12 54:17 60:17 64:18 65:15 88:13 130:13 138:7
glad 5:11
glean 36:10
globally 40:13
go 24:7 42:13 45:4 54:10 70:5,7 80:7 81:11,22 82:4 84:2 86:9,12 92:22 96:9 96:15 97:13 109:20 111:4 128:10
goal 6:18 79:21
goals 108:8
God 123:5
goes 12:1 57:1 120:16
going 5:9,10 9:22 11:3 11:19 13:19 14:13 15:15,16 16:2,14 17:21 18:8,11 22:6 22:18 25:14,15 28:6 28:14,19 29:13 33:7 34:3,5 39:9 40:19,21 43:3,15,18 44:2,8,10 44:13 45:15 46:11,12 46:18 47:19 48:4,13 48:19 49:4,6,13 50:6 50:8,19 52:17,21 53:6,12 54:9 56:10 56:19,20 58:2 59:5 65:5,14,18,19,22 69:13,21 70:8,15 71:5,7 77:13,14 79:1 79:3,18 81:15,15,21 84:12,15,20 85:1,3 87:9 92:9,22 93:18 93:21 95:11 96:8 103:3 106:13 108:5 109:22 111:4 112:21 113:10 114:6,7,16,17 114:18,22 115:3,4 116:11,21 118:5 119:12,21 121:3 123:2 124:18 125:12 125:13 127:3,5,13,14 129:2,4 134:12,14 135:8
Goldsmith 3:3 5:1 6:4 9:12 10:12,19 14:9 17:1,11,17 24:9 25:19 26:9,15 27:16 27:20 28:12 34:21 35:20 36:1 37:10,18 38:12,21 40:16 48:6 49:14 54:15 57:19 68:12 71:17,20 73:2 73:13 74:4 76:1,7,10 76:15 77:17,20 78:4 78:8,9 85:22 86:5,16 87:1 91:11 92:17 96:11,14,19,22 97:4 97:18,22 98:10,13,22 99:6,12 101:12 102:1 102:8 103:9,22 113:15 120:1,11 129:12,16 130:22 132:1,11 137:2,6
good 5:4 12:12 27:10 28:10 33:22 46:19 50:4 74:17 76:9,10 78:7,9 79:10 81:20 86:9 120:22 122:15 127:17
government 82:1 134:19
governmental 27:6
grace 62:1
graft 57:2
grandfathered 14:19 14:20 58:5 80:20,20 81:8,8
grandfathering 15:3,4
grant 7:6
grants 76:20 115:20
graphic 123:22 127:10
graphs 122:20
great 63:21 113:21
greater 16:12,17,20 30:4 55:18 120:3
greatest 79:17
group 12:4,5 13:6,6 15:9,15 22:17,19 23:13,14 27:14,15 28:5 32:17,17,18,18 34:17 41:7 47:7 58:3 58:8 60:2,4,7,9 61:21 62:8 63:16 79:11,11 80:21 95:19 96:16 98:19 99:1,14 100:6 100:19 101:4,5,9,14 102:9,18,21 104:8 105:7,10 107:10 115:10 120:19 129:7 131:2 136:14
grouping 64:9 96:8
groups 15:10 60:8 87:7 93:17 94:10 95:7,15 96:15 97:9 97:10 98:2 99:2 101:20 103:12 104:14 105:16 107:13 108:7,9 109:15 113:16,18 115:9,21,22 116:1 117:2,13,14 118:22 121:7,15,18 123:13 135:13,15,15
grows 68:7
guarantee 41:7
guardian 106:22
guess 5:2 21:16 51:19 52:20 56:7,16 60:12 62:20 64:18,20 71:15 106:8,15 122:4 126:19,21
guidance 65:10 69:3 83:22 85:10
guidelines 78:22

H

H 4:2

Haglund 4:8,9 8:10
half 90:20 91:7
hand 94:9 110:3 138:14
handle 31:20
handled 97:13
handouts 129:10
hands 81:14
happen 136:12
happened 70:19
happening 136:13
happy 73:19 136:8
hard 4:11,13 10:15 12:7 39:11 73:9 90:6
harming 84:22
hasn't 65:9 74:9 137:9
Hatchette 3:6 6:10 120:12 128:14
haven't 47:17 68:19 70:15 72:1 135:20
head 57:9,15
heading 6:10
health 1:10 7:7 25:13 27:21 29:10 31:8 32:9 57:12 77:7 78:6 78:11 79:9,10 82:15 107:19 111:7,8 128:19 132:20
healthcare 26:1,3 45:9 99:16,18 101:7,9 102:10 103:16,17
hear 5:8,11 9:9 73:16 73:19 77:5 87:12,12
heard 78:18 82:7 133:1
hearing 1:10 2:1 4:4 5:6,12,17 11:1 13:7,7 73:21 77:16 78:1 86:21 93:7 130:14 131:16,22 133:2,17 134:3,5,13,16 135:9 135:11 137:19 138:5
hearings 13:10 132:7 133:6
heart 37:8
heartening 110:14
held 2:1 5:6,12 132:7
help 48:17,17 49:18 53:10 75:22 89:11 93:16
helped 103:14
helpful 73:5 76:21 129:17
hereunto 138:13
here's 21:14 40:19 126:14
hey 49:11 70:14
HHS 13:18 14:18 15:7 15:18 16:14,21 17:4 17:7,7,21,22 18:2,4 18:14,15,19 19:12,15 19:18 21:4,6,21 24:6 52:18 57:6 60:15 62:15 65:5,14,16 67:15 69:2 78:22 80:7,10,12 81:6,18 82:3 83:10,18,20,21 85:16 88:3 111:17 112:22 125:6,15 135:16
high 28:18 29:10 31:8 63:8 70:6
higher 29:4 67:2
highlight 79:5 80:13 94:20
hired 97:2
Hispanic 105:3,6
historical 84:16
historically 45:11 90:15
history 49:7
hits 91:22
HMO 32:17
HMOs 34:3,5 57:12 61:20 62:8
hold 92:16 131:21
holding 8:18
honestly 101:16
hope 119:1
hopefully 54:16 55:8 55:10 63:1 66:13
hospital 8:16 31:16,16 32:13 33:4 34:15,16 34:16 35:6,15 36:18 37:2,3 38:3 41:13,15 41:17 42:3,19,20 43:3,7,11,12,21 44:8 44:9 45:14 74:15,19 75:4,5,14,17 129:22
hospitals 32:12 33:21 34:2,6,9 35:10 38:13 38:14 40:7,13 75:17
housekeeping 9:6
HSCRC 32:9 35:1 40:2,6 42:18 44:15 49:8,20 50:3 64:10 67:13 71:5 75:1,11 75:21 82:7
huge 45:1
huh 45:6
Human 7:7
hundred 38:10

I

ICD-10 37:4
ICD-9 37:3,5
idea 49:14 54:15 77:6 93:12 94:6 113:8 122:2
ideas 65:15
identical 12:6
identification 11:2 78:2 86:22
identified 18:14 32:6 117:6
identify 19:3 32:13,13 32:15 63:4 69:20
identifying 96:16
II 18:19 19:1 20:18 21:3,10
III 19:8,13,18,19
Immediately 7:17
impact 28:19 84:11 130:17 133:11
implement 55:14 61:4 64:2 128:3
implementation 64:4
implemented 67:9,10 68:11 70:4
implementing 69:10
importance 131:11
important 21:4,19 30:7 56:18 79:12 85:15 123:4 130:21
importantly 80:5
impossible 33:6
improve 7:2
improvement 24:4 26:16
inclined 99:1
include 15:20 35:16 56:5 63:16 80:15 115:22 118:13 136:9
included 9:1 11:12 15:11 18:13 20:7 34:18 49:2 53:5 54:1 56:8 65:11 88:9 90:8 95:8 96:6 98:19 100:20 111:20 115:22 117:10
includes 33:21 46:10 47:4
including 65:2
inclusive 54:4,14
income 23:21
inconsistency 75:12 101:13
incorporate 45:14
increase 10:3 16:12,16 16:21 19:4,10 20:5 20:13 22:7 24:8 29:1 30:14 43:22 44:2,3 55:9,14,16,18 58:16 58:17 59:5,11,13 62:4,6,10 66:1,13,17 66:22 67:10,15 90:2 106:14 112:13 113:16 116:8 119:10 119:11,16,17,20 120:2,3,5 124:11 128:11,17 135:19 136:6
increased 15:15 91:6 119:4
increases 7:1 10:9

22:12 29:5 55:19 61:20 66:14 87:20 106:10 108:18 112:7 123:1
increasing 43:13 66:11 80:2 119:9
increment 66:6
incurred 44:13
independent 13:8,8 44:9 45:16 63:12 67:18,20
indicate 37:7 98:7 107:17
indicated 21:5
indicates 5:16 13:13
indicating 5:11
indicator 40:15 41:2 41:13 45:3 49:10,10 49:21
indifferent 127:18
individual 12:4 13:5 22:16,19 23:13 27:12 27:13,14 41:4 60:9 61:19 63:16 79:11 80:21 85:11 95:18,19 96:4 99:20,22 100:9 100:17 101:14 102:6 103:13 105:22 109:14 115:8 120:3 136:20
individually 60:20
individuals 94:19,22 95:2,4,8 101:6 102:15 103:7,13 105:8 110:5,16 115:22 122:7 128:4 131:4
individuals/small 58:8
industries 103:13
industry 82:22 99:16 99:18 101:2,3,6,8,11 102:10
inflation 31:12
inform 49:19
information 5:20 6:22 7:3,15,22 8:3,8 11:11 11:13,17 18:15,22 27:2,10 32:7 33:19 35:2,5 36:11 40:18 43:17 48:2 54:5,11 54:20 55:4,6,8 63:7 64:3,12,14 65:14,16 70:12,16 73:11 74:1 75:2,10,18,22 82:11 86:11,19 88:2,6,6,15 88:17,18,21 89:5,6,7 89:14,15,17,20 90:3 90:9,21 91:4,12,15 91:21 93:12 94:4,7 97:7 102:18 107:5,9 108:15,17,19 109:21 110:7,10,13,18,20 111:12,18 114:18 115:15 117:7,22 120:14,18 121:3,6,6 126:12,17,18,19 127:8 128:20 129:9 130:6,16,19 136:7 137:10
inherently 56:7
initial 70:6
initially 17:3 29:10 70:11 94:2
inpatient 31:16 34:16 35:11,16 36:5,5 41:18 42:3 43:2,6,7 43:11,21
inpatient/outpatient 42:9
input 99:17 100:6 116:5 117:13 123:12 124:16 130:7 131:13 137:13
inquire 136:9
inquiry 49:15
inspiration 126:7
instance 54:21 83:7 84:10 133:17 136:14
instances 133:18
institution 37:6
institutions 38:3
instructions 8:22 51:12 65:10
insurance 1:4,10 2:4 3:2 5:6 6:6,13,16 8:10 27:6 33:15 57:12 58:13 61:18 72:7,10 75:3,6 76:19 77:7 88:19 89:8 95:20,21 96:3 98:16 99:4 101:2,3,6,7,10 103:1,14 105:21 106:3,17,20 109:10 110:2 111:7,8 130:7 130:16 131:21 133:11,12 134:9 136:6
insured 15:20 32:16 136:16
insureds 34:7,9
insured's 120:3
insurer 32:14 89:12 106:4
insurers 78:6,12 79:9 130:10 131:16 132:20
intended 54:3,5,14 106:15
intensive 36:8
interchangeably 17:22
interest 99:3 115:10 138:11
interested 8:6 73:9 81:10 85:4 98:16,18 99:9 115:9
interesting 98:6 103:8 108:20 121:1 123:2
intermediate 32:18
internet 110:6,11 128:6 130:4,6,13,20 131:5,10 133:14,16 134:2 135:4 136:3
interpretation 16:8 17:16 20:21
interrupting 96:12
intertwined 39:10
introducing 92:4
investigate 50:9 64:12 67:13 116:13
investigated 52:13
investment 23:21
involved 99:15
involving 99:15
Island 90:13
isn't 29:5 46:11 49:5 59:6 65:8 67:1 93:20 131:7
isolate 33:13,13
isolating 31:18
issue 15:21 34:12 41:8 46:1 47:15 72:22 112:2,3
issued 5:13 14:22 33:22
issues 24:1 41:3 58:2 61:16 69:20 85:9,17 110:9
item 20:10 73:1
items 20:9 31:4 53:17 56:5 63:5 65:2 70:10 90:19,22 104:5
It'll 60:1
it's 15:18 17:4 20:17 21:4,19 22:18 25:22 26:21 27:18,18,21 29:22 30:7,8,12 33:5 33:13 39:11 40:21 41:5 43:15,17 44:12 44:17 46:4,7,8,18 47:3,8,14 48:4,9 49:4 49:20 50:6,8 51:8,10 51:11,19 52:1,7 54:5 54:13 61:2 62:13,16 62:19 64:22 73:7,12 76:12 78:19,21 79:12 97:21 106:17 113:22 114:1,13,18 115:2,4 115:7 119:19 121:1,3 123:2,3,3,5,6,18,19 125:10 126:14 127:4 127:7,8,18 129:1,2,2 130:22 135:19,21 136:13,15
I'd 25:20 79:5 136:8

I'll 7:22 32:10 38:22 76:12 87:21 93:18 94:20 106:8 114:10 121:1 122:14
I'm 5:10 9:7,12 14:13 25:6,21 26:20 28:5 29:16 34:2,3 36:6 43:7 45:7 48:8,13,17 53:6 55:19 56:10 57:8,21,22 58:1 66:20,21 71:21 74:6 74:17,18 77:13,14 78:10 79:1 86:9 87:9 91:20 92:1,22 93:20 96:8 98:6,18 108:5 109:22 110:3 122:15 123:11 127:3,17,18 128:5
I've 77:15
i.e 28:21 32:17

J

jargon 123:17
Job 1:19
jobs 123:17
joined 6:9
joining 6:4
Joy 3:6 6:9 122:5 126:1
judgment 22:2 103:4
July 18:7 22:19 138:17
jump 52:9
jumping 50:1
June 1:12 5:5 8:19 18:10 79:4 138:15
jurisdictions 24:15
justification 19:8 20:19 48:19 52:16 63:18 80:16 87:19,19 124:14

K

Kaiser 106:20
Karen 3:10 9:3,9,12 11:5 13:19 52:16 57:17 64:10 65:4 87:22 93:18 94:10 108:5
keep 15:3 79:22 87:21
keeping 103:2,4
kept 45:12 60:8
key 94:21 128:13
Kimberly 78:5,10 132:19
kind 27:8 37:9 40:10 51:5 55:4 64:7,9 65:9 65:20 67:17 69:20 70:7 74:9 91:20 93:12 99:2 103:8 113:20 114:5 126:9 128:6 130:10,14 131:15,22 136:17
know 24:17 28:2 30:9 33:9 34:5 37:16,20 38:6,9 44:6,10 46:8 48:14,17 49:13 51:4 59:14 69:5,10 70:18 71:4,6,11 80:22 87:10 91:9 97:4 98:3 103:6 109:6,11 113:22 114:1,6 115:19 116:9,20 118:1 119:21 122:5,8 122:10,14,19 123:5 123:10,15,18,21,22 125:8,11,11,13 126:4 127:8,14 128:5,9,10 128:15 129:3,4 132:3 132:15 134:11 136:1 137:4
knowing 98:16,18
knowledge 12:16,18 19:17 53:21 65:8 90:13 108:13

L

lab 31:17
labeled 5:14 12:22
lag 48:1
language 95:9 105:4,8 105:14,15 123:19
large 12:5 13:6 14:16 23:14 27:14 30:21 60:2,4,7,8 62:5 79:11
larger 38:7,7 58:16 130:10 131:17
Lastly 83:17
law 17:16 60:14 82:14 82:15,20 85:12
laws 92:20
lawyers 17:13 57:17
lead 51:19 61:10
leading 40:14,20 41:13 45:2 49:9,21
leads 65:20
League 78:5,11 132:20
learn 81:20
learned 109:1
learning 99:3
leave 128:15
left 6:6 104:20
left-hand 12:22
legal 17:14,19 57:17 58:2 79:9 112:2
legally 90:19
legislation 93:10
legislative 57:19,21 65:4
legislature 58:1
letter 4:12
let's 109:5
level 12:21 15:8 20:14 23:2,3,4,4,12 33:12 33:14 35:21 37:12 58:10,11 60:11,16,21 61:6,8 63:8 70:6 71:9 71:13 85:11 88:1 89:18,19 106:14
levels 23:10 72:10 79:12
leverage 42:12
leveraging 31:9,13
liable 34:5
library 89:2
licensed 89:10
lieu 49:5
life 8:10 15:10 78:6,11 79:9 132:20
light 68:20 113:11
liked 100:15
likewise 107:4
limit 34:1 58:18 123:6 123:7,14
limitations 40:1 82:8 123:10
limited 13:3 38:12 81:7 92:9 95:5,16 128:6
limiting 66:16
lined 104:21
link 21:3 73:8 111:17 126:14
list 29:16 36:3 53:14 54:14 70:14 84:8 120:16 131:19
listed 21:15,18 34:22
listing 89:10
lists 29:16
little 6:12 13:19 21:17 43:9 47:5 48:7 53:2 57:2 62:19 72:17 78:22 79:2 81:11 87:10 91:8 93:8,19 105:2 106:5,9 108:6 135:5
live 34:8 47:8,9
lively 123:5
lives 123:16
locate 107:8
locations 118:14
locked 66:9
long 45:1 125:4
longer 10:4 49:1 96:3
longitudinal 37:1
look 23:18 25:10 31:18 32:10 39:6,18 46:15 50:15,22 59:20 63:11 75:9 81:2 84:16 85:6 88:18 90:17 91:10 109:22 110:1,14,16 125:3 126:6 127:14 131:16
looked 27:4 51:1,4 53:8 61:10 88:19 92:19 126:2 135:15
looking 24:17 42:5

63:9 64:15 65:16 82:18 83:4,6 86:17 92:10 122:1 128:5
loss 22:13,14,15 23:1,3 23:12,17,22 24:5 60:10 64:21,22
lost 11:15 70:17 96:4
lot 50:19 52:3,8,9 56:22 62:4 65:19 69:6 70:22 74:22 75:18 92:15 97:12 109:15 120:16 122:11 123:11
lots 50:4 119:18,22
low 28:18 75:15
lunch 73:22

M

M 3:3
MAAA 3:10,11
magic 94:11 132:2
magnitude 43:20
mailing 136:16 137:4
main 9:21 22:12 133:13
maintain 116:22
maintaining 117:3
maintains 45:10
major 28:13,16,17,19 29:5,14 30:1 33:20 33:20
majority 124:17
making 7:4 65:18 68:22 79:22 87:14,15 90:21 99:4 108:13,19 109:13 111:21 115:11 117:7,10 118:10 119:12 125:3
management 38:1 100:2
mandated 17:8
mandatory 15:17 17:4
manner 88:16 133:8
manual 68:4
March 15:1
margins 23:8 64:19
mark 10:20 77:20 86:18
marked 5:14,22 6:3 8:11,17 11:1 78:1 86:21
market 12:4,4,5 13:5 23:2,4 32:16,17 41:4 41:6,7 47:7 51:8,10 52:2,6 53:4 60:4,11 60:20,21 61:8,19,21 62:8 79:10,12 80:21 85:11,14 103:11 106:20 131:18
marketed 60:16
marketing 136:14
marketplace 79:19 131:18
markets 12:6
Maryland 1:4,11 2:4,7 2:14 3:2 5:6 6:5,13 7:7 8:16 13:12 22:15 32:6 33:21,22 34:1,7 34:8,8,10 35:11 36:14 38:13,14 40:7 40:13 45:9,9 47:4,8 47:12,12 57:3 58:10 72:6,10 74:15,18 75:5,17 76:22 77:12 78:6,12,17,19 79:9 80:4,6 81:3,22 82:2 82:20 85:3,5 88:19 89:21 90:10,18 93:14 94:3 95:5 97:3 104:8 106:2,19 107:9 127:19 129:22 131:3 132:21 133:2 135:9 136:6 138:21
Marylanders 79:19 81:2
Maryland's 78:21 79:10
masking 41:10
match 84:14 104:12
material 23:19 24:12 128:16,17
materially 45:20
materials 95:14 117:8 117:21
matter 18:17 123:3
may 5:13,21 6:2 13:6 15:9 18:6 22:2 33:11 34:9,17 40:9 47:21 47:22 48:10 50:6,8 57:7,16,18 59:5 61:3 65:3 66:13,16,19 69:12 80:8 82:8 84:11 85:21 92:3,16 92:16 106:10 115:8 116:2,6 127:16 131:6 131:8 133:7
mean 24:22 26:12 27:13,16 34:4 41:12 42:14 47:1 52:12 54:8 70:18 84:2 85:3 99:7 114:14 118:19 126:6,22
meaning 16:3 57:11 96:18 105:22 120:2
meaningful 48:9
means 5:2 17:5 21:11 21:20 44:8 54:3 55:15 62:2 83:20 84:1 133:16
mechanism 88:11 116:12 134:15
MedChi 4:12 76:8
Medicaid 25:6 27:6 95:4
medical 6:16 31:20 32:8 45:10 75:14 83:7 84:3,7,10 99:16 99:22 100:8
medically 41:5
Medicare 25:6,7 27:7 51:7,13 52:3 95:1
meet 61:5 78:22 80:9 80:17
member 30:9,10
members 8:17 34:1 79:8 83:16 131:8
membership 33:3,5,10 38:6,7 44:16 45:14 46:11 47:2,3 63:6 77:11 136:9
mentioned 67:6 90:7 94:9 97:2 101:8
merger 124:8
met 60:11,17,19,22 61:6 119:4
method 134:17
methodology 36:21
methods 10:8
MHA 4:10
MHCC 45:8,21 47:18 49:12,18 50:3 64:11 67:13 71:5 75:10,21 82:7
MIA 4:4 11:1 50:2 78:1,8,15 79:20 84:5 86:21 109:4
MIA's 85:12
Michael 8:15 74:15
mics 5:9
Mike 74:17 129:21
mind 41:15 131:11
minimum 22:15 23:3 23:12,17 24:5
Minnesota 53:15
minor 14:7
minutes 73:15 74:5 86:13
mirror 95:17
miscellaneous 42:10
misestimation 58:15
mismatch 47:5 49:3
missed 55:16
missing 70:12
mix 27:5 30:2,5 33:11 35:8,9,13 39:14 104:21 106:5
mixed 110:12 117:1 121:16
MLR 26:6 85:9,10,14 85:17
modality 131:12
moderator 103:3 121:7
modification 52:3
modify 17:20

money 114:22
month 30:10,11 66:8
monthly 66:7
months 46:2,5 55:17 66:7
morbid 44:12
morbidity 37:21 39:13
morning 5:4 6:5 74:17 76:9,10 78:7,9
Motor 89:3
move 73:22 86:10 93:4 135:5
moving 137:17
multi 131:12

N

N 3:1
NAIC 24:6 25:12 28:9
name 6:4 9:12 97:18
narrative 121:13,16
national 82:18,21 83:6 83:8,9,14
nationwide 83:5
navigate 127:16
necessarily 20:15 37:11 41:19 42:20 44:8 131:20 133:14 134:3 135:11
necessary 74:7 80:9
need 5:10 16:19 19:2 19:15 21:22 30:14 46:15,22 54:10 55:10 56:19,20 57:18 61:7 67:16 74:8 75:19 84:14,17 85:2 101:21 117:6 118:2 120:20 130:4,17,18 135:11
needed 57:5 95:13,13 128:16
needing 134:3
needs 57:22 65:12,22 67:21 84:7,11 95:12 119:4 120:7 127:17 134:8
negatives 119:8
neglected 124:5
neither 138:10
neonatal 36:8
net 23:15
network 42:4
Nevada 93:1
new 26:5 29:6,7 36:6 53:5 60:14 68:5,9 81:5,14,17 94:16
nice 21:1 107:22
nods 5:10
non 14:19,20 15:3 26:15 27:6 32:17,17 57:11 58:5 61:18 70:1 80:20 81:8 82:15 111:19 112:1 125:13
nope 127:22
normalize 33:10 46:22
normalized 47:3
notarial 138:14
Notary 2:13 138:1,4 138:20
notation 22:20
note 13:21 24:10 131:1
noted 14:4
notice 5:13,13,16 9:1 61:17 104:13 112:16 135:18 136:4
notification 112:12 130:12
notified 61:22
notify 62:3 90:1
notifying 61:20
noting 14:6
number 9:4 20:6 25:17 28:6 29:20 38:4,7 44:22 61:3 89:1 91:3 94:11 96:1 103:1 113:16 133:3
numbers 48:14 122:15 125:2
numerical 20:15 121:14 124:10

O

objection 76:13
objective 79:13 88:13
obscene 116:19
observation 121:2
observe 101:20 105:17
observed 122:5
observing 101:20
obtain 105:21 133:20
obtained 68:20 124:15 136:7
obtaining 133:8
obviously 14:16 17:20 22:11,13 24:1 25:1 28:17 29:19 35:5 41:3 43:1 74:22 111:3 112:6 115:10 116:17 118:12
occur 54:12 67:14 89:1
occurring 33:11
occurs 54:18 55:13 72:6
October 47:20
offering 17:15
office 35:18 53:11,12 54:18 100:3
officer 138:4
offices 2:1
offline 135:8
oh 93:20 126:14
okay 16:1 17:11 26:11 27:20 28:3 37:18 42:5 48:16 50:14 59:20 73:13 76:12,17 86:8 92:17 99:6 102:1 103:22
older 104:17,19 131:4 131:8
Oliver 3:9 5:18 6:13 6:21 7:5,10,18 8:6 9:10,13,16 78:13 83:18 135:14
once 11:17 12:3,4,5,10 13:15 40:22 46:5 67:4 68:5 73:21 104:2
ones 90:22 106:8 126:21
online 89:22 90:8 93:5
open 8:18 71:15 74:8
operating 19:7 26:13 83:14
operation 50:7
opinion 12:11 14:8 17:14,19 21:8 52:10 53:16 57:3 58:21 59:14 61:14 70:10 101:21 126:8 128:22
opinions 116:3
opportunities 91:17
opportunity 7:21 9:18 74:19 76:20 78:13 130:13 131:13
opposed 23:4 40:12 41:7 72:18 82:19 96:20 109:10 118:11 136:12
opposite 40:3
option 72:17
options 72:3,5
orange 25:13 27:19,19 28:9
order 7:3,9 11:6 78:17 78:21 121:18
Oregon 53:14 90:12 91:12,13,17 92:11 120:15 126:1,3,19
original 4:3 21:13
originally 29:9
ought 86:10
outcome 124:19 138:12
outlined 13:17 56:12 57:6
outpatient 31:16 34:16 35:11,16 36:4 37:2 42:3 43:2,5,12
output 125:9
outreach 89:1 109:3 118:15,17,18,21
outside 34:6,8,9 82:17 83:1,4 123:8
outstanding 15:21
outweigh 52:11
overall 19:5 92:16
overcome 34:11

overlooked 21:9
overly 131:20
oversight 6:2 7:13 10:17 101:16
overstate 28:21
overstating 31:5
overview 9:20 14:13 14:14 87:4
overweight 84:17
o'clock 137:20

P

P 3:1,1,11
page 4:4 26:22 27:22 28:1 72:3 98:14 124:8
pages 1:20 123:6
paid 42:8,11 98:10
palatable 124:1
paper 72:18 120:10 133:19 134:20 136:13 137:3
papers 9:17,18 117:18 119:18 120:10
part 8:12 18:19,19,19 19:1,8,13,18,19 20:18,18 21:3,3,10 21:10 24:5 27:19 42:15,16 63:17,17 64:21 71:3 72:8 74:21 77:15 80:16 88:8 92:12 95:1 104:15 112:7 121:21 124:14 128:18 134:1 135:2 136:10 137:15
participant 97:11,11 98:17 99:22 131:2
participants 96:16 97:15 98:15 100:2,7
participate 97:12 98:8 99:1
participated 97:9 98:1 98:8
participating 51:9 97:15
participation 77:2 98:11
particular 30:8 32:4 32:14 33:1,15,15 34:13,18,20 39:19 40:12 41:6 61:1 69:18 95:12 102:14 103:20 112:9 119:14 122:21 127:6,9
particularly 31:19 83:8 84:6
parties 8:6 81:10 138:11
pass 74:9
passage 91:5
passed 60:14 92:21 93:10
patients 77:11
Paul 2:5
pay 34:6 58:13,22 102:13 114:16
payer 32:12 36:15
payers 36:16 45:18
paying 106:7,12 110:3 114:15
payment 36:16
PDF 72:18
peer 69:4
pending 93:10
people 29:21 47:9,11 68:8 73:18 74:12 96:2 97:8 98:1,5,8 99:8,17 102:9 103:4 103:5 106:3,6 113:17 114:16 116:15 122:10,19 123:15 125:5 128:12
percent 16:12,17,20 18:3 22:16,16,18 23:13,14 27:9 28:15 38:9,10 42:1,4,9,10 42:14 48:14,14,15,16 52:19 58:7,18 59:5,6 59:9,22 64:22 65:1 66:18 67:1,3 80:18 81:7 87:21 105:12,13 106:13 107:21 111:15 112:20 125:17 132:2,6
percentage 39:7 107:18 131:18
perfectly 48:18
perform 13:8 70:8
performed 58:5,8 71:1 80:19 93:11
performing 60:4 68:8 68:13 69:21 70:9 83:5
period 18:11 55:12 61:12 62:1 66:7
periodically 118:4
periods 49:2 61:12 69:19
person 68:21 69:11 70:21 103:20 124:21 125:2 131:6
personally 92:6,11
perspective 44:14 82:18 96:7 99:7 106:6
pertaining 32:7 108:17,18 110:9
pertains 14:14
pertinent 14:5 23:22
pharmaceutical 31:17 35:19
pharmacy 31:20
phone 96:21
phrasing 50:7
physical 100:3
physician 31:16 33:18 36:19 100:2
physician's 35:18 100:3
pick 126:20,21 129:4
pie 122:19 124:13,21 124:22 125:1
pieces 121:5
place 2:5 12:2,9,13,15 12:21 13:12,13 19:12 35:15,17 43:5 57:4 78:21 88:5 129:7,8 135:4
placed 89:2
places 89:2 118:14 119:6 134:22 135:10
plan 31:8 83:5
plans 25:4,4 29:10,13 81:8 82:15 83:13
play 66:22
pleasantly 115:5
please 9:3 10:21 25:16 96:10
pleased 114:19
plenty 135:9
plus 66:3
pocket 106:7
point 11:21,22 17:1 18:17 21:19 66:8,11 67:1 81:3 82:4,13 95:22 112:13 115:18 126:13 127:9 130:3 133:13 135:22
points 69:19 82:5
policies 14:19,20,22 15:7 16:4,7,15 20:6 22:16 80:20
policy 16:10 19:5 20:7 89:11 96:5 105:22
policyholders 61:3
pool 27:4
pop 40:19
populate 124:20
population 36:13 39:16 44:11 45:2 104:3,9,15,18,19,20 105:3,6 106:2 107:7 131:9 134:1
populations 27:4
portal 134:2
portion 14:15,17 35:14 41:15 75:4,5,14 82:20 120:10 124:18
portions 69:16 111:20
position 69:9
positive 77:11 124:6
positives 119:8
possible 40:4 54:21 115:8
possibly 77:10

post 88:5 91:13 93:5 110:7 112:6,17,21 113:1 116:16 136:3
postage 137:4
posted 73:12 88:3 92:13,15 117:20 121:10 127:13,13
posting 93:4 112:4
potential 47:14 50:4 96:16 98:15 130:17
potentially 89:12 114:14
PowerPoint 4:11,13
powers 50:11
PPO 32:18
practical 14:21
practice 55:22 56:3 100:3,4
preamble 83:10
predicting 50:10
preface 114:12
prelim 21:16
preliminary 20:19,20 20:22 52:16 63:17,17 71:10 80:16 93:15 124:14
Premarked 4:5,6,7,8,9 4:10
premature 81:12
premium 7:1,5 27:9 29:2 45:19 63:6 75:6 75:12 107:18,21,21 112:12
premiums 1:10 23:16 47:6 115:3,4
preparing 56:6
prescribed 18:20,20 22:4 82:1
prescribes 51:14
prescription 33:19 41:18 45:13
present 7:10 56:13 73:18 121:7
presentation 7:17 8:2 73:5 78:19 87:4,5 90:7 120:9 129:14
presented 121:6,15
president 74:18
presume 103:6
pretty 12:11 123:3
prevalent 107:3
previous 59:3 69:19 84:3 90:20 112:14 113:7 129:5
previously 84:14
pre-approved 65:21 66:4,15,20 67:5
pricing 23:8 51:8 52:2 52:8 53:22 64:19
primarily 94:22 103:6
primary 34:22 35:3 56:18 72:21 94:12 95:9,9 110:11
principal 9:13,15
principle 79:8
print 88:20 95:11 121:6 135:1
prior 61:11,22 62:9
private 27:6
privately 105:22
pro 53:1
probably 15:5,21 17:12,21 23:22 28:15 29:9 37:15 38:4 44:5 44:9,15 45:3 46:19 51:6 53:15 54:11 56:22 65:13 67:7 70:20 71:12 79:2 90:6 94:12 99:10 100:14 101:9 103:10 110:15,16 111:8,9 117:1 119:11,13 122:6,13,16 123:6 125:11 126:20
problem 38:5 122:21
problematic 36:13 37:22 38:1 49:6
problems 37:8
procedure 7:9,22 8:4 35:21
procedures 68:4
proceed 9:7
proceeding 5:15,22 6:3 8:13,19 137:13 137:16
proceedings 74:3
process 6:15,18 7:4 8:9 10:5 11:7,8,20 12:3,5 12:11,12 13:7,13,15 13:18,19 15:14 19:12 22:15 50:6 51:9 53:11 54:19 55:1 56:8 57:4 59:18,21 60:1 66:2,12 68:5 75:22 77:3,13 78:18 78:20 79:14 80:3 81:5,9 82:9 84:1 86:7 87:15,15 89:16,16 90:1,4,21 99:4 108:20 109:13 111:2 115:2 116:5 117:10 118:2 119:15 121:11 126:15 130:11,15 131:16,22 132:5 134:20 135:6
processes 10:1 11:4 12:14,19
processing 26:14
proclaim 123:8
product 40:12 52:4 85:11
products 6:17 29:6,7 60:19
profession 122:14 123:9
professional 33:18 38:15 41:18 42:10 43:8 45:12 103:11,19 138:3
profit 57:12 65:1 82:15 124:12
profits 61:18
program 6:19 16:4,7 16:19 17:6 18:18 19:8,21 20:1,14 21:21 50:20 56:21 88:5,10,12
programs 118:17,18 118:21
Progressing 13:3
project 48:22 63:22
projected 79:16 84:19
projecting 49:1
projects 135:16
prominent 133:5
promote 53:10 60:1 62:20 68:6
prompt 49:15
prompting 19:3
promulgated 15:7
proposed 7:1 9:20 10:4,5,6 13:16 16:21 55:15
pros 51:18,18 52:11,20 127:2
protection 79:18,21
provide 7:19 13:9 19:4 20:18 21:2,10 35:2,4 35:7,12,14,21 37:13 65:5 70:16 73:17,20 74:12 76:20 79:18 86:6 88:11 89:21 90:3 114:17 116:6 121:2 130:15 135:18
provided 5:20 11:9 12:7 36:3 65:10 70:15 72:16 83:21 86:19 88:15,17,22 100:6 102:16 118:18 130:20 132:15
provider 29:19,22 30:4 35:5
providers 33:8 35:9,13
provides 58:9 87:4
providing 88:14 91:3 130:7 131:13
provision 83:13
public 1:10 2:13 5:5 8:3,12 9:4 21:11 24:21,22 25:1,2 74:11,12 77:1,2 88:11 89:2 91:19,21 93:6 108:11 116:12 130:11,11,14,18

131:16,22 132:6,8 133:2,6,8,17 134:3,4 134:7,13,16 138:1,4 138:5,20
publicly 75:2
published 80:8,12 119:20 120:1
pull 92:11
pulling 71:10
purchase 106:1,4
purchasing 89:8,11 95:2
purpose 15:13 94:1
purposes 14:21,21 15:4 26:5 62:15
pursuant 2:12 5:12
put 58:17 67:4 80:10 87:17,17 109:4,5 114:7 119:17 120:14 129:1,3
putting 69:1 127:10
p.m 137:20

Q

qualified 70:1 79:14
qualitative 40:6
quality 24:4 26:7,15
quantitative 40:2
quarter 32:22
quarterly 40:5
question 8:2 41:16 57:17 71:22 99:13 100:5,11,19,21 101:1 101:17,18 103:5 120:12,22 121:4 122:9 126:1 134:13
questions 7:14,18 22:22 41:14 56:11 71:16 73:3 76:3 85:20,22 96:10 100:11 102:22 114:12 117:9 119:11 119:12,22 120:11 129:13 132:13
quickly 82:5 94:10 96:9 104:1 135:5
quiet 5:1
quite 12:19 13:14 30:12 56:12 57:3,3 110:12 122:13

R

R 3:1
radiology 39:4,7
random 90:12
range 103:12 107:20
ranges 27:9
ranging 107:20
Ransom 76:8,9,11,17 77:19 78:3 132:15
rapidly 43:13
rate 6:15,19 7:1,4,6 8:1,9 10:3,6,9,9 13:7 13:7,10,18 14:14,17 15:6,14,22 16:1,4,6,9 16:10,16,18,20,21,21 17:6 18:13,16,18 19:4,7,10,12,21 20:1 20:5,12,14 21:14,21 22:1,7,12 23:11,11 23:11 24:8,18 28:14 28:18,19,22 29:1 30:8,13,14,15 32:5 33:15 40:18 41:8 48:3 49:2 50:5,12,20 55:2,14,16,17,19 56:21 58:16,17,22 59:1,11,13 61:20 62:4,6,9,18 63:18 66:10,14,17,22 67:22 68:22 75:6 77:7,8 78:18,20 79:13 80:17 82:20 84:1,22 85:7 86:7 87:14,15,20 88:4,10,12 89:15,17 89:22 90:2,21,21 91:13,15 92:1,11 93:4,5,7 94:16 99:4 106:10,14 108:13,18 108:19 109:13 110:9 111:8,14,20 112:5,7 112:10,12 113:2 116:5,8,16 117:7,7,9 118:1,6,10,10,11 119:12,14,16,16,16 119:17,20 120:2,3,5 121:8 123:1,18 124:3 124:10,11 126:15 127:6 128:11,17,21 129:5 130:8,12 133:3 133:7 135:19 136:5
rated 52:4
rates 10:2 13:2,5 28:16 40:3 47:15 52:5 58:12 59:14 60:7 66:7,8,9,11 84:12 90:4,5 98:17 108:18 111:1,1,7 126:5
rating 66:19
ratio 11:15 22:14,14 22:15 23:1 24:5 60:10 64:21,22
rationale 48:19 56:14
ratios 23:3,12,17
reach 120:21
reaction 117:2
reactions 110:12
read 17:3 72:7 77:13 106:18 122:11
readily 131:9
ready 5:2 9:8 87:2 130:5
real 14:13 32:22 41:1 58:21 123:16,17 127:5
realistically 46:15
realities 72:9
reality 83:21
realize 29:13
realized 29:8
really 15:13 20:8 23:9 32:15 33:10 42:12 44:17,18 45:22 52:7 52:10 53:6 57:5 58:19 59:12,14 61:7 62:4 63:20 64:8,14 66:21 68:21 72:19 89:14,19 92:9 93:3,9 94:2 95:1 97:12 98:18 105:18 108:3 109:15 110:14,17 112:1 113:10 114:22 115:3 122:11,15 123:9,13 124:7 129:7
reason 37:17 59:11 72:21 81:2 95:10 101:13
reasonable 20:13 24:8 59:6,15 107:11 136:2
reasonableness 10:9 22:7 23:20 24:16 59:12
reasonably 104:21
reasoning 59:8
reasons 58:9
reassess 118:17
rebate 23:16
recall 68:16
receive 113:6 114:10 130:12
received 8:5,7,14 10:15 11:21 74:20 120:18
receiving 106:11 116:12
recess 74:2
recognizing 21:21 31:11
recommend 24:20 52:14 60:3 62:12 69:22 111:6,19 112:4 128:2
recommendation 56:15 60:10,12,13 63:21 64:11 68:3 72:21 79:20 80:15,18 82:2,6 111:22 124:7 128:4
recommendations 4:6 4:7 5:17,19 6:1,17 7:2,11,12 10:11,15 11:6 14:1 52:10 56:9 56:10,13 63:22 64:2 64:5,8 67:8 69:11 72:4,15 75:9,20 79:6 80:11,14 86:18 87:8

88:14 93:15 111:5 112:14 116:4 130:1 133:1
recommended 50:2 56:4 81:1 135:3
recommending 58:7 60:22 61:16 62:7 63:5,15 65:1 66:12 70:4 112:8
reconstruct 45:4
record 8:13,18 45:18 74:21 86:12,15,17 137:16 138:7
recruit 94:19
recruited 102:15 104:2
recruiting 102:16
reduce 63:1,3
reduced 138:8
reducing 80:1
refamiliarize 55:6
refer 17:4 68:10 109:14 122:22
referenced 9:1
referencing 100:11
referring 87:21 113:7
reflected 25:11
reforms 111:3
reg 21:16
regard 7:15 62:11 81:8
regarding 6:22 8:6,8,9 10:7 29:12 86:7 91:12,19,21 92:1 108:19 110:9 112:15 112:16 114:21 116:5 119:12 130:8 133:2
regional 83:7
Register 135:9
Registered 138:2
regs 33:20 111:13
regular 68:10 98:8
regulation 6:20 14:15 14:17 20:12
regulations 10:4,6 11:10 13:17 14:2,3,7 14:18 15:6,19,22 16:1 21:18 22:9,17 52:18,18 57:6 58:4 59:11 60:7,15 88:8,9 94:16 95:17 116:6 134:20
regulatory 6:2 7:13 10:16 11:10 13:2 57:7,18 58:1 77:3 92:20
reimbursement 29:20 30:1,4
reimbursements 35:6
reject 41:5
related 99:16 117:9 119:13,14 138:10
relates 72:1
relation 59:15 61:9
relationship 99:18 100:7
relatively 43:19 96:9 107:6
relevance 84:16
relevant 35:2,4 64:19 64:20 82:17
relied 100:13
rely 109:19
relying 115:14
remain 79:13
remember 26:22 57:8 57:14 115:16 135:12 135:13,16
remembering 26:20
reminded 130:4,19
remove 97:16
repeat 7:21
report 7:16,20 8:1,1,4 12:21 14:6,10 16:19 17:3,4 19:15 24:11 24:14 40:4 51:17 53:6 56:13 64:6 65:14 67:19 68:15 69:14 72:3,7 73:5 74:1 77:5 78:19 79:7 80:11 83:19 85:9,18 86:7,11 90:9,20 98:13 99:15,19 112:8 112:14,22 117:11 129:13 130:2 132:18
reported 1:21 46:2,17
reporter 10:14,20 71:21 77:18 138:1,3 138:3
reporting 19:17 62:14 65:5 67:14 69:2,7
reports 5:19,19 8:7,15 14:3 24:22 25:1,2 27:12,12,17,17,18 28:9 76:13,21 78:14 137:11
represent 34:15 54:6 79:10
representation 105:6
representative 104:10
representatives 107:17
representing 46:14 115:9
represents 38:13
requesting 20:5
requests 75:6 122:22 130:9,12
require 31:4 50:8 52:3 57:7 58:4 60:11,15 61:7 62:12 65:3 67:3 69:6,11 71:5 72:15 81:16 95:5,20 111:13 131:15
required 11:13,16 18:21 19:20 25:15 26:5 54:20 56:2 61:10 62:8,14 63:1,5 67:21 69:13 71:7 81:4 88:5 135:18
requirement 53:8 61:21 88:10
requirements 10:10 11:12 13:17 22:14 24:5 50:13,16 51:1 53:9 57:5 61:19 62:11,14 69:7 80:7 80:10 81:14,17
requiring 63:15
research 53:2 87:6,10 92:9 93:12 94:18 97:2,21 99:10 102:14 103:11 113:4,13 114:3 131:7
reserve 84:7
residents 47:5,12 95:5 131:4
resource 134:4
resources 50:8,9 71:7 109:16 114:5,8,14 118:21 119:4
respect 7:9 35:2 60:2 104:10
respond 116:8
responding 102:10,11
response 79:6 136:9
responses 114:12
responsible 32:11 70:9
rest 85:19
restroom 74:6
result 34:14 44:13 100:7
results 19:18 21:7 42:18 96:2 99:19 101:22 102:7 112:22 113:1
retrospect 100:14
revenue 27:1 39:2,3
reverse 121:18
review 6:2,14,15,19,21 7:6,13 8:1,9 9:22 10:1,2,3,16 11:4,15 12:14 13:2,5,18 15:14,14 16:4,6,10 16:11,11,14,18,18 17:4,6,7,8 18:14,18 19:8,12,21 20:1,3,14 21:6,21 22:5,8 28:18 28:22 32:9 50:5,20 54:20 55:3,8 56:5,21 57:4 58:4,18 60:7 63:1 65:3,6,7 66:18 67:22 69:4,17,22 70:6,9,15 72:2,6,17 78:16,18,20 79:13,17 80:19 81:7,15 82:20

84:1,5 85:2 86:7 87:15 88:4,10,12 89:16 90:4 94:16 111:2 112:19 116:5 117:7 118:10 126:15 133:19 134:18,19
reviewed 11:9,9,11,17 12:10 21:15 54:5,7 67:1,11 111:1
reviewers 68:7
reviewing 21:22 30:13 40:3 59:18 70:13 75:4 85:7 89:4
reviews 12:2 16:19 28:20 53:19 55:2 58:5 60:4 61:13 67:11 68:8 122:22 123:18
revised 117:13 124:7
Rhode 90:13
right 6:7 9:8 15:21 16:1,9 17:12,17 19:2 19:16 22:20 25:7 26:4,9,20 32:11,19 33:2 38:15 47:15 57:9 61:18 73:2 76:13 81:11 87:3 91:19 103:17 109:5 112:20 114:21 118:7 118:19 137:2
rigor 12:21
rigorous 78:20
risk 65:1 79:16
Robbins 8:15 74:15,17 74:18 76:2,3,6 129:18,20,21 131:14 132:3
Robinson 78:5,7,10,10 86:1,4 132:17,19,19 134:12 136:8,22 137:3,7
robust 53:16 72:5,18
robustness 72:14
role 68:13 94:6 108:12 109:13 111:2
room 39:5 99:8 133:6
roughly 41:15 100:16 124:22
routinely 134:22
row 106:22
rows 90:18
RPR 1:21
rule 80:7,12 81:4 82:3 83:10,18 84:2 85:13 85:16
run 110:2
running 48:13

S

S 1:21 2:12 3:1 4:2 138:2
safety 23:15
Sammis 3:4 6:7 39:22 49:17 71:18 115:7 125:22 134:10 135:12 136:19
sample 53:22 92:14 104:8 107:4 121:8
save 115:4
savings 29:12
savvy 131:5
saw 24:13 96:2 121:16 121:18 124:4
saying 14:20 40:17 44:21 98:6 127:17,18
says 21:19 49:11,12
SB 22:20
scale 13:12
Scheduler 135:9
Schugoll 97:20
scientific 131:7
scope 67:22
Scott 8:9
screen 10:13 94:21 98:14 100:20 116:18 131:20
screened 100:15
screener 94:18,18 100:10
screening 100:13 101:13
scrub 46:6
scrutiny 58:11
seal 138:14
second 41:16 42:16 77:5 88:2 105:4,8,14 105:15 121:17,19 122:2 124:5
Secondly 6:21
section 105:11 107:14 108:1,4
sections 104:7
see 13:11 20:22 31:21 36:6 39:12 42:8 44:22 45:5 47:22 50:3 53:2 57:8 60:5 66:13 67:19 73:21 90:6 91:1 92:14 102:9,21 105:2 113:14 114:6 122:18 124:22 126:9 127:15 128:10,11 136:1,2
seeing 5:10 40:8,11 48:2 75:13,15 93:9
seek 34:9
seeking 34:1
seen 40:13 43:12 68:14 125:9
segment 23:2 32:16 60:11,20,21 61:8 82:22 85:14
segmented 87:5
segments 13:5
segregate 25:5 27:13 32:15 34:3
segregated 9:21 28:5
segregating 27:14
select 90:12
selected 73:1 99:2
selection 38:20
self 25:8 32:16 99:2
senior 71:13 74:18
sense 39:11 40:2,6 55:15 58:20 99:8 126:11
sensitive 71:21 84:15 106:10 110:10 117:21 118:12 129:2 129:6
separate 100:10 111:7
separated 94:14
separately 105:3 129:19
September 16:2,5,7,13 16:15,22 18:9,12 47:19
SERFF 62:13,13,16
serve 77:12 114:8
served 74:14
service 31:15 32:9 46:4 57:12 82:15
services 7:8 29:20 30:3 30:5 33:9 34:1,9 35:6 35:8,10 36:3 37:1,7 39:15 41:17 42:21,22 43:4,8 46:10
set 5:18 7:11 12:20 20:11 33:1,21 37:16 46:9 47:4 51:11 61:9 72:3 81:6 92:14 138:13
setting 35:15 43:5,6 133:3
severity 40:8
share 79:12 122:4 125:16 131:17
shared 97:8
sheet 18:21
sheets 125:7
Sherlock 24:22 28:8
she's 9:15 93:18
shift 37:15,17 43:2 45:1
shifting 36:14,17,18 36:18
shop 62:5
short 133:16
shorten 55:11
shorter 55:11
shorthand 8:1 138:1,3
shortly 47:16
show 105:3 107:11 124:9
showed 57:1,2 127:10
showing 106:17

shown 102:19 121:19 121:22 131:19
shows 72:19 124:22
Shugoll 103:11
sic 97:21
side 12:22 35:18,19 36:4,5,14,18,19 37:2 37:7 42:8 43:3 100:1 100:9,17,19 101:4 102:6 136:20
signed 73:17,19 74:12 137:9
significant 19:3 55:10 67:10 70:11 104:4 105:18 114:4
significantly 29:4 75:15 105:17
signing 56:1
similar 27:5,5,7 127:20 130:15 131:19
simply 81:4
single 22:3 36:15,16 75:15,15,16 115:16 121:19
sir 77:18 78:4
site 11:18 21:16 136:4
sites 92:10 126:10
sits 55:4
sitting 101:19
situation 36:15
six 46:2 90:18
size 27:5 102:18 107:10
skew 99:18 102:7
skewing 100:6 105:2
skewness 104:4 106:15
skills 70:20
skip 45:7 65:20
skipped 45:6
slice 38:13,17
slide 10:13 33:7 34:22 57:1 73:7,10,11 86:20 87:3 93:2
slides 14:4 96:8 104:2 107:8 109:20 113:7
slightly 83:2 104:14
slipped 100:12 102:6
slow 135:8
small 12:4 13:6 15:9 15:15 22:17,18 23:13 27:14 28:5 32:17 38:16 41:7 55:19 60:9 61:3,21 62:8 63:16 79:11 80:21 92:14 94:15,19 95:2 95:15,19 100:1,19 101:4,5,8,14 102:3,8 107:10,16,17 109:8 109:18 115:13,22
smaller 47:10
software 125:7
solvency 24:2,3
somebody 71:13
someway 134:14
somewhat 90:11 104:10,20 122:3
sorry 25:21 29:16 57:21 66:20 93:20
sort 19:1 20:16 21:2 23:14 34:19 36:15 40:5,14 41:9 49:9 69:20 116:11 117:22 120:13,15,16 123:14 127:20
source 25:9,10 28:10 45:8,17 106:17,19 110:11
sources 108:14,15
speak 5:10
SPEAKER 93:21
speaking 123:11
special 95:12
specializes 103:12
specific 19:9 21:14 32:8 105:9 107:9 116:15 118:6,11 123:18 128:21
specifically 77:6 80:9 87:17 90:13 98:15 103:15 119:13,14 122:9
spend 133:4
spent 11:17 74:22
spirit 103:2
spite 109:3
spreadsheet 51:11 102:16
St 2:5
stabilize 55:18
staff 11:19 67:16 68:7 68:9 77:15 78:8 81:13 94:17 119:5,6 133:5 134:8
staffing 65:22 67:6,20 72:9,22,22 120:6
staff's 133:9,10
stakeholder 115:21
stakeholders 116:2
stale 48:8
stand 128:18
standard 20:10,11,16 20:16
standardization 65:18
standardize 50:18 53:10
standardized 19:16 50:21 51:5 52:15 53:3 59:17 65:17
standards 24:3,15,19 55:22 56:3
stands 78:18
start 36:3,5 41:1 81:3 87:9 96:21 102:21
started 10:5 18:1 22:14
starting 11:20 39:12 91:10
starts 43:21,22 70:13
state 2:13 7:6 13:1,4 16:3,6 17:6 18:6,6,17 19:14,22 20:14 21:6 27:12,12,17,17,18 47:9,11 54:2 60:15 80:4 81:5,17 82:17 83:2,4 88:4,5 89:10 93:13 95:6 104:16 115:20 116:13 127:1 127:9 133:6,18 134:22 138:21
stated 121:20
statement 27:1,2 98:14 99:14 127:4
states 12:15,16,18 16:18 18:8 19:6,7,11 19:14,17,20 20:17,18 21:2,10,22 47:10 53:3,13,21 55:3 60:6 60:6 61:14 89:22 90:11,11,14 91:2,3,9 92:3,22 93:14 113:8 116:15 126:3 127:4 127:10,14
statewide 45:10
state's 15:9
static 120:14
statistics 91:19
statute 20:12
statutes 11:10
statutory 27:2
stenographically 138:8
step 13:16 22:8 50:15 80:6 88:17 109:7
stick 17:22
stranger 70:18
streamline 54:19
stretching 122:16
strictly 58:14
strong 40:21 41:2 43:17,19 45:5
strongly 77:4
student 68:2,13,18 69:8,9 70:5 71:1
studies 27:3
stuff 114:21 123:19 125:11,18
sub 34:17
subject 7:20 16:11,11 16:16,17 18:14 22:5 56:18 65:7 66:18 82:19 94:16
subjects 5:16 117:16
submission 10:10

50:12
submissions 11:14
submit 8:21 11:13 17:12 21:6 25:15 52:21 63:6 64:3 79:3 85:19 87:19 103:10 133:21
submitted 14:2 16:15 16:22 18:15,19 19:9 51:2,3 52:17 54:21 55:12 56:1 62:12,21 66:10 69:2 77:15
submitting 12:17 30:15 63:10
subscribe 91:14 113:5
subsequent 28:19
subset 35:12
succeeding 109:20
sudden 43:21 59:4
sufficient 61:15
suggest 24:20 112:10 130:9 134:5
suggested 131:14
suggestion 82:13
Suite 2:6
summarize 56:10
summary 7:10 21:7 63:18 77:8 80:16 112:5,18 121:9,9
Summer 46:17
supervision 138:9
supplement 25:7
supplemental 25:16 26:1,3
support 66:11 69:16 71:7 75:8,20 85:12 119:7 120:7 130:1
supported 20:6
supporting 19:10
supportive 77:4
suppose 48:21
sure 25:7 32:10 46:3,7 46:22 47:2 55:19 57:22 66:21 77:19 79:22 91:20 96:6,13 103:21 104:3 110:17 114:16 116:19 128:8 129:20
surplus 23:8 24:1
surprised 115:5
surveys 113:19
suspect 92:2 104:15 119:21
suspicion 121:21
swiping 74:7
switch 114:1
switching 35:10
system 32:12
S-C-H 97:20
S-C-H-U-G-O-L-L 97:21

T

T 4:2
table 121:17,17 124:10 124:20 125:3
tables 121:14
tabs 77:7
take 12:2 16:2 35:15 40:18 43:4 48:20,22 49:13 51:20 54:17 73:15 82:10 96:20 134:5 136:17
taken 91:17 95:13 117:4 138:5,8
takes 12:12,21 20:8 50:12
talk 11:3 13:19 22:6 53:6 64:1,5,6 93:18 108:6 135:21
talked 23:7 51:17 52:16 62:18 64:9 65:4
talking 33:8 119:5
tammy 3:11 9:9,14 11:3 50:13 92:7 113:7 117:2
target 104:3 106:5
targeted 95:8
targets 105:9
tasked 24:2 32:7 88:13
tasks 69:5,13
tax 114:15,17
technical 15:11 35:14 35:22 79:13 89:19 111:9
technicalities 15:3
technically 14:19 15:6 62:2
technology 37:12
telephone 116:10
tell 28:6 37:11 39:3 40:6,22 123:13
template 19:17 51:18 52:15 53:4
templates 51:5
ten 62:3 73:15 107:12 123:3
tend 42:7 68:17 94:22 104:17
term 31:10 87:22 111:9
terms 24:10 26:10 34:21 40:8 51:1,12 65:10 72:6,14 74:6 74:11 79:6 81:12 89:5 98:4 99:3 105:10 113:15 124:19 126:16,18
terrible 100:18
terribly 104:22
test 32:5 60:10,11,17 60:18,21 61:8 128:4 128:9
tested 117:12
testimony 13:9 73:20 77:14 131:15 138:7,7
testing 128:8
thank 9:11 11:5 17:17 28:12 38:21 73:2,4 74:19 76:1,4,6 78:3,4 78:12 86:2,4 92:18 103:9,22 129:13,15 129:21 132:10,11,14 137:7,13,18,18
that's 10:13,18 11:11 12:22 13:13 15:4 16:8 17:10 22:20 26:4,17 27:1,15 28:5 30:7,11 31:13 39:7 47:1 48:3 49:9,13 50:1 51:2,7 52:5,17 56:1,6 59:15 62:21 63:18 64:21 66:17,18 69:21 71:1,5 75:18 83:9 84:22 86:20 89:6,7 90:4,9 93:20 98:21 99:5 102:21 105:5 106:21 110:3 112:1 119:18 120:17 120:22 122:19 124:18 125:1,13 127:22 128:13 129:6 129:7 134:9,12
themes 89:5 93:3,9
theoretical 37:20
theoretically 36:2,17 39:6 60:18,18,21
therapy 100:4
Therese 3:3 6:4
there's 17:18 19:16 27:10 37:15 41:5 43:14 50:4 54:9 55:11 60:12 61:7 65:19,22 70:11 74:5 75:18 78:22 91:18 93:2 94:11 98:14 102:2 103:1 105:2 116:17 117:6 119:8 119:11,18 124:17 125:12 128:6 133:15 134:14
they'd 125:16
they'll 18:10 52:22 68:9
they're 25:2 34:12 40:8,11 56:12 57:6 58:13 59:5 62:5 84:12 85:18 94:19 106:2,8,13 114:7,15 118:6,8 127:13 129:4 130:8
they've 46:3 98:5
thick 51:12
thing 21:9 37:14 39:9

55:21 59:17 109:18 128:1,2 129:4 130:2 135:21
things 6:14 17:20 22:4 30:2 37:9 38:22 40:9 44:20 50:2,21 70:14 70:19 79:5 84:9 85:6 92:2 109:1 111:5 117:19 122:20 123:11 134:22 135:5 135:7,10 136:17
think 9:8 13:21 18:1 21:18 24:11 25:22 26:17,18 28:10 29:11 35:7 36:2,7,10,13 37:21 38:1,19 39:19 40:20,21 43:18 44:4 49:22 59:14 60:3 61:7 68:17 71:22 73:4 76:15,21 77:6 80:5 81:3 82:22 85:14 86:10 89:19 91:18 100:12,14,17 100:22 101:9,15,15 104:11 105:14 109:21 111:13 120:19 122:19 123:2 123:5,20 125:20 126:3,5 127:4,19,20 127:21 128:12,21 129:1,6,9 130:4,18 130:22 131:19 133:3 133:14 134:12 135:19 136:10,19
thinking 9:7 26:10 72:8
thinks 67:2
third 72:17
thorough 11:20 57:4 73:4 78:16 81:9
thoroughly 11:8
thought 53:18 56:17 67:17,22 68:14 101:21 105:18 127:1
thoughtful 82:3,9 84:9 134:6
thoughts 65:15
thousand 38:10 44:20
three 9:17 12:3,6 13:5 20:8 48:12 55:5 57:14 72:3,5 74:11 87:5 95:7,8 101:8 120:15,20 121:5 123:6
three-quarters 125:1
threshold 18:3,4,5,7 52:19,22 58:6,18,19 59:9 66:16 80:18 81:7,19 87:20 112:8 133:4
thresholds 83:6
throw 101:22
Thursday 1:12
tie 43:17
tied 44:5 63:21 83:7 85:11
time 11:21,22 22:17 28:16 31:12 40:21 46:18 48:9 49:1 52:11 54:17 55:16 61:10,12,15 62:5 63:1 69:19 74:22 81:20 82:10 110:10 117:21 118:12 121:19 127:9 128:7,8 129:2,6 133:4,9,10 134:4 135:20,22
timeline 55:11
timeliness 135:2
timely 32:20
times 12:3 114:12 123:12
timing 11:14,14 46:1 47:15 49:5 61:9
tip 25:17 41:20
tips 89:8
today 6:9 7:19 9:19 10:17 12:13,19 13:2 13:14 44:16 51:6 52:2 57:4,14 65:8 66:5 73:5,6,8,18 78:13 79:2,5 88:18 89:7,15,20 90:10 91:1 93:13 95:20 135:20 137:14
today's 7:9 9:20 73:21
told 74:7
Tomczyk 3:11 9:9,15 11:5 25:22 26:13,21 27:22 28:2 38:22 39:17 42:7 44:4 46:13 50:14 54:22 57:21 59:10 68:16 70:2,20 71:15 72:13 87:3 92:8,19 94:1 96:13,18,20 97:1,6 97:20 98:3,12,21 99:5,7 100:9 101:5 101:15 102:13 103:16 104:1 114:10 115:18 118:5,8,10 121:1 124:2 125:8 126:8 128:2 129:15
tongue 25:18 41:21
tool 51:8,21,22 124:16
tools 64:16
top 57:9,15 91:2,7 123:2
topics 9:21 108:6 123:15
total 34:17 41:16 42:2 75:18
touch 55:22 62:20
touching 65:21
tough 125:18
track 36:9 43:16 44:22 45:4 47:21 102:15
tracked 102:17
tracking 41:1
Traficante 1:21 2:13 138:2
trained 68:11
training 68:9 70:5
transcript 4:3 11:2 78:2 86:22 138:6
Transfer 42:21
translate 83:2 117:16
transmission 70:18
transparencies 120:10
transparency 7:4 90:16 91:7 115:2 119:9,10 120:7
transparent 87:14,16
treatment 37:11,13
treatments 36:9
tremendous 109:3 118:20 133:4
tremendously 109:19
trend 10:9 22:11 28:14 28:15,17,18,21 29:1 29:3,4,5,14,17 30:11 30:13 31:6,6,15,21 32:5 33:7 34:22 35:3 40:20 41:10,10 46:19 55:17 58:15 59:7 63:8,10,13 66:4,6,15 66:20 71:4 72:2 75:4 75:5,14,17,18 84:3,7 84:10,15
trends 30:19,22 31:1 31:14,14,19 39:20 40:11 41:13,17 42:19 42:20 44:2 46:14 47:22 59:4 65:21 67:2 75:12,16 83:6,9 84:20 102:9
tried 56:16 94:9 102:13 104:5 106:9
trigger 16:13 18:16 87:22 112:7
trouble 9:3
true 31:21 52:5 107:1 138:6
truly 103:6
try 17:22 34:3 45:4 54:19 58:2 83:19 103:20 117:16
trying 36:7 57:8 71:11 81:16 82:22 83:12 84:19 108:3 117:14 125:3 126:9
turn 93:18 108:5 131:9
turned 74:4 77:15
turnkey 50:6

two 5:18 6:5,14 8:6,7 9:16 11:18 18:14 23:21 29:19,21 32:6 33:20 34:4 38:22 46:15 48:12 53:4 55:5 76:21 91:9 92:13 93:3,9 95:15 100:10 107:8,12 108:3 124:4,8
type 7:3 25:6 37:1,7,7 51:21 52:15 58:3 70:21 81:1 83:13 91:3 94:7 118:10 120:20 126:18 128:1
types 18:15 31:14 32:8 41:17 42:21,21 46:10 112:15 117:21 120:21 125:4
typewriting 138:9
typically 60:5 89:6

U

ultimate 58:22
ultimately 17:18 45:15 67:9
Um-hum 36:1
underestimate 59:3
underestimation 84:3
underlying 30:5 31:21 33:5,9 38:6 93:3
understand 5:9 11:8 48:17 74:5,13 78:17 82:6,8,11 83:1,12 94:2 130:17
understandable 121:21
understanding 12:12 15:16,18 17:5,10 62:13 66:5 77:12 85:5 88:22 97:14 108:10,11
understate 29:3
understating 31:6
understood 13:15 99:12
underwritten 41:5
unfortunately 106:18 124:8
uniform 51:19
uninsured 106:2
unintended 80:1 84:21 133:11
unique 31:8 36:14 124:18
uniqueness 41:6
unit 6:11 44:7
United 106:21
universal 31:15 115:13,16
unknown 103:2 107:4 107:5
unreasonable 59:7
unreasonableness 59:13
updated 118:3,3
updates 91:15
upfront 62:22
uptake 91:16
uptakes 91:20
upward 30:22
urge 113:4 116:13 118:16
use 7:22 13:6 17:21 22:1 34:14 35:7 42:18 48:1,8,9 49:5 49:20 51:10,14 53:3 62:16 64:13 66:6 76:20 97:7 113:14 114:6,7 125:12 130:3 131:5 133:9 134:17
uses 52:6
usually 42:8
utility 82:11
utilization 29:12 33:6 33:8 43:21,22 44:6 44:10,14,17 46:9
utilized 29:21 35:8,13

V

valid 46:8 53:18
validate 93:16
validated 46:18
valuable 130:3
value 31:11
variation 12:19 52:5
variety 93:8
various 89:2
vary 18:6,6
vast 89:1
Vehicle 89:3
versions 124:4
versus 31:14 41:18 81:8 84:13 127:19
vice 74:18
view 35:1 40:4 49:18
viewed 20:17
Virginia 132:4
visual 120:17 122:13 124:21
visually 125:19
volume 66:1,14

W

want 5:3 23:9,18 31:18 37:8 47:2 54:2 61:4 61:17 66:16,19 73:3 76:18,22 105:12 110:1 114:5,22 115:3 115:15 122:11,17 123:20 129:22 137:13
wanted 22:8 50:15,22 54:13 55:21 72:11 86:6 93:15 95:1,11 96:5 104:3 106:5 110:19 114:15
wanting 71:21
warrant 59:6 114:3
warranting 105:18
Washington 53:15
wasn't 15:12 92:15 105:11
way 5:8 6:12 11:21 14:20 30:22 42:14 48:7,21 50:5,7 53:9 77:9 81:2 85:17 102:11,11 108:16,17 109:6 110:6,7,8 119:15 128:21
ways 7:2 75:9 92:5,5 133:15
wealth 75:1
website 9:2 20:19 21:4 73:8,14 77:6 88:3,4,7 88:20 92:1 111:16,17 111:21 112:11,19 117:20 119:18 122:11 126:4,5 127:1 127:6,8 129:2,8,10 130:3
websites 126:2 127:15 127:16
week 136:10
weeks 55:5,5
welcome 5:5
well-known 109:2
went 12:10 67:17 97:5 121:11 126:9
weren't 88:9 99:9 104:22 126:22 127:10,12
West 132:4
we'll 7:21 17:22 63:22 64:5 67:19 71:15 73:21 102:3 136:17
we're 5:9 9:8 14:16 17:14 22:6 26:4 33:7 57:17 58:7 60:22 62:6 63:5,15 64:20 65:1 66:12 70:15 73:19 74:13 79:2 81:21,21 84:14,19 86:16,17 108:3 111:4 112:8 119:5 125:3
we've 27:2,3 43:12 56:14,16 65:15 73:21 75:12,14 78:18 87:5 125:9 131:14 133:18
whatsoever 45:20
what's 40:12,19 58:21 59:1 97:18 105:5
WHEREOF 138:13
wide 12:19
wild 71:3
willing 30:16 125:16
wish 5:3 7:19 8:20 129:18

witness 13:9 138:13
wondering 48:8
won't 37:11 59:19 65:20
word 114:21 131:12
words 116:20
work 7:5 30:22 47:10 50:19 52:9 53:11 56:18 64:12 65:19 67:12 69:1,12 71:4 75:10,21 78:15
working 12:16,16 47:11 53:21 74:22
workload 66:1 67:15
works 119:15
worksheet 63:18 124:14
worried 102:4
worry 74:8 127:11
worth 45:20 49:20 105:18
wouldn't 38:18 102:4 102:7 110:16 118:2
writing 79:3 82:21 85:20 133:21 137:14
written 4:8,9,10 8:5,7 8:11,20 9:1 74:20 77:14 128:16,17 131:15
Wyman 3:9 5:18 6:14 6:21 7:10 8:6 9:10,13 9:16 78:13 79:7 83:18 85:9 130:2 135:14
Wyman's 7:5,18

X

X 4:2 38:9
Xs 90:19 91:2
X-ray 31:17

Y

Y 38:10
yeah 16:10 39:17 42:7 50:1 59:10 70:2 77:19 101:5 109:21 114:19 120:4 125:17 127:22
year 28:22 29:2,4 30:10,11 38:9 46:2,5 52:6 58:15,16 59:3 67:4 81:18 87:11 91:9
years 43:3 46:15 48:11 48:12 75:13 84:4 95:22 132:4
yellow 106:18
York 53:5
younger 104:14,20 131:3,10
you'd 28:22 43:9 73:20 83:4
you'll 41:1 102:21 105:1
you're 18:17 31:5,6 38:14 39:12 40:17 43:4 44:21 45:1 48:19 58:19,22 60:4 62:14 65:5,14 72:20 73:9 77:5 79:18 87:1 93:21 103:17 104:19 113:10 124:21 125:2 134:6,7 135:7,8 136:14
you've 29:1 30:19,19 78:16 89:9
Yu 3:5 6:8 41:12 42:5 42:17 71:19 73:12

$

$1,000,000 45:19

1

1 1:20 4:5 5:15 12:22 73:1 80:16
1st 16:2,5,7,13,15,22 18:7,9,10 22:19
1-200498 1:19
1:00 137:19
10 16:12,17,20 18:3 42:11 46:5 52:19 58:7,18 59:9,22 66:18 67:1,3 80:18 81:7 87:21 111:15 112:20 125:17
10:00 5:3
100 15:16
11 4:11
11-12 4:5 5:14
12 21:15,18 22:4 34:22 46:5 66:7 83:17,21 83:22
12th 66:8
12-month 18:11
138 1:20
14 48:16 100:2
15 42:1
17th 5:21
18th 6:2
183 22:20

2

2 4:6 5:22 93:21 95:16
20 42:1 65:1 74:5 98:14 105:12,13
200 2:5
2009 45:13
2010 15:1 16:22 45:14 46:14 47:17,18 48:20
2011 1:12 5:5,13,21 6:2 8:19 18:3 22:19 46:12,14,16 47:20 52:19 58:7 66:19 80:8 138:15,17
2012 18:4 46:12,17,19 47:16,16
2014 15:10
2016 15:14
21202 2:7
23 1:12
23rd 5:5 15:1 80:8 138:14
25 100:17 138:17
2700 2:6
29 27:22 28:1

3

3 4:7 6:3 7:13 13:12 132:2
30 62:1 100:16,17
30th 8:19 79:4
31st 5:13

4

4 4:8 8:11 13:12 26:22 59:5,6
40 42:3,10 61:22
410 2:8
410)468-2007 9:5
45 32:21 62:9
468-2000 2:8

5

5 4:9 8:12 21:9 132:2,6
5/17/11 4:6
5/18/11 4:7
5/31/11 4:5
50 42:4,9,13 81:17 95:16 107:13,21
50/50 106:5

6

6 4:10 8:17 48:14
6/1/11 4:8
6/16/11 4:10
6/2/11 4:9
60 22:16 32:21
65 94:22

7

7 4:11 10:20 11:1 48:14
71 72:3 124:8
75 22:16
78 4:12

8

8 4:12 48:15 77:21 78:1
80 22:18 23:13 64:22 106:13
85 23:14
86 4:13

9

9 4:13 86:18,21
9:56 1:13
90 28:15