

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION

STATE OF MISSOURI

DIVISION OF INSURANCE)
COMPANY REGULATION,)

Petitioner,)

vs.) Case No. 160325191C

AETNA INC.)

and HUMANA INC.,)

Respondents.)

HEARING

VOLUME I

(Petitioner's Case in Chief)

May 16, 2016

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

PETITIONER'S EVIDENCE

ANGELA NELSON

| | |
|------------------------------------|----|
| Direct Examination by Mr. Hopper | 36 |
| Cross-Examination by Mr. Whitmer | 76 |
| Redirect Examination by Mr. Hopper | 81 |
| Recross-Examination by Mr. Whitmer | 81 |

JOHN REHAGEN

| | |
|--------------------------------------|-----|
| Direct Examination by Mr. Hopper | 84 |
| Cross-Examination by Mr. Whitmer | 173 |
| Redirect Examination by Mr. Hopper | 197 |
| Recross-Examination by Mr. Whitmer | 204 |
| Further Redirect Exam. by Mr. Hopper | 205 |

JONATHAN GRUBER

| | |
|------------------------------------|-----|
| Direct Examination by Mr. Angoff | 206 |
| Cross-Examination by Mr. Whitmer | 225 |
| Redirect Examination by Mr. Angoff | 248 |

| | | |
|----|---|----------|
| 1 | PETITIONER'S EXHIBITS INDEX | |
| 2 | | RECEIVED |
| 3 | | |
| 4 | Exhibit 1 Anthem MO Service Area Map | 21 |
| 5 | Exhibit 2 BCBS of KC Service Area FAQ | 21 |
| 6 | Exhibit 3 United Health Care Life Insurance Company Withdrawal SERFF Filing | 21 |
| 7 | Exhibit 4 All Savers Insurance Company Withdrawal SERFF Filing | 21 |
| 8 | Exhibit 5 April 2016 CMS Monthly Summary Report | 21 |
| 9 | Exhibit 6 CMS MA Provider Application | 21 |
| 10 | Exhibit 7 Affidavit of Debbie Doggett dated 5/6/2016 with sub-exhibits | 21 |
| 11 | Exhibit 8 AET000117 | 21 |
| 12 | Exhibit 9 Aetna SBS Company List | 21 |
| 13 | Exhibit 10 Humana SBS Company List | 21 |
| 14 | Exhibit 11 Form E received 10/15/2015 | 21 |
| 15 | Exhibit 12 Division Letter sent 11/13/2015 | 21 |
| 16 | Exhibit 13 Form E further response cover letter received 3/2/2016 | 21 |
| 17 | Exhibit 14 Request for Hearing filed 3/25/2016 | 21 |
| 18 | Exhibit 15 2015 Health Annual Statement Blank21 | |
| 19 | Exhibit 16 2006-2015 Form E Worksheet Data | 21 |
| 20 | Exhibit 17 2015 Statewide Comprehensive Data | 21 |
| 21 | Exhibit 18 2010 Statewide Comprehensive Data | 21 |
| 22 | | |
| 23 | | |
| 24 | | |
| 25 | | |

| | | | |
|----|------------|---|-----|
| 1 | | | |
| 2 | Exhibit 19 | Read-Me CPSC Enrollment 2016 | 21 |
| 3 | Exhibit 20 | April 2007-2016 CMS Medicare Advantage Individual Data | 21 |
| 4 | | | |
| | Exhibit 21 | April 2007-2016 CMS Medicare Advantage Group Data | 21 |
| 5 | | | |
| 6 | Exhibit 22 | Aetna Inc. 10-K 2015 | 21 |
| 7 | Exhibit 23 | Humana Inc. 10-K 2015 | 21 |
| 8 | Exhibit 24 | United Health Group 10-K 2015 | 21 |
| 9 | Exhibit 25 | Anthem, Inc. 10-K 2015 | 21 |
| 10 | Exhibit 26 | Cigna Corporation 10-K 2015 | 21 |
| 11 | Exhibit 27 | BCBS of KC Annual Statement Key Pages 2015 | 21 |
| 12 | | | |
| | Exhibit 28 | CoxHealth Audited Financial Statement 2014 | 21 |
| 13 | | | |
| 14 | Exhibit 29 | Collected SEC Filings and News Releases from Prior Mergers | 21 |
| 15 | | | |
| | Exhibit 30 | Medicare Advantage News 1/28/2016 | 21 |
| 16 | | | |
| 17 | Exhibit 31 | ASPE Issue Brief | 21 |
| 18 | Exhibit 32 | AHIP Article | 21 |
| 19 | Exhibit 33 | Oliver Wyman Report | 21 |
| 20 | Exhibit 34 | Gruber Expert Report with attached CV and Article | 21 |
| 21 | | | |
| | Exhibit 35 | April 2007-2016 CMS Medicare Advantage Plan Enrollment | 142 |
| 22 | | | |
| 23 | Exhibit 36 | Humana Medicare Plan Options | 343 |
| 24 | | | |
| 25 | | | |

| | | | |
|----|-----------|---|----------|
| 1 | | | |
| 2 | | RESPONDENT'S EXHIBITS INDEX | |
| 3 | | | RECEIVED |
| 4 | | | |
| 5 | Exhibit A | Form E Statement Regarding the Proposed Acquisition of Control of Humana Inc. by Aetna Inc. (October 14, 2015) | 22 |
| 6 | | | |
| 7 | Exhibit B | Response to Comments from Missouri Department of Insurance, Financial Institutions and Professional Registration on Aetna Inc. Form E (February 26, 2016) | 22 |
| 8 | | | |
| 9 | | | |
| 10 | Exhibit C | Affidavit of Thomas R. McCarthy on Behalf of Applicant | 22 |
| 11 | | | |
| 12 | Exhibit D | Thomas R. McCarthy Curriculum Vitae | 22 |
| 13 | | | |
| 14 | Exhibit E | Consent Order Issued by the Florida Office of Insurance Regulation (February 15, 2016) | 22 |
| 15 | | | |
| 16 | Exhibit F | Missouri Life, Accident & Health Supplement Report 2014 | 22 |
| 17 | Exhibit G | Zachary Tracer, Humana Echoes Obamacare Warning Following UnitedHealth Exits, Bloomberg (May 5, 2016) | 22 |
| 18 | | | |
| 19 | Exhibit H | Non-Confidential Backup Data for McCarthy (Flash Drive) | 22 |
| 20 | | | |
| 21 | Exhibit I | Aetna Confidential Missouri Data | 22 |
| 22 | Exhibit J | Humana Confidential Missouri Data | 22 |
| 23 | | | |
| 24 | Exhibit K | Jonathan M. Orszag & Bryan Keating, Economic Analysis of Medicare Competition (Aetna-Humana) (February 29, 2016) | 22 |
| 25 | | | |

| | | | |
|----|-----------|---|----|
| 1 | Exhibit L | Jonathan M. Orszag Curriculum Vitae22 | |
| 2 | | | |
| 3 | Exhibit M | Vilisa Curto, Liran Einav, Jonathan Levin & Jay Bhattacharya, Can Health Insurance Competition Work? Evidence from Medicare Advantage (May 2015) | 22 |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | Exhibit N | Confidential Backup Data for Orszag (Hard Drive) | 22 |
| 9 | Exhibit O | Cory S. Capps, PhD & Slava Zayats, PhD, Individual Medicare Advantage Plans: Entry Analysis (May 10, 2016) | 22 |
| 10 | | | |
| 11 | | | |
| 12 | Exhibit P | Mark E. Zmijewski, PhD, Preliminary White Paper on Efficiencies in the Aetna/Humana Merger (February 29, 2016) | 22 |
| 13 | | | |
| 14 | Exhibit Q | Michael A. Gleason, Shopping for Medicare-based Health Care Coverage (April 11, 2016) | 22 |
| 15 | | | |
| 16 | Exhibit R | J. Michael McWilliams, John Hsu & Joseph P. Newhouse, New risk-adjustment system was associated with reduced favorable selection in Medicare Advantage, Health Affairs (December 2012) | 22 |
| 17 | | | |
| 18 | | | |
| 19 | | | |
| 20 | Exhibit S | Joseph P. Newhouse & Thomas G. McGuire, How Successful is Medicare Advantage? The Millbank Quarterly, Vol. 92, No. 2 (2014) | 22 |
| 21 | | | |
| 22 | | | |
| 23 | Exhibit T | Joseph P. Newhouse, Mary Price, J. Michael McWilliams, John Hsu & Thomas G. McGuire, How Much Favorable Selection is Left in Medicare Advantage?, American Journal of Health Economics, | |
| 24 | | | |
| 25 | | | |

| | | | |
|----|------------|--|----|
| 1 | | 1(1), 1-26(2015) | 22 |
| 2 | Exhibit U | Bundled Payments for Care Improvement (BPCI) Initiative | 22 |
| 3 | | | |
| 4 | Exhibit V | Bundled Payments for Care Improvement Initiative (BPCI) - Fact Sheet22 | |
| 5 | | | |
| 6 | | | |
| 7 | Exhibit W | ACO Investment Model | 22 |
| 8 | Exhibit X | Advance Payment ACO Model | 22 |
| 9 | Exhibit Y | Comprehensive ESRD Care Model | 22 |
| 10 | Exhibit Z | Next Generation ACO Model | 22 |
| 11 | Exhibit AA | Pioneer ACO Model | 22 |
| 12 | Exhibit BB | Shared Savings Program | 22 |
| 13 | Exhibit CC | Accountable Care Organizations and You Frequently Asked Questions for People with Medicare | 22 |
| 14 | | | |
| 15 | | | |
| | Exhibit DD | All Shared Savings Program ACOs Fast Facts22 | |
| 16 | | | |
| 17 | Exhibit EE | Abe Dunn, Does Competition Among Medicare Advantage Plans Matter, Economics Analysis Group Discussion Paper No. 200905 (July 2009) | 22 |
| 18 | | | |
| 19 | | | |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |
| 25 | | | |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI
DIVISION OF INSURANCE)
COMPANY REGULATION,)
Petitioner,)
vs.) Case No. 160325191C
AETNA INC.)
and HUMANA INC.,)
Respondents.)

Volume I
HEARING
Department of Insurance,
Financial Institutions and Professional
Registration
301 West High Street, Room 520B
Jefferson City, Missouri
May 16, 2016

BEFORE: Mary Erickson, Hearing Officer

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

FOR THE PETITIONER:

KELLY A. HOPPER
Legal Counsel
Department of Insurance, Financial
Institutions and Professional
Registration
301 West High St
Jefferson City, MO 65109
(573)751-2619
Kelly.Hopper@insurance.mo.gov

JAY ANGOFF
Attorney at Law
MEHRI & SKALET, PLLC
1250 Connecticut Avenue NW, Suite 300
Washington, DC 20036
(202)822-5100
jay.angoff@findjustice.com

FOR THE RESPONDENT AETNA INC.:

CHARLES W. HATFIELD
Attorney at Law
STINSON LEONARD STREET
230 W. McCarty Street
Jefferson City, MO 65101-1553
(573)636-6827
chuck.hatfield@stinsonleonard.com

STEVEN T. WHITMER
ASHLEE M. KNUCKEY
TIMOTHY S. FARBER
Attorneys at Law
LOCKE LORD, LLP
111 South Wacker Drive
Chicago, IL 60606
(312)443-0694
aknuckey@lockelord.com
swhitmer@lockelord.com

1 FOR THE RESPONDENT HUMANA INC.:

ELENA M. COYLE

2 MICHAEL HOMISON

Attorneys at Law

3 SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP

4 Times Square

4 New York, NY 10036

(212)735-2099

5 elena.coyle@skedden.com

6

7

REPORTED BY:

8 KELLENE K. FEDDERSEN, RPR, CSR, CCR

Missouri CCR No. 838

9 Midwest Litigation Services

3432 West Truman Boulevard, Suite 207

10 Jefferson City, MO 65109

(573)636-7551

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 (WHEREUPON, the hearing began at
2 9:20 a.m.)

3 HEARING OFFICER ERICKSON: I call
4 this hearing to order on May 16, 2016. This
5 hearing is in the matter of Division of Insurance
6 Company Regulation, Petitioner versus Aetna Inc.
7 and Humana Inc., Respondents, Case No. 160325191C.

8 This hearing is being held in Room
9 520B of the Harry S Truman State Office Building,
10 Jefferson City, Missouri, with audio only available
11 in Room 520A to accommodate additional attendees.

12 My name is Mary Erickson. I am chief
13 counsel, Insurance Division with the Missouri
14 Department of Insurance, Financial Institutions and
15 Professional Registration. I have been appointed
16 the hearing officer in this matter.

17 This matter comes before the director
18 upon the filing of a request for hearing by the
19 Division of Insurance Company Regulation, Missouri
20 Department of Insurance, Financial Institutions and
21 Professional Registration regarding a Form E
22 pre-acquisition notification filed by Aetna Inc.
23 pursuant to Section 382.095, Missouri Revised
24 Statutes 2015 to acquire Humana Inc.

25 As provided by the notice regarding

1 this public hearing, any interested person may
2 attend this hearing. If they choose, any
3 interested person on their own behalf or on behalf
4 of any entity or organization may provide oral or
5 written comments regarding Aetna's proposed
6 acquisition of Humana.

7 This hearing will proceed as follows:
8 The parties may make opening statements, with the
9 option for the respondent to reserve the right to
10 make their opening statements prior to the
11 presentation of the evidence in their case.

12 The Division of Insurance Company
13 Regulation, which I will refer to as the Division,
14 will present its evidence first. Aetna and Humana
15 may then present their evidence. The division will
16 have an opportunity to present additional evidence
17 in rebuttal. The Division and the insurers will
18 have an opportunity to cross-examine each other's
19 witnesses.

20 After the presentation of evidence by
21 the parties, I will ask if there are any interested
22 persons who wish to come forward and make an oral
23 comment or to submit a written comment or both.
24 Additionally, any interested person may submit
25 written comments that must be received no later

1 than four o'clock p.m., Thursday, May 19, 2016. As
2 outlined in the Amended Notice of Hearing found on
3 the Department's webpage dedicated to this matter,
4 www.insurance.mo.gov/Aetnahumana, the public
5 written comments will be posted on the Department's
6 webpage. All open evidence will be posted on the
7 webpage as well as the transcript as soon as it
8 becomes available.

9 At this time I ask each counsel for
10 the parties to identify themselves for the record
11 and to identify the party they represent.

12 Division?

13 MR. ANGOFF: Jay Angoff, your Honor,
14 for the Division of Insurance Company Regulation.

15 MR. HOPPER: Kelly Hopper for the
16 Division of Insurance Company Regulation.

17 MR. WHITMER: Good morning, your
18 Honor. Steven Whitmer representing Aetna Inc.

19 MR. FARBER: Tim Farber representing
20 Aetna Inc.

21 MR. HATFIELD: Chuck Hatfield with
22 the Stinson Leonard Street law firm, representing
23 Aetna Inc.

24 MS. COYLE: Elena Coyle representing
25 Humana Inc.

1 MR. HOMISON: Michael Homison
2 representing Humana Inc.

3 HEARING OFFICER ERICKSON: Thank you.
4 Does the Division -- let me, before I begin with
5 opening statements, are there any stipulations that
6 the parties wish to make on the record today?

7 MR. WHITMER: Yes, your Honor. There
8 is a stipulation that we would like to collectively
9 read into the record at this time.

10 HEARING OFFICER ERICKSON: Please
11 proceed, Mr. Whitmer.

12 MR. WHITMER: The stipulation states,
13 Aetna Inc, Humana Inc. and the Division of
14 Insurance Company Regulation, collectively the
15 parties, hereby stipulate and agree that with
16 respect to the line health-only reporters,
17 disability, long-term care, stop loss and other
18 health, which is identified in Aetna's Form E
19 submission, the effect of the proposed acquisition
20 in the captioned matter would not be substantially
21 to lessen the competition or tend to create a
22 monopoly therein pursuant to Section 382.095,
23 Missouri statutes.

24 Your Honor, we respectfully request
25 the opportunity to approach the bench and present

1 that written stipulation at this time.

2 HEARING OFFICER ERICKSON: Please
3 proceed. Does the Division agree to this
4 stipulation?

5 MR. HOPPER: It does.

6 HEARING OFFICER ERICKSON: Thank you.
7 Stipulation is entered into the record. Are there
8 any other stipulations the parties wish to make at
9 this time?

10 MR. WHITMER: Not at this time, your
11 Honor.

12 MR. HOPPER: Your Honor, it was my
13 understanding that we were going to stipulate to
14 the admissibility of some exhibits. Is that no
15 longer the case?

16 MR. WHITMER: We had no other written
17 stipulations, your Honor. We're prepared to
18 address the exhibits at this time.

19 HEARING OFFICER ERICKSON: All right.
20 If the parties would like to proceed with the
21 discussion of what exhibits are stipulated to, I do
22 have the parties' exhibit lists in front of me.
23 The Division, would you please proceed first?

24 MR. HOPPER: The Division is prepared
25 to stipulate to the admissibility of Exhibits A

1 through EE, which I believe is the entirety of
2 Aetna and Humana's exhibit list.

3 MR. WHITMER: And Aetna agrees, of
4 course, to that stipulation.

5 HEARING OFFICER ERICKSON: As to
6 Exhibits A through EE offered today by Aetna and
7 stipulated to by the Division, are there any
8 records that need to be ordered closed or
9 confidential or that have already been ordered
10 closed and confidential?

11 MR. WHITMER: Yes, your Honor. We
12 will address those each in turn. First of all,
13 Exhibit A is the Form E, and that document is
14 explicitly given confidential treatment pursuant to
15 Missouri law and pursuant to your Honor's May 2nd,
16 2016 order. The specific statutes that apply here
17 are the Sunshine laws, Section 610.021, sub 14, and
18 also the Holding Company Act to which you just
19 referred, your Honor, which is Section 382.095,
20 sub 3.

21 The second document is Exhibit B,
22 and Exhibit B is Aetna's response to the
23 Department's initial request. That document is
24 also protected pursuant to Section 610.21, sub 14,
25 20 CSR 10-2.400, sub 3, sub K, sub 2, and

1 Section 417.453, and finally Section 382.095.3.
2 That document is also protected pursuant to your
3 Honor's May 2nd, 2016 order.

4 The next document is Exhibit C. This
5 is Dr. McCarthy's report. That document is
6 protected pursuant to all the same statutes that I
7 just read into the record. With respect to
8 Exhibit B, it is also protected pursuant to your
9 Honor's May 2nd, 2016 order, and that document
10 contains trade secret information that is defined
11 by Section 417.45, sub 4.

12 In addition, your Honor, I'm going to
13 lump together Exhibits I, J, K, N, O, P and Q.
14 These documents contain data and analyses that are
15 with respect to both Aetna and Humana and their
16 businesses. All of these documents were produced
17 in response to the Division's document requests in
18 this matter, which we've referred to as the second
19 request.

20 These documents are protected
21 pursuant to section -- well, the same sections that
22 we've identified. I'll mention them briefly.
23 610.021, sub 14. 20 CSR 10-2.400, sub 3, sub K,
24 sub 2, and Section 417.453. These are additionally
25 protected pursuant to your Honor's May 2nd, 2016

1 order, and we would note specifically that these
2 documents contain trade secret information as
3 defined by Section 417.453, sub 4.

4 HEARING OFFICER ERICKSON: And that's
5 the grouping on that, Mr. Whitmer, I, J, K, O, P,
6 Q?

7 MR. WHITMER: You missed N, your
8 Honor.

9 HEARING OFFICER ERICKSON: Thank you.

10 MR. WHITMER: Correct. And it is our
11 understanding that the Department both stipulates
12 to the confidentiality of those documents and to
13 the closure of those documents with respect to this
14 proceeding, but Mr. Hopper can speak to that.

15 HEARING OFFICER ERICKSON:
16 Mr. Hopper?

17 MR. HOPPER: We do.

18 MR. WHITMER: And with that, your
19 Honor, we are going to at this time confirm that
20 Aetna and Humana have stipulated to certain of the
21 documents on Petitioner's exhibit list, and that's
22 Exhibits 1 through 34, which are identified on the
23 list that has been provided to your Honor.

24 There are two additional documents
25 that we just discussed with counsel this morning.

1 That's Exhibit 35 and 36. We have not yet had the
2 opportunity to review those, as we just received
3 them. We will address later whether they are also
4 going to be stipulated with respect to
5 admissibility. Mr. Hopper may confirm what I just
6 said.

7 MR. HOPPER: Yes, that confirms the
8 understanding with regard to Exhibits 1 to 34 of
9 the Division, and we agree to that stipulation.

10 HEARING OFFICER ERICKSON: Does the
11 Division have any exhibits that it wishes to be
12 held closed and confidential?

13 MR. HOPPER: We do. Not as many as
14 Respondents. Exhibit No. 8 is confidential as to
15 the public, as well as to the party Humana Inc.,
16 pursuant to Missouri statute, Section 610.021,
17 sub 14, and Section 382.095.3 -- excuse me. Not
18 that statute. Also pursuant to an order of Madam
19 Hearing Officer in this case, as well as to the
20 trade secret law cited by Mr. Whitmer. This
21 exhibit is a subset of an exhibit that will be
22 offered by the other side.

23 An additional confidential exhibit
24 will be Exhibit 11. This is the Form E that was
25 filed with the Department. This document is closed

1 pursuant to Section 610.021, sub 14, and
2 Section 382.095.3.

3 Our final confidential exhibit will
4 be Exhibit 12, which is closed pursuant to those
5 same two statutes. This is a letter sent by the
6 Division in response to the Form E.

7 MR. WHITMER: And, your Honor, Aetna
8 confirms that we are in agreement with the
9 confidentiality as discussed by counsel.

10 MS. COYLE: And, your Honor, Humana
11 confirms as well.

12 HEARING OFFICER ERICKSON: Thank you,
13 counsel. Regarding the Exhibit 12, that document
14 has already been previously filed, I note, by
15 Aetna/Humana with regards to a motion and had not
16 been previously requested to have confidential
17 treatment.

18 MR. WHITMER: Your Honor, it was
19 provided to you in a redacted form. There's an
20 amended motion which confirms it was provided to
21 you in redacted form.

22 HEARING OFFICER ERICKSON: Counsel,
23 please approach.

24 (AN OFF-THE-RECORD DISCUSSION WAS
25 HELD.)

1 HEARING OFFICER ERICKSON: Back on
2 the record. Mr. Hopper, could you clarify, please,
3 Exhibit -- Mr. Hopper, could you please clarify
4 Exhibit 12?

5 MR. HOPPER: Yes. With regard to
6 Exhibit 12, the first page of Exhibit 12 is public.
7 The remainder of Exhibit 12 is closed and
8 confidential pursuant to the statutes previously
9 mentioned.

10 MR. WHITMER: Your Honor, if I can
11 confer with counsel for a second?

12 We've got it figured out. Thank you,
13 your Honor.

14 HEARING OFFICER ERICKSON: Thank you.
15 Pursuant to stipulation, Petitioner's Exhibits 1
16 through 34 are offered and admitted.

17 (PETITIONER'S EXHIBIT NOS. 1 THROUGH
18 34 WERE RECEIVED INTO EVIDENCE.)

19 HEARING OFFICER ERICKSON: For the
20 record, I am ordering that exhibits of Petitioner
21 Division of Company Regulation, Exhibits 8, 11, and
22 12, except for the first page, be declared
23 confidential and closed records, not subject to
24 disclosure, for the reasons stated by the parties.

25 Regarding the Respondent's exhibits

1 presented and offered by Aetna, Exhibit A through
2 EE are admitted.

3 (RESPONDENT'S EXHIBITS A THROUGH EE
4 WERE RECEIVED INTO EVIDENCE.)

5 HEARING OFFICER ERICKSON: For the
6 record, I am ordering that Exhibits A, B, C, I, J,
7 K, N, O, P, Q be declared confidential and closed
8 records and not subject to disclosure for the
9 reasons stated by the parties.

10 Counsel, does that adequately review
11 all of the exhibits that have been offered and
12 admitted, except for two exhibits of the Division?
13 Is that correct?

14 MR. HOPPER: That is correct.

15 MR. WHITMER: It does, your Honor.

16 HEARING OFFICER ERICKSON: Thank you.
17 Does the Division wish to make an opening
18 statement?

19 MR. ANGOFF: Yes, we do, your Honor.

20 HEARING OFFICER ERICKSON: Please
21 proceed. Use the microphone, if you could, sir.

22 MR. ANGOFF: Your Honor, the Division
23 of Insurance Company Regulation has concluded that
24 the Aetna/Humana merger would tend to substantially
25 lessen competition in multiple lines of insurance

1 in Missouri. The evidence is uncontroverted that
2 in the small group market, the market shares of the
3 parties combined are around 20 percent or in excess
4 of 20 percent. In the large group market, the
5 evidence is uncontroverted that market shares are
6 above 20 percent. In the individual market, the
7 evidence is uncontroverted that the market shares
8 are above 40 percent. And in the Medicare
9 Advantage business, the evidence is uncontroverted
10 that the combined market shares are above 55
11 percent.

12 Now, this is a national merger. In
13 many states the merger would not have any
14 competitive effects, but in this state it's clear
15 that it does. And the reason those market shares
16 that I mentioned are so significant, your Honor, is
17 that there's a very specific prescriptive statute
18 that controls this case, 382.095 of the Missouri
19 Insurance Holding Company Act.

20 And that statute sets up market share
21 thresholds pursuant to which, if the merging
22 parties have market shares that exceed the
23 thresholds in the statute, the merger is deemed
24 prima facie anti-competitive.

25 Now, the parties under the statute

1 can rebut that prima facie case by introducing
2 other evidence, by showing, for example, that the
3 number of competitors in the market undercut the
4 prima facie case or that the amount of
5 concentration in the market undercut the prima
6 facie case or that the ease of entry into the
7 market undercuts the prima facie case.

8 In this case, your Honor, though,
9 those factors and others don't undercut the prima
10 facie case. They don't rebut the prima facie case.
11 They reaffirm the prima facie case. They
12 strengthen it.

13 Now, the statute also allows the
14 parties to defend on the grounds that even if the
15 merger is anti-competitive, the merger would create
16 efficiencies of such magnitude that they would
17 outweigh any anti-competitive effects of the
18 merger.

19 The Missouri Insurance Department has
20 never adopted that, recognized that argument, and
21 to our knowledge, to the extent that we could find
22 decisions in other insurance departments, no other
23 insurance department has either.

24 And the federal government under its
25 antitrust statute, the Clayton Act, which is

1 different than the Missouri statute, but under that
2 statute federal courts have never recognized an
3 efficiencies defense. It's particularly difficult
4 to make in this case, your Honor, both because the
5 market shares exceed the statutory thresholds to
6 such a great extent and because the other relevant
7 factors don't weaken the prima facie case but
8 rather strengthen it.

9 Two final points, your Honor. First,
10 today this merger looks even more anti-competitive
11 than it did when Aetna filed its Form E, through no
12 fault of the parties but changed circumstances, and
13 the one big changed circumstance is this: One of
14 Aetna's major arguments as to why the merger is not
15 anti-competitive in the individual market is that
16 even if the merger were approved and the parties
17 did engage in super-competitive pricing, consumers
18 would be protected because United Health Care is
19 both the largest company in the individual market
20 and in particular on the exchange and the lowest
21 priced company on the exchange.

22 A few weeks ago, as the evidence will
23 show, the Division received a letter from United
24 saying that they were withdrawing from the exchange
25 market in Missouri for 2017. So that increases our

1 concern about the likelihood that there will be an
2 anti-competitive effect of this merger.

3 And final point, your Honor, is this:

4 In most states the insurance director has the
5 authority to disapprove excessive health insurance
6 rates. So the argument in those states can be made
7 that if an insurance merger is approved and it
8 turns out that, due to the merger, the companies do
9 engage in super-competitive pricing, that they do
10 charge excessive rates, there is a safety valve
11 because the insurance director can disapprove an
12 excessive rate.

13 That safety valve, your Honor, does
14 not exist in Missouri. The insurance director has
15 no authority to disapprove an excessive rate.

16 A few days ago before the Legislature
17 adjourned, the Legislature did pass a law that for
18 the first time required insurance companies to file
19 their rates in Missouri, but it did not give any
20 authority to the director to disapprove excessive
21 rates.

22 So in conclusion, your Honor, the
23 Division believes that this merger in Missouri
24 would tend to substantially lessen competition in
25 multiple lines of insurance, and for that reason,

1 we'd be asking the director to issue an order that
2 would prevent a consummation of this merger.

3 HEARING OFFICER ERICKSON: Thank you,
4 Mr. Angoff. Mr. Whitmer, would you like to make an
5 opening statement at this time or defer?

6 MR. WHITMER: Defer, your Honor.

7 HEARING OFFICER ERICKSON: Thank you.
8 Humana?

9 MS. COYLE: We would also like to
10 defer at this time.

11 HEARING OFFICER ERICKSON: Thank you.
12 Mr. Angoff, Mr. Hopper, please proceed with the
13 Division's evidence.

14 MR. HOPPER: Pursuant to
15 20 CSR 800-1.100, sub 6, sub E, a rule promulgated
16 by the Missouri Department of Insurance, Financial
17 Institutions and Professional Registration,
18 official notice at this hearing may be taken of all
19 facts of which judicial notice may be taken and the
20 other facts of a technical nature within the
21 specialized knowledge and experience of the
22 director. Judicial notice of federal law may be
23 taken pursuant to Section 490.080 of the Revised
24 Statutes of Missouri.

25 The Division moves and requests that

1 the hearing officer take official notice of
2 Title 42 of the United States Code entitled the
3 Public Health and Welfare.

4 HEARING OFFICER ERICKSON: Any
5 objection?

6 MR. WHITMER: Your Honor, all
7 statutes are in play today. No objection.

8 HEARING OFFICER ERICKSON: Thank you.
9 Official notice is taken of Title 42 of the United
10 States Code.

11 MR. HOPPER: Thank you. Judicial
12 notice of federal regulations may be taken pursuant
13 to Missouri common law. The Division moves and
14 requests that the hearing officer take official
15 notice of Title 42 of the Code of Federal
16 Regulations, entitled Public Health.

17 MR. WHITMER: No objection.

18 HEARING OFFICER ERICKSON: Thank you.
19 Official notice is taken of Title 42 of Code of
20 Federal Regulations.

21 MR. HOPPER: The Division next moves
22 and requests that the hearing officer take official
23 notice of the certificates of authority and
24 licenses issued by the Missouri Department of
25 Insurance, Financial Institutions and Professional

1 Registration and the identifies of the entities to
2 which those certificates of authority and licenses
3 have been issued, which are facts of a technical
4 nature within the specialized knowledge and
5 experience of the director.

6 HEARING OFFICER ERICKSON: And which
7 certificates of authority or licenses do you wish
8 the hearing officer to take official notice of?

9 MR. HOPPER: All certificates of
10 authority issued to health maintenance
11 organizations.

12 MR. WHITMER: Your Honor, I don't
13 believe these are identified as exhibits for this
14 matter.

15 MR. HOPPER: No, they are not.

16 MR. WHITMER: They certainly could
17 have been. So we object.

18 HEARING OFFICER ERICKSON:
19 Mr. Whitmer, do you agree that the director is the
20 holder and custodian of the certificates of
21 authority and licenses that have been issued to
22 insurers?

23 MR. WHITMER: Absolutely.

24 HEARING OFFICER ERICKSON: And that
25 just as a court may take judicial notice of its own

1 records, that the director may take official notice
2 of his own records?

3 MR. WHITMER: Your Honor, we have no
4 objection to that. Our concern is about if there's
5 going to be questions asked to witnesses today
6 about specific documents that were not introduced
7 as exhibits. That's our objection. But certainly
8 we have no concern of the director or your Honor
9 taking judicial notice of those filings.

10 HEARING OFFICER ERICKSON:

11 Mr. Hopper?

12 MR. HOPPER: That is what we asked
13 for, so that's acceptable.

14 HEARING OFFICER ERICKSON: You will
15 not be using the physical documents to discuss the
16 subject matter on those documents with the
17 witnesses; is that correct?

18 MR. HOPPER: No, we will not be
19 introducing physical documents containing
20 certificate of authority or licensing information
21 that have not been admitted as evidence.

22 HEARING OFFICER ERICKSON: At this
23 time I will take official notice of certificates of
24 authority and licenses issued to health maintenance
25 organizations as requested by Petitioner. I do

1 note the objection. However, these are records
2 that are maintained by the Department, and the
3 director may take official notice of the records.
4 If, however, the point comes where the parties need
5 to address specific documents, a certified copy can
6 be obtained and will be produced to show any
7 witness, and you may preserve your objection at
8 this time, Mr. Whitmer.

9 MR. WHITMER: Thank you, your Honor.

10 HEARING OFFICER ERICKSON: Thank you.
11 Mr. Hopper, proceed.

12 MR. HOPPER: Your Honor, the request
13 was intended to continue and include Chapter 376,
14 life and health insurance companies, as well as
15 Chapter 379, property and casualty insurance
16 companies.

17 MR. WHITMER: Same objections, your
18 Honor.

19 HEARING OFFICER ERICKSON: To
20 clarify, the request is for the hearing officer to
21 take official notice of all certificates of
22 authority or licenses issued to companies organized
23 under Chapters 376 and 379; is that correct,
24 Mr. Hopper?

25 MR. HOPPER: That is correct.

1 HEARING OFFICER ERICKSON: Noting
2 Mr. Whitmer's objection, official notice will be
3 taken of those certificates of authority and
4 licenses of chapters for insurers organized under
5 Chapters 376 and 379. However, Mr. Whitmer
6 reserves the right to raise an objection should it
7 become necessary. Proceed.

8 MR. HOPPER: The Division moves and
9 requests that the hearing officer take official
10 notice of NAIC company codes and group codes that
11 are assigned by the National Association of
12 Insurance Commissioners, which are facts of a
13 technical nature within the specialized knowledge
14 and experience of the director.

15 Every company that files a statement
16 and possesses a license or certificate of authority
17 with the Missouri Department files this company
18 code and group code information with the
19 Department.

20 Additionally, the director of the
21 Department is the president of the NAIC currently.
22 And to address what I believe will be Mr. Whitmer's
23 objection, any company codes and group codes used
24 at this hearing will be present in evidence that
25 has been admitted.

1 HEARING OFFICER ERICKSON:

2 Mr. Whitmer?

3 MR. WHITMER: Your Honor. Again,
4 these are the types of issues we would object. It
5 should have been resolved and discussed between
6 counsel before we're at this point right now. So
7 we object for the same reasons. These documents
8 have not been discussed between counsel, have not
9 been identified as exhibits, and we certainly most
10 specifically object to any of our witnesses being
11 asked questions or the Division's witnesses being
12 asked questions about those specific documents at
13 this time.

14 HEARING OFFICER ERICKSON:

15 Mr. Hopper, response?

16 MR. HOPPER: No additional documents
17 containing this information will be used at this
18 hearing that have not been admitted as exhibits
19 already.

20 HEARING OFFICER ERICKSON:

21 Mr. Whitmer and Ms. Coyle, is it agreed and
22 understood that the insurers in the course of
23 performing business of insurance in Missouri, you
24 routinely -- your insurers routinely submit
25 information and documentation to this department as

1 the regulator of insurance and often your companies
2 are referred to by company codes or group codes for
3 particular lines of insurance; is that correct?

4 MR. WHITMER: That is correct, your
5 Honor, but that's not the nature of our concern.

6 HEARING OFFICER ERICKSON: Can you
7 reidentify, then, the nature of your concern?

8 MR. WHITMER: Sure. It is our
9 understanding that under Missouri law we should
10 have been given notice that judicial notice could
11 and would be taken of this proceeding and counsel
12 should have addressed these issues with us prior to
13 this point.

14 HEARING OFFICER ERICKSON: Do you
15 have specific law that indicates that official
16 notice requests must be made to the opposing party
17 prior to the hearing?

18 MR. WHITMER: We would request the
19 opportunity to present that after the next break,
20 and I'd also ask for the opportunity to discuss
21 these issues with counsel at the next break, but I
22 think we should move forward at this time. Perhaps
23 we can reach agreement on these issues and not take
24 hearing time.

25 HEARING OFFICER ERICKSON: Given the

1 MR. WHITMER: I think -- actually, I
2 think we do object. I think they're off by one
3 number. Maybe it's 115.

4 MR. HOPPER: I believe the 115 is the
5 City of St. Louis.

6 MR. WHITMER: With that caveat, no
7 objection.

8 HEARING OFFICER ERICKSON: Thank you.
9 Recognizing that circuit courts may take notice of
10 geographic regions of the state, including
11 counties, official notice is taken of 114 counties
12 plus the City of St. Louis.

13 MR. WHITMER: Thank you.

14 MR. HOPPER: Thank you, your Honor.
15 The Division calls Angela Nelson.

16 (Witness sworn.)

17 ANGELA NELSON, being sworn, testified as follows:

18 DIRECT EXAMINATION BY MR. HOPPER:

19 **Q. Good morning.**

20 A. Good morning.

21 **Q. For the record, what is your full**
22 **name?**

23 A. Angela Nelson.

24 **Q. Are you currently employed by the**
25 **Missouri Department of Insurance, Financial**

1 **Institutions and Professional Registration?**

2 A. Yes, I am.

3 **Q. If I refer to that name as the**
4 **Department during your testimony, will you**
5 **understand what I mean?**

6 A. Yes, I will.

7 **Q. What is your current position with**
8 **the Department?**

9 A. I am the director of the Division of
10 Insurance Market Regulation, as well as the
11 Department's chief industry liaison.

12 **Q. Approximately how long have you been**
13 **in that position?**

14 A. I've been in this position since
15 January 2012.

16 **Q. What other positions have you held**
17 **with the Department?**

18 A. I was initially hired as an insurance
19 product analyst. I've held the position of
20 workers' compensation specialist. I've held the
21 position of market conduct analyst. I have held
22 the position of the property and casualty section
23 manager, and I have also held the position of the
24 Division of Consumer Affairs director.

25 **Q. Approximately how long have you**

1 worked at the Department?

2 A. Since July 2002.

3 Q. What is your post high school
4 educational background?

5 A. I have a bachelor of science in
6 management, and I also have a master's of business
7 administration from William Woods University.

8 Q. Do you have any professional
9 certifications?

10 A. I do.

11 Q. What are they?

12 A. I have a market conduct manager
13 designation from the Insurance Regulatory Examiners
14 Society.

15 Q. Do you currently or have you ever
16 held any professional licenses?

17 A. I have.

18 Q. What are those?

19 A. I have held an insurance agent
20 license in the state of Missouri.

21 Q. What lines of business on that
22 insurance producer license did you hold?

23 A. I held both life and health, as well
24 as property and casualty.

25 Q. Is that license currently active?

1 A. No. It is currently deactivated.
2 Department policy actually precludes me or
3 prohibits me from holding an active license, as
4 that would constitute a conflict of interest. Upon
5 the termination of my employment with the
6 Department, my license will be reinstated.

7 **Q. In order to obtain that license, did**
8 **you have to pass any tests?**

9 A. Yes, I did.

10 **Q. Did you have to pass a test for both**
11 **life and health and property and casualty**
12 **insurance?**

13 A. Yes, I did.

14 **Q. Did you have to complete any**
15 **continuing education for both of those licenses to**
16 **maintain them?**

17 A. Yes, I did.

18 **Q. What functions are performed by the**
19 **Division of Insurance Market Regulation?**

20 A. The Division performs three primary
21 functions, first of which, we have two sections
22 that are devoted to the review of product filings
23 in the state of Missouri. Those are separated by
24 the two different lines, I would say. The property
25 and casualty section obviously reviews product

1 filings that are in the property and casualty line
2 of insurance. Our life and health section reviews
3 life and health insurance products.

4 We have our statistics section which
5 does review, receive data and other information
6 from the insurance companies that are operating in
7 the state of Missouri, produces a number of
8 analyses and reports regarding the Missouri
9 insurance market.

10 And then our final function is market
11 conduct, or market conduct section, and that is
12 where we perform essentially retrospective audits
13 of insurance company dealings with consumers and
14 their policyholders.

15 **Q. What are your personal duties as**
16 **director of the Division of Insurance Market**
17 **Regulation?**

18 A. I do oversee the operations of the
19 Division in all those three units, review the work,
20 supervise the staff. I also provide advice and
21 counsel to other divisions within the Department
22 regarding happenings and occurrences. Provide
23 legislative testimony when asked.

24 **Q. As part of the your job duties, are**
25 **you expected to have knowledge of insurance**

1 products offered to Missouri residents?

2 A. I am.

3 Q. Do you have that knowledge of
4 insurance products offered to Missouri residents?

5 A. I do.

6 Q. Have you developed that knowledge in
7 the course of your employment with the Department?

8 A. I have.

9 Q. As part of your job duties, is it
10 expected that you build and maintain knowledge
11 about each of the insurance markets in Missouri and
12 how they function?

13 A. Yes.

14 Q. Have you so built and maintained that
15 knowledge?

16 A. I have.

17 Q. Have you built and maintained that
18 knowledge in the course of your employment with the
19 Department?

20 A. I have.

21 Q. Are you familiar with an entity named
22 Anthem Incorporated?

23 A. Yes, I am.

24 Q. How are you familiar with Anthem
25 Incorporated?

1 A. That is one of the insurance groups
2 in our state that operates, provides primarily
3 health insurance.

4 **Q. Does Anthem Incorporated own any**
5 **subsidiary insurance companies?**

6 A. Yes, they do.

7 **Q. Do those subsidiary insurance**
8 **companies write insurance in the state of Missouri?**

9 A. Yes, they do.

10 **Q. Where in Missouri?**

11 A. They write predominantly the
12 84 counties plus the City of St. Louis that
13 comprise what I would call the eastern half of the
14 state.

15 **Q. Are you familiar with an entity known**
16 **as the Blue Cross and Blue Shield of Kansas City**
17 **Group?**

18 A. Yes, I am.

19 **Q. How are you familiar with that group?**

20 A. Likewise, they are an insurance
21 group that operates within the state of Missouri
22 primarily offering health insurance products.

23 **Q. Does Blue Cross and Blue Shield of**
24 **Kansas City own any subsidiary insurance companies?**

25 A. Yes, they do.

1 **Q. Do Blue Cross and Blue Shield of**
2 **Kansas City and its subsidiary insurance companies**
3 **write insurance in the state of Missouri?**

4 A. Yes, they do.

5 **Q. Where in Missouri?**

6 A. They write in the 30 counties on the
7 western part of the state centralized around the
8 Kansas City metropolitan area.

9 **Q. Is there any geographic overlap**
10 **between the Missouri counties and City of St. Louis**
11 **in which Anthem Incorporated and Blue Cross and**
12 **Blue Shield of Kansas City insurance companies**
13 **operate?**

14 A. Not to my knowledge.

15 **Q. Why is that?**

16 A. My understanding is that there is
17 agreement between the two entities that they will
18 not compete within the state of Missouri.

19 **Q. I'm handing you what has been marked**
20 **as Exhibit 1. Do you recognize this document?**

21 A. Yes, I do.

22 **Q. What is this document?**

23 A. This is a map which denotes the
24 service area of the Anthem/Blue Cross Blue Shield
25 entities in the state of Missouri.

1 **Q. What is the source of this document?**

2 A. This was a document that was publicly
3 available on the Internet.

4 **Q. Who created this document?**

5 A. I believe it was Anthem/Blue Cross
6 Blue Shield.

7 **Q. Why do you believe that?**

8 A. Looking at the document itself, it
9 has their logo. It has clear disclaimers regarding
10 their underwriting affiliations and administration
11 of their policies, who the underwriting entities
12 within the Anthem group are. It has a form number
13 that I am familiar with in terms of Anthem's common
14 marketing materials.

15 The document also contains a
16 toll-free telephone number that advises individuals
17 how they can contact the sales department. I
18 personally called that telephone number and
19 verified that that was the Anthem sales department
20 telephone number.

21 **Q. Did you personally locate and view
22 this document on the Internet?**

23 A. Yes, I did.

24 **Q. Is Exhibit 1 a true and accurate copy
25 of the document you found and viewed on the**

1 Internet?

2 A. Yes, it is.

3 Q. Is this document consistent with your
4 understanding of the service area of the insurance
5 company subsidiaries of Anthem, Incorporated in
6 Missouri?

7 A. Yes, it is.

8 Q. Exhibit 1 has already been admitted
9 into evidence, so I will not make such a motion.

10 If you could hold on to Exhibit 1 for
11 a moment, I'm now going to hand you what's been
12 marked as Exhibit 2. And I would ask if you
13 recognize this document.

14 A. Yes, I do.

15 Q. What is it?

16 A. This is a frequently asked questions
17 document that came from the blueKC.com website.

18 Q. Having reviewed this document
19 previously, Ms. Nelson, does it contain any
20 information regarding the service area of Blue
21 Cross and Blue Shield of Kansas City?

22 A. Yes, it does.

23 Q. What is the source of this document?

24 A. Again, this came from www.blueKC.com.
25 So it appears to be a publicly available document.

1 Q. Have you personally located and
2 viewed this document on the blueKC.com website?

3 A. I have.

4 Q. Is Exhibit 2 a true and accurate copy
5 of the document you found and viewed on that
6 website?

7 A. It is.

8 Q. Is the information regarding the
9 service area of Blue Cross and Blue Shield of
10 Kansas City in Exhibit 2 consistent with your
11 understanding of the service area of Blue Cross and
12 Blue Shield of Kansas City in Missouri?

13 A. Yes, it is.

14 Q. Exhibit 2 has also already been
15 admitted into evidence.

16 Ms. Nelson, you testified earlier
17 that this document contains information about the
18 service area of Blue Cross and Blue Shield of
19 Kansas City. Could you please point me toward and
20 read the paragraph of the document that describes
21 that service area?

22 A. Yes. Within the general section, the
23 first -- or excuse me -- fourth full paragraph,
24 it's entitled, What geographic areas does BlueKC
25 cover? BlueKC is proud to be largest provider of

1 health insurance plans in a 32-county area serving
2 greater Kansas City and northwest Missouri. The
3 Missouri counties covered are Andrew, Atchison,
4 Bates, Benton, Buchanan, Caldwell, Carroll, Cass,
5 Clay, Clinton, Daviess, DeKalb, Gentry, Grundy,
6 Harrison, Henry, Holt, Jackson, Johnson, Lafayette,
7 Livingston, Mercer, Nodaway, Pettis, Platte,
8 Saline, St. Clair, Vernon and Worth. We also serve
9 Johnson and Wyandotte Counties in Kansas.

10 Q. Is Ray County also included in that
11 list?

12 A. Yes. I misspoke. I apologize.

13 Q. Comparing that list of counties to
14 Exhibit 1, which you have in front of you, is there
15 any overlap between these areas of operation?

16 A. No, there is not.

17 Q. Is that consistent with your
18 understanding, the areas of operation of Anthem,
19 Incorporated and Blue Cross and Blue Shield of
20 Kansas City do not overlap?

21 A. That is accurate, yes.

22 Q. Do Exhibits 1 and 2 relate to the
23 issue of the number of competitors in various
24 Missouri health insurance markets?

25 A. It does in that these two documents

1 demonstrate that these two entities do not directly
2 compete in any of the counties in Missouri.

3 **Q. You say they don't compete. Do**
4 **Anthem, Incorporated and Blue Cross and Blue Shield**
5 **of Kansas City cooperate or coordinate in any way?**

6 A. It's my understanding that, yes, they
7 do. They work through the National Blue Cross Blue
8 Shield Association in terms of providing a
9 coordinated delivery of health care to their shared
10 members within the state of Missouri.

11 **Q. Is there a name for that**
12 **coordination?**

13 A. I believe it's referred to as the
14 Blue Card System.

15 **Q. Thank you. You can set aside**
16 **Exhibits 1 and 2. Ms. Nelson, are you familiar**
17 **with an insurance entity named United Health Care**
18 **Group?**

19 A. I am.

20 **Q. How are you familiar with that**
21 **entity?**

22 A. Again, that's another group of
23 insurance companies that operate within the state
24 offering primarily health insurance coverage.

25 **Q. Does United Health Care Group own any**

1 subsidiary insurance companies?

2 A. Yes, they do.

3 Q. Do United Health Care Group and its
4 subsidiary health care companies write insurance in
5 the state of Missouri?

6 A. Yes, they do.

7 Q. Where in Missouri?

8 A. Throughout the entire state.

9 Q. I'm now handing you what's been
10 marked as Exhibit 3. Do you recognize this
11 document?

12 A. Yes, I do.

13 Q. What is this document?

14 A. This is a printout of a product
15 filing that was submitted to the Division through
16 the SERRF system.

17 Q. What is the SERRF system?

18 A. The SERRF system is a -- is actually
19 the first -- it's an acronym that refers to the
20 state electronic rate rule filing system. It is a
21 system that was created by the National Association
22 of Insurance Commissioners to allow for electronic
23 submission of product form files between the
24 insurance industry and insurance regulators.

25 Q. How do you know that Exhibit 3 came

1 from the SERRF filing system?

2 A. I can tell this by the information on
3 the front cover page, which is a summary page or
4 filing at a glance that comes from our SERRF
5 system. It denotes the name of the company. It
6 provides a tracking number. It lists the date
7 submitted, filing type, the implementation date,
8 the close date and the final disposition status of
9 the Department's review.

10 Q. Why do insurance companies utilize
11 the SERRF system in Missouri?

12 A. The use of SERRF is actually mandated
13 by rule in the State of Missouri.

14 Q. How is a SERRF filing record created?

15 A. Once an insurance company compiles
16 all the components of a product filing they wish to
17 submit for the Department's review, they upload
18 those documents into the SERRF electronic system, a
19 record is created, and then that record is
20 transmitted to the Department for its review.

21 Q. Are those records created
22 contemporaneously with the filing submission by an
23 insurance company?

24 A. Yes, they are.

25 Q. Which division of the Department

1 received and reviewed the electronic filing shown
2 in Exhibit 3?

3 A. The Division of Insurance Market
4 Regulation.

5 Q. Are electronic SERRF filings made in
6 the regular course of business of the Department?

7 A. Yes, they are.

8 Q. How many SERRF filings are made with
9 the Department each year, roughly?

10 A. Just over 12,000.

11 Q. And are each of those filings
12 maintained by the Department?

13 A. Yes, they are.

14 Q. Is a SERRF filing considered an
15 official record or document maintained by the
16 Department?

17 A. Yes. Of these product files that are
18 made, that are submitted in compliance with
19 Missouri law, yes.

20 Q. Is Exhibit 3 a true and accurate copy
21 of electronic filing made by United Health Care
22 Life Insurance Company with the Department pursuant
23 to Missouri law, as we stated?

24 A. Yes, it is.

25 Q. Exhibit 3 has previously been

1 admitted into evidence. Is United Health Care Life
2 Insurance Company a subsidiary company of United
3 Health Care Group?

4 A. Yes, it is.

5 Q. Could you please turn to page 9 of
6 Exhibit 3. It looks like you're there. What
7 information is contained in Exhibit -- excuse me --
8 in page 9 of Exhibit 3?

9 A. Yes. This is a formal notice of an
10 intent to effectuate an individual market exit.
11 And this particular filing was submitted on behalf
12 of United Health Care Life Insurance Company.

13 Q. Could you please read the first
14 paragraph of the notice beneath the line, Dear
15 Director Huff?

16 A. Yes. I am providing you with this
17 formal notice of our intention to effectuate an
18 individual market exit effective January 1st, 2017,
19 consistent with Missouri law and in the federal
20 laws under 45 CFR Section 147.106, subsection D and
21 Section 148.122, subsection E, as well as our
22 decision not to participate on the individual
23 exchange for 2017.

24 Q. Is this company required to provide
25 this notice to the Department?

1 marked as Exhibit 4. I would ask if you recognize
2 this document?

3 A. Yes, I do.

4 Q. What is this document?

5 A. This is a printout of a SERRF filing
6 that was submitted on behalf of All Savers
7 Insurance Company.

8 Q. Was this Exhibit 4 -- excuse me.
9 Strike that.

10 Was the electronic record to which
11 Exhibit 4 relates maintained and created in the
12 same manner as you testified to for Exhibit 3?

13 A. Yes, it was.

14 Q. Is All Savers Insurance Company a
15 subsidiary company of United Health Care?

16 A. Yes, it is.

17 Q. Who made the filing that is shown in
18 Exhibit 4?

19 A. It looks like the author submitting
20 it on behalf of All Savers was someone by the name
21 of Crystal Dillon.

22 Q. And I believe you may have already
23 said this, but was this filing made by All Savers
24 Insurance Company?

25 A. Yes, it was.

1 Q. Exhibit 4 has previously been
2 admitted into evidence.

3 Could you please turn to page 7 of
4 Exhibit 4.

5 A. Yes.

6 Q. What is page 7 of Exhibit 4?

7 A. Again, page 7 is a formal notice
8 submitted to Director Huff.

9 Q. Is page 7 of Exhibit 4 identical to
10 page 9 of Exhibit 3?

11 A. Yes, it is.

12 Q. Do you understand page 7 of Exhibit 4
13 to apply to All Savers Insurance Company?

14 A. Yes.

15 Q. Will All Savers Insurance Company be
16 subject to the same restrictions in the
17 comprehensive individual health insurance market to
18 which you testified with regard to United Health
19 Care Life Insurance Company?

20 A. Yes, it would.

21 Q. Thank you. You can set aside
22 Exhibit 4.

23 As part of your job duties as
24 Division of Insurance Market Regulation director,
25 do you keep abreast of the Missouri comprehensive

1 **individual health insurance market?**

2 A. Yes, I do.

3 **Q. Why do you do that?**

4 A. First off, I'm expected to be able to
5 report to the director as to the status and the
6 happenings within the insurance market, as well as
7 advise policy makers in the state as to what is
8 going on with the various insurance, individual
9 health insurance market included.

10 **Q. With regard to the individual health**
11 **insurance market specifically, what have you**
12 **observed about that market in Missouri?**

13 A. I would say over the last few years,
14 what we've seen has obviously been, with the
15 passage of the Affordable Care Act, we've seen an
16 increase in the number of covered lives, and we've
17 also seen the volume of total written premium in
18 this market increase substantially. Conversely to
19 that, we've seen the number of insurance companies
20 operating within this market contracting and the
21 concentration of the market increasing.

22 **Q. Do you monitor events that may impact**
23 **this market?**

24 A. Absolutely.

25 **Q. How do you do that?**

1 A. I do it a number of different ways.
2 Obviously I follow very closely any trade
3 publications. I visit with my own internal staff
4 regarding product filings and market conduct
5 action. I review reports and analyses done by the
6 statistics section within our division.

7 I'm also very active within the
8 National Association of Insurance Commissioners,
9 with various committees and working groups that are
10 focused upon health insurance. And then finally,
11 it is my goal as chief industry liaison for the
12 Department, I also am expected to have good working
13 relationships with those on the industry side and
14 to have open communication with them as well.

15 **Q. Based on your experience as director**
16 **of the Division of Insurance Market Regulation,**
17 **your observations of the comprehensive individual**
18 **health insurance market that you just related to us**
19 **and the events that you monitor may impact on the**
20 **market, what impact, if any, will these two**
21 **withdrawals have the Missouri comprehensive**
22 **individual health insurance market?**

23 A. Certainly without question we have
24 two fewer insurance companies operating within the
25 state starting on January 1st, 2017. From both a

1 regulatory perspective as well as a consumer
2 perspective, any time you have fewer insurance
3 companies operating within a market, that means
4 consumers have less choice in terms of who their
5 health insurer will be, and they also have less
6 choice in terms of the products that they can
7 choose from and purchase.

8 Q. We don't need to get into specific
9 numbers, but will the impact of these two
10 withdrawals be significant to the comprehensive
11 individual health insurance market in Missouri?

12 A. Yes, they will.

13 Q. As part of your duties as the
14 director of the Division of Insurance Market
15 Regulation, do you also monitor public programs and
16 the impact they have on insurance markets and
17 insurance companies in Missouri?

18 A. Yes, I do.

19 Q. Why?

20 A. Well, you know, it may seem
21 antithetical to want to be abreast of what's going
22 on with public programs, but the reality is in most
23 cases there are direct impacts that come from these
24 public programs on the private health insurance
25 market.

1 And I'll give you one very good
2 example. The states do regulate Medicare
3 supplement products. To the extent there are
4 changes that occur at the federal level on the
5 underlying Medicare coverages, those absolutely
6 impact the coverages and the markets that we
7 regulate at the state level.

8 **Q. Are you familiar with the acronym**
9 **CMS?**

10 A. I am.

11 **Q. What does CMS stand for?**

12 A. It stands for the Centers for
13 Medicare and Medicaid Services.

14 **Q. Is CMS part of a state government?**

15 A. No, it is not.

16 **Q. Is CMS part of the federal**
17 **government?**

18 A. Yes, it is.

19 **Q. Is CMS part of the U.S. Department of**
20 **Health and Human Services?**

21 A. Yes, it is.

22 **Q. What functions does CMS perform?**

23 A. I think one of its most well-known
24 functions is to oversee and administer, obviously,
25 the Medicare program, which is a federal program.

1 They also oversee the administration of Medicaid
2 programs throughout the country. And finally, they
3 have the Center for Consumer Insurance Information
4 and Oversight, which is charged with enforcing the
5 provisions of the recently enacted Affordable Care
6 Act, and they also oversee the operation of the
7 federal -- federally facilitated marketplaces, also
8 known as exchanges.

9 **Q. As the director of the Division of**
10 **Insurance Market Regulation, do you have a**
11 **familiarity and understanding of how Medicare**
12 **operates?**

13 A. I do.

14 **Q. Do you know the different parts of**
15 **the Medicare program?**

16 A. I do.

17 **Q. What are those parts?**

18 A. There is Part A, Part B, Part C and
19 Part D.

20 **Q. What is your understanding of**
21 **Medicare Part A?**

22 A. Part A is a program again offered at
23 the federal level. Everyone is automatically
24 eligible and enrolled within Part A. It provides
25 basic hospitalization services. That's its primary

1 function.

2 Q. What is your understanding of
3 Medicare Part B?

4 A. Part B is an optional coverage.
5 Folks need to enroll in that. It provides what I
6 would call are the more enhanced outpatient
7 benefits that most folks are accustomed to with
8 health insurance. Those would be things like
9 doctor visits, specialists, your therapies. It
10 also provides some skilled nursing care.

11 The combination of Part A and part B
12 together -- put together, really they are what's
13 referred to as traditional Medicare.

14 Q. What is your understanding of
15 Medicare Part C?

16 A. Part C is a plan that is administered
17 by private insurance companies. It is done through
18 contract with the Centers for Medicare and Medicare
19 Services. Part C coverage has to provide at least
20 the benefits that are available in Part A and
21 Part B.

22 Q. Do plans offered under Part C
23 typically provide -- I believe you said at least
24 the benefits of Parts A and B. Do those Part C
25 plans typically provide the same benefits or would

1 **they provide different benefits?**

2 A. They can also provide additional
3 benefits. With many, not all, but with most Part C
4 Medicare plans, you will see coverage for vision
5 services, examinations, glasses. You will find
6 coverage of prescription drugs in most of those
7 plans, coverage of wellness programs. Sometimes
8 gym memberships are also paid for.

9 **Q. Those things you just mentioned,**
10 **vision services, prescription drugs, wellness**
11 **programs, are any of those features provided by**
12 **Medicare Parts A and B?**

13 A. No, they're not.

14 **Q. Do Medicare Part C plans sometimes**
15 **offer dental benefits?**

16 A. They could.

17 **Q. Do Medicare Parts A and B offer**
18 **dental benefits?**

19 A. No, they do not.

20 **Q. What is your understanding of**
21 **Medicare Part D?**

22 A. Medicare Part D is, again, a
23 voluntary program. It provides prescription drug
24 benefits to those individuals who are enrolled in
25 Part A and B Medicare and will also avail

1 individuals covered under a Part C Medicare
2 Advantage plan that does not provide prescription
3 drug benefits.

4 **Q. Is Part D available to all Part C**
5 **plans that do not offer prescription drug coverage**
6 **or only certain types of plans?**

7 A. Only the ones that do not provide
8 prescription drug coverage.

9 **Q. How do the benefits of Medicare**
10 **Part D compare to the benefits provided by Medicare**
11 **Part C?**

12 A. Again, Part C provides at least the
13 benefits that are provided under Parts A and B,
14 which would be basic hospitalizations, in addition
15 to outpatient doctors visits, specialists,
16 therapies, in addition to other benefits that would
17 be provided with that prescription. Part D
18 coverage is solely prescription drug coverage, so
19 not the same.

20 **Q. I'm going to hand you what's been**
21 **marked as Exhibit 5. I would ask if you recognize**
22 **this document.**

23 A. Yes, I do.

24 **Q. What is this document?**

25 A. This is a monthly summary report.

1 This is data regarding the Medicare Advantage cost,
2 the Pace program, demo, prescription drug plan,
3 contract information. It's dated as of April 2016.

4 **Q. What is the source of this document?**

5 A. This is a report that is publicly
6 available on the website for the Centers for
7 Medicare and Medicaid Services.

8 **Q. Is this report published yearly,
9 monthly?**

10 A. It's made available monthly, so
11 individuals can go and download this information on
12 a monthly basis.

13 **Q. Have you personally found and viewed
14 this particular document on the CMS website?**

15 A. Yes, I have.

16 **Q. Is this the type of record or
17 document you would rely on in the ordinary course
18 of your regulatory activities as the director of
19 the Division of Insurance Market Regulation?**

20 A. Yes, it is.

21 **Q. Is Exhibit 5 a true and accurate copy
22 of the document you found and viewed on the CMS
23 website?**

24 A. Yes, it is.

25 **Q. Exhibit 5 has previously been**

1 admitted into evidence. Below the first row, which
2 contains titles, do you see a row that begins
3 total, quote, prepaid, close quote, contracts?

4 A. Yes, I do.

5 Q. If we consider that row to be row 1,
6 could you please read the next five rows beneath
7 it?

8 A. Yes. So the first is the total
9 prepaid contract. The next line after that are the
10 local CCPs or coordinated care programs. The next
11 line is PFFS, which is private fee for service.
12 The next one is MSA, medical savings accounts. The
13 next line is regional PPOs or preferred provider
14 organizations. And then the last one is
15 MA, Medicare Advantage, subtotal.

16 Q. What are local CCP contracts?

17 A. Those are contracts to provide
18 benefits, Medicare Advantage plans on a county by
19 case basis, with those insurance companies meeting
20 CMS standards regarding network adequacy.

21 Q. Are these local CCP contracts offered
22 on a county by county basis?

23 A. Yes.

24 Q. What are PFFS contracts?

25 A. Again, those are private fee for

1 service plans. These are also another type of
2 Medicare Advantage plan where benefits can be
3 provided outside of a restricted or network
4 provider arrangement, but fees would be obviously
5 paid to a provider based upon a schedule.

6 **Q. I believe you've explained what a**
7 **MSA contract is. What are regional PPO contracts?**

8 A. Again, that's a PPO that is
9 structured to provide benefits or having network on
10 a regional basis, and those regions are actually
11 determined by the Centers for Medicare and Medicaid
12 Services.

13 **Q. Is the region to which Missouri**
14 **belongs as defined by CMS a region of Missouri and**
15 **Arkansas?**

16 A. Yes, it is.

17 **Q. What types of plans are rows 2**
18 **through 5 which you just read?**

19 A. They are all Part C Medicare
20 Advantage.

21 **Q. Okay. Let's move down to the line of**
22 **MA subtotal where you stopped reading. Could you**
23 **please read the next six rows?**

24 A. Yes. The next line is the
25 Medicare/Medicaid plan. The next line is the 1876

1 cost plan. The next line is the 1833 cost plan,
2 referred to as HCPP, the health care pre-payment
3 program. The PACE program, which is an
4 all-inclusive type of care delivery system or
5 program, and the last is pilot.

6 Q. What is the line below pilot?

7 A. I'm sorry. That's other subtotal.

8 Q. Thank you. Are the contract types
9 that you just read in rows 7 through 11 Medicare
10 Advantage plans?

11 A. No, they're not.

12 Q. Do those contract types listed in
13 rows 7 through 11 provide equivalent benefits to
14 Medicare Advantage plans?

15 A. No, they do not.

16 Q. Do the contract types listed in
17 rows 7 through 11 have the same eligibility
18 requirement as Medicare Advantage plans?

19 A. No, they do not.

20 Q. Based on the titles of those rows 7
21 through 11 and based on the row which states other
22 subtotal, is any of the data reported in rows 7
23 through 11 of Exhibit 5 reflective of coverage
24 provided under a Medicare Advantage plan?

25 A. No, it is not.

1 **Q. Based on your understanding, what**
2 **does the data in rows 7 through 11 reflect?**

3 A. They're specialized programs that are
4 generally targeted, again, on a pre-payment basis
5 to certain populations or sets of otherwise
6 Medicare-eligible individuals. So the
7 Medicare/Medicaid plan is really what we refer to
8 as dual eligible programs. So those are targeted
9 to low-income seniors who need assistance with
10 perhaps the Part D premiums.

11 The 1876 and 1833 cost plans are
12 union or employer-based plans where they are
13 providing essentially Part B services and, again,
14 there is a pre-payment function going on where the
15 employers are being subsidized for those Part B
16 services that they are paying for.

17 The PACE program is, again, an
18 all-inclusive setting where a senior might go to an
19 all-day facility and a variety of services are
20 provided to them in one setting.

21 **Q. Beginning where you left off, the row**
22 **titled other subtotal, could you read the next**
23 **three rows, please?**

24 A. Yes. The first line is total PDPs or
25 prescription drug plans. The next line is employer

1 slash union only direct contract PDP, prescription
2 drug plan, and the last one is all other PDP, which
3 would be prescription drug plans.

4 Q. What types of plans are reflected in
5 these three rows?

6 A. Prescription drug plans.

7 Q. Are the plan types reflected by these
8 three rows Medicare Advantage plans?

9 A. No, they are not.

10 Q. All right. I'd like to direct your
11 attention to the column titles running along the
12 row that begins with current contract summary.
13 Could you please read the three, for lack of a
14 better word, major category titles that are
15 displayed to the right of the column number of
16 contracts?

17 A. Yes. The first grouping is drug plan
18 enrollments. The second grouping is special needs
19 plan enrollments. And the third grouping is
20 employer plan enrollments.

21 Q. What information is contained under
22 the major heading drug plan enrollment?

23 A. For those columns it's giving a -- at
24 the final column a summary of the total universe of
25 enrollees that have drug plan enrollment. The

1 first two columns are segmenting that between those
2 that do not have prescription drug coverage and
3 those who do have prescription drug plan coverage.

4 Q. Do any differences in eligibility
5 requirements exist between Medicare Advantage plans
6 with or without prescription drug coverage?

7 A. No, they do not.

8 Q. Is the full population of Medicare
9 Advantage eligible individuals who are selecting a
10 local CCP, PFFS, MSA or regional PPO-type contract
11 able to choose between Medicare Advantage plans
12 with and without prescription drug coverage?

13 A. Yes, they are.

14 Q. Moving to the next grouping of three
15 columns, what information is contained under the
16 heading special need plan enrollment?

17 A. Again, just like with drug plan
18 enrollment, this is looking at the subset of these
19 individuals who are obtaining a special needs plan.
20 So you get the total column with a total universe,
21 those that are enrolled in a special needs plan
22 versus those who are not enrolled in a special
23 needs plan.

24 Q. What is a special needs plan?

25 A. A special needs plan is a more

1 comprehensive bundle of coverage that is
2 specifically targeted to a population, for
3 instance, who have a chronic condition. The most
4 commonly known is end-stage renal disease. Another
5 example would be HIV or AIDS. Those would both be
6 SSNIPs or special needs plans.

7 **Q. Do special needs plans have the same**
8 **or different eligibility requirements as compared**
9 **to other Medicare plans?**

10 A. Yes, they do. You would need to
11 have -- you would be eligible for coverage by
12 virtue of if you were being cared for in a special
13 type facility catering to that special need or you
14 would have to have one of those chronic conditions.

15 **Q. Is the full population of Medicare**
16 **Advantage eligible individuals who are selecting a**
17 **local CCP, PFFS, MSA or regional PPO contract type**
18 **able to choose between special needs plans and**
19 **non-special needs plans?**

20 A. No, they're not.

21 **Q. Moving to the last grouping of three**
22 **columns, what information is contained under the**
23 **heading employer plan?**

24 A. So again, this is looking further
25 segmentation in terms of these Medicare Advantage

1 policies, and it is showing, again, in that far
2 column the total universe of enrollees. This
3 particular group of columns is looking at who is
4 obtaining this coverage through an employer or
5 union-based distribution channel versus those who
6 are getting the coverage on their own or
7 individually.

8 **Q. What are Medicare Advantage employer**
9 **plans?**

10 A. Those are Medicare Advantage plans
11 that are offered by an employer on a group basis to
12 either current employees who would otherwise be
13 qualified, they're Medicare eligible, over age 65,
14 or to their retirees who would be qualified for
15 Medicare.

16 **Q. Is the full population of Medicare**
17 **Advantage eligible individuals selecting a local**
18 **CCP, PFFS, MSA or regional PPO contract type able**
19 **to choose between employer plans and non-employer**
20 **plans?**

21 A. Only if they work for an employer
22 that is offering one.

23 **Q. Can an individual choose between**
24 **multiple different employer plans?**

25 A. No, they cannot.

1 Q. Thank you. You can set aside
2 Exhibit 5. I'm now going to hand you what has been
3 marked as Exhibit 6. I would ask if you've seen
4 this document before.

5 A. Yes, I have.

6 Q. What is this document?

7 A. This is an application form for
8 health insurers to become -- or to obtain contract
9 status, to become a provider of a Medicare
10 Advantage plan.

11 Q. What is the source of this document?

12 A. Again, this is one of those documents
13 that is publicly available on the website for the
14 Centers for Medicare and Medicare Services.

15 Q. Have you personally found and viewed
16 this document at CMS' website?

17 A. Yes, I have.

18 Q. Is this the type of record or
19 document you rely on in the ordinary course of your
20 regulatory activities as the director of the
21 Division of Insurance Market Regulation?

22 A. Yes, it would.

23 Q. Is Exhibit 6 a true and accurate copy
24 of the document you found and viewed on CMS'
25 website?

1 A. Yes, it is.

2 Q. Exhibit 6 has been previously
3 admitted. Would you please turn to page 12 of
4 Exhibit 6.

5 A. Yes.

6 Q. Would you please read the first
7 paragraph of this page, beginning with applications
8 must be submitted?

9 A. Yes. Applications must be submitted
10 by 8 p.m. Eastern Standard Time February 17th,
11 2016. CMS will not review applications received
12 after this date and time. Applicant's access to
13 application fields within HPMS will be blocked
14 after this date and time.

15 Q. Does this page include a timeline for
16 applicants wishing to contract with CMS to become a
17 Medicare Advantage provider or expand to their
18 contract service area?

19 A. Yes, it does.

20 Q. When did an applicant need to submit
21 its application to write Medicare Advantage or
22 expand its contract service area in 2017?

23 A. By February 17th, 2016.

24 Q. If a company licensed to write health
25 insurance in Missouri today decided on May 16th,

1 2016 that it wanted to write Medicare Advantage in
2 Missouri for the first time, when is the earliest
3 that the company could begin offering Medicare
4 Advantage in Missouri?

5 A. January 1st, 2018.

6 Q. If a company licensed to write health
7 insurance in Missouri that was currently offering
8 Medicare Advantage contracts in certain Missouri
9 counties decided today, May 16, 2016, that it
10 wanted to expand its contract service area, when is
11 the earliest that the company could begin offering
12 its contracts in the expanded service area?

13 A. January 1st, 2018.

14 Q. January 1st, 2018 is more than a year
15 and a half from now?

16 A. I believe that would be accurate.

17 Q. Is that type of delay between intent
18 to offer a product and ability to offer a product
19 typical of Missouri state insurance laws?

20 A. That is not.

21 Q. For example, if a company licensed to
22 write automobile insurance in Missouri decided
23 today, May 16, 2016, that it wanted to offer a new
24 automobile insurance product in Missouri, when is
25 the earliest that the company could begin offering

1 **that new product?**

2 A. Assuming, of course, that they have a
3 valid certificate of authority with the requisite
4 lines of authority to write that coverage, they
5 could write it today, so long as they submit their
6 forms, rates and rules no later than ten days after
7 today.

8 Q. If the company properly licensed, as
9 you said, to write automobile insurance in Missouri
10 decided today, May 16th, 2016, that it wanted to
11 expand to a new geographic area within Missouri,
12 when is the earliest that that company could begin
13 offering their product in the new area?

14 A. Today.

15 Q. Would any filings be required to be
16 made with the Department in order to make that
17 expansion?

18 A. No, it would not.

19 MR. HOPPER: Thank you, Ms. Nelson.
20 The Division has no further questions for this
21 witness.

22 HEARING OFFICER ERICKSON:

23 Mr. Whitmer.

24 CROSS-EXAMINATION BY MR. WHITMER:

25 Q. Good morning, Ms. Nelson.

1 A. Good morning.

2 Q. You'd agree that you're not an
3 economist, right?

4 A. I would agree.

5 Q. And also that you're not here today
6 to present any opinions on any economic issues?

7 A. I would agree.

8 Q. And you're not here today to rebut
9 any of the findings in Dr. McCarthy's report; do
10 you agree with that?

11 A. Yes. I have not reviewed it.

12 Q. And you've also had no opportunity to
13 review the report of John Orszag, the other expert
14 that will be testifying today?

15 A. No, I have not.

16 Q. So it would be fair to say that you
17 have no basis to object to that report either?

18 A. No.

19 Q. I'm going to start by going to
20 Exhibit 3. If you could, turn to page 9. This is
21 one of the pages that we just discussed a few
22 minutes ago. This is the letter that was written
23 Director Huff from United Health Care, correct?

24 A. Yes.

25 Q. And this letter identifies two

1 affiliates of United Health Care, All Savers and
2 United Health Care?

3 A. Yes.

4 Q. How many total affiliates are there,
5 do you know, of United Health Care?

6 A. I do not know that. Any time I have
7 questions about those sorts of things, I consult
8 with our online licensure database, because
9 obviously licensure status of insurance companies
10 can change daily, so I try not to rely on memory
11 for those types of things.

12 Q. You're certainly aware there are more
13 than two?

14 A. Yes, I am.

15 Q. Do you have a general guess as to how
16 many there are?

17 A. I would say in the four to five
18 range.

19 Q. How about United Health Care --
20 United Health Care Insurance Company, for example?

21 A. That's one, yes.

22 Q. United Health Care of the Midlands,
23 perhaps?

24 A. Of Midwest.

25 Q. Of Midwest, that's one as well?

1 A. Yes.

2 Q. There are many of them, right?

3 A. There are.

4 Q. So when you provided testimony about
5 the moratorium, the five-year moratorium, that
6 moratorium would apply only to the two lines that
7 you had identified; is that right?

8 A. For the two individual underwriting
9 companies, yes.

10 Q. And, in fact, there would be no
11 moratorium impact on any other United affiliated
12 companies as a result of this withdrawal?

13 A. That is correct.

14 Q. Is that something that you also
15 considered as part of your analysis for today?

16 A. I'm sorry?

17 Q. Sure. Did you have the opportunity
18 to consider the other United entities and whether
19 they may, in fact, be impacted by any moratorium?

20 A. Yes.

21 Q. And you've confirmed that they would
22 not?

23 A. Yes, that is correct.

24 Q. Let's go ahead and take a look at
25 Exhibit 1.

1 A. Yes.

2 Q. This is the service area map that you
3 testified to. What's the time frame that this map
4 covers, from what month to what month, what year to
5 what year?

6 A. Well, I see the original edition
7 date, which is commonly, again, how insurance
8 companies do it when they create these documents.
9 Shows that this is August 2008. But I'm not aware
10 of any changes, and it is still publicly available
11 as of yesterday.

12 Q. Do you know whether there are any
13 other revisions to this document?

14 A. I do not.

15 Q. You talked about Medicare Advantage,
16 and talked a little bit about traditional Medicare.

17 A. Uh-huh.

18 Q. You haven't done any economic
19 analysis that compares the level of competition
20 between Medicare Advantage on one hand and
21 traditional Medicare on the other; is that right?

22 A. No, I have not.

23 Q. You haven't done any -- reviewed any
24 data, for example, with respect to any competition
25 that exists between those two?

1 A. No, I have not.

2 Q. You haven't done any calculations to
3 determine, for example, how that competition may or
4 may not impact this particular transaction we're
5 talking about here today?

6 A. No, I have not.

7 Q. In fact, you'd agree that you haven't
8 done any analysis as to whether the transaction
9 that we're talking about here today, that the
10 effect of the transaction would be substantially to
11 lessen competition in the state or tend to create a
12 monopoly herein?

13 A. No, I have not.

14 Q. You have no opinion whatsoever on
15 this issue?

16 A. No, I do not.

17 MR. WHITMER: Thank you for your
18 time.

19 HEARING OFFICER ERICKSON: Redirect?

20 MR. HOPPER: Yes, just very briefly,
21 your Honor.

22 REDIRECT EXAMINATION BY MR. HOPPER:

23 Q. Ms. Nelson, do you have any
24 information indicating that any other affiliate of
25 United Health Group intends to increase its written

1 individual comprehensive health insurance agreement
2 in 2017 and beyond?

3 A. We have no information.

4 MR. HOPPER: Thank you.

5 HEARING OFFICER ERICKSON: Recross?

6 RE-CROSS-EXAMINATION BY MR. WHITMER:

7 Q. You'd agree you have no information
8 whatsoever about whether any United entity intends
9 to participate in the exchanges in 2018?

10 A. That is correct. We have no
11 involvement with the federally facilitated
12 marketplaces in Missouri.

13 Q. That's just an unknown for us today,
14 correct?

15 A. That is correct.

16 MR. WHITMER: Thank you. No further
17 questions.

18 HEARING OFFICER ERICKSON:

19 Mr. Hopper?

20 MR. HOPPER: Nothing further.

21 HEARING OFFICER ERICKSON: Thank you.

22 Ms. Nelson, you may step down.

23 Mr. Hopper, will the exhibits that
24 are currently at the witness stand need to remain
25 there or should we set them aside?

1 MR. HOPPER: They will not need to
2 remain there. They can be set aside.

3 HEARING OFFICER ERICKSON: At this
4 time that clock shows just after 10:45. Let's take
5 about a ten-minute break, and we will go off the
6 record.

7 (A BREAK WAS TAKEN.)

8 HEARING OFFICER ERICKSON. We are
9 back on the record. The Division may proceed with
10 its evidence.

11 MR. HOPPER: For the record,
12 Exhibit 7 has previously been admitted. I would
13 just like to note that this exhibit is an affidavit
14 of Debbie Doggett, D-e-b-b-i-e, D-o-g-g-e-t-t,
15 which was served upon Aetna Inc. and Humana Inc. on
16 May 6, 2016, pursuant to Section 536.070, sub 12 of
17 the Revised Statutes of Missouri. Certificate of
18 service has been filed in the record previously in
19 this matter.

20 HEARING OFFICER ERICKSON: The
21 hearing officer did receive the certificate of
22 service. Thank you.

23 MR. HOPPER: I will bring this copy
24 to the court reporter. At the same time,
25 Exhibit 8, which as stated at the outset of this

1 hearing is a confidential document, this document
2 is confidential as to both the public and as to
3 Humana Inc. Just state for the record that this
4 document is admissible as a statement of party
5 opponent Aetna Inc., and has been previously
6 admitted.

7 MR. WHITMER: I'm going to object to
8 the statement. I don't think he meant it that way,
9 but I just want to clarify. The document has been
10 admitted. Nothing within the document has been
11 admitted, but I don't think he was going there.

12 MR. HOPPER: Correct. I was
13 attempting to say the document has been admitted.

14 MR. WHITMER: We agree on that.

15 HEARING OFFICER ERICKSON: Thank you.

16 MR. HOPPER: The Division calls John
17 Rehagen.

18 JOHN REHAGEN, being sworn, testified as follows:

19 DIRECT EXAMINATION BY MR. HOPPER:

20 Q. Good morning, Mr. Rehagen.

21 A. Good morning.

22 Q. Okay. For the record, what is your
23 full name?

24 A. John Rehagen.

25 Q. How do you spell Rehagen?

1 A. R-e-h-a-g-e-n.

2 Q. Are you currently employed by the
3 Missouri Department of Insurance, Financial
4 Institutions and Professional Registration?

5 A. Yes.

6 Q. If I would abbreviate that name to
7 the Department during your testimony, will you
8 understand what I mean?

9 A. Yes.

10 Q. What is your current position with
11 the Department?

12 A. I'm the division director for the
13 Division of Insurance Company Regulation.

14 Q. If I abbreviate the Division of
15 Insurance Company Regulation to the Division during
16 your testimony, will you understand me to mean the
17 Division of Insurance Company Regulation?

18 A. Yes.

19 Q. Approximately how long have you been
20 the director of the Division of Insurance Company
21 Regulation?

22 A. Almost two and a half years.

23 Q. Have you held any other positions
24 with the Department?

25 A. Yes. I have been a financial

1 analyst, a financial examiner, the captive
2 insurance program manager and also deputy division
3 director.

4 Q. How long have you worked at the
5 Department?

6 A. About 13 and a half years.

7 Q. What is your post high school
8 educational background?

9 A. I have a bachelor's of science in
10 business administration with an emphasis in
11 accounting.

12 Q. Do you have any professional
13 certifications?

14 A. Yes. I'm a certified financial
15 examiner.

16 Q. Which entity awards that
17 certification?

18 A. The Society of Financial Examiners.

19 Q. Is that the highest certification
20 awarded by that society?

21 A. Yes, it is.

22 Q. What are your duties as the director
23 of the Division of Insurance Company Regulation?

24 A. I oversee division activities as it
25 relates to solvency, monitoring of the insurance

1 companies.

2 Q. What functions are performed by the
3 Division?

4 A. There's a financial analysis,
5 financial examination. There's company licensing,
6 captive insurance, surplus lines, and then there's
7 some other regulated entities such as CPAs, NPAs
8 that we also regulate.

9 Q. As part of your job duties, is it
10 important that you have knowledge of companies
11 licensed and authorized to write health insurance
12 business in Missouri?

13 A. Yes.

14 Q. Have you developed that knowledge in
15 the course of your employment with the Department?

16 A. Yes.

17 Q. As part of your job duties, is it
18 important that you have knowledge of the holding
19 company structures of companies licensed and
20 authorized to write health insurance business in
21 Missouri?

22 A. Yes.

23 Q. Have you developed that knowledge in
24 the course of your employment with the Department?

25 A. Yes.

1 Q. Is regulation of holding companies an
2 important aspect to solvency regulation?

3 A. Definitely, yes.

4 Q. Are you aware of a proposed
5 transaction involving Aetna Inc. and Humana Inc.?

6 A. Yes.

7 Q. What is your high level understanding
8 of that transaction?

9 A. Aetna Inc. proposes to purchase
10 Humana Inc. and its subsidiaries.

11 Q. If that transaction is consummated,
12 will the proposed transaction result in Aetna Inc.
13 acquiring control over Humana Inc. and its
14 subsidiaries?

15 A. Yes.

16 Q. Were any filings made with the
17 Department in conjunction with that proposed
18 transaction?

19 A. Yes. Aetna filed a Form E.

20 Q. And by Aetna, do you mean Aetna Inc.?

21 A. Aetna Inc., correct.

22 Q. If you say Aetna or if I say Aetna
23 during your testimony, will you understand that to
24 be Aetna Inc., the party in this matter?

25 A. Yes. Uh-huh.

1 Q. If you say Humana or I say Humana, we
2 understand that to mean Humana Inc., a party to
3 this matter?

4 A. Uh-huh. Yes.

5 Q. What division of the Department
6 reviewed the Form E filing made by Aetna?

7 A. The Division of Insurance Company
8 Regulation.

9 Q. Is that your division?

10 A. Yes.

11 Q. Generally speaking, how does a Form E
12 filing differ from a Form A filing?

13 A. A Form A would be if a Missouri
14 domestic was going to be purchased. A Form E is if
15 both parties are licensed in Missouri.

16 Q. Do any affiliates of Aetna Inc. write
17 health insurance business in the state of Missouri?

18 A. Yes.

19 Q. Do any affiliates of Humana Inc.
20 write health insurance business in the state of
21 Missouri?

22 A. Yes.

23 Q. I'm now going to pass you what has
24 been marked Exhibit 9. I have put a screen shot of
25 part of Exhibit 9 up on the screen. Do you

1 recognize this document?

2 A. Yes.

3 Q. Is this a true and accurate paper
4 copy of electronic company licensing records
5 showing companies within the Aetna Inc. group that
6 are licensed in Missouri?

7 A. Yes, it is.

8 Q. What system maintains those
9 electronic company licensing records?

10 A. We call it SBS.

11 Q. Does SBS stand for state-based
12 systems?

13 A. Yes.

14 Q. Is SBS used by the Department to
15 create and maintain electronic company licensing
16 records?

17 A. Yes, it is.

18 Q. Who creates the electronic company
19 licensing records that are stored in SBS?

20 A. The division.

21 Q. Does SBS also maintain other types of
22 records such as producer licensing records?

23 A. Yes, it does.

24 Q. Are the electronic company licensing
25 records created at or near the time that a license

1 or certificate of authority is issued or updated?

2 A. Yes.

3 Q. Does the Division create and maintain
4 those electronic company licensing records in the
5 regular course of business?

6 A. Yes.

7 Q. Exhibit 9 has been previously
8 admitted into evidence. Looking towards the top of
9 Exhibit 9, directly under the heading company
10 search, first row beginning with number, could you
11 tell me what information is found on this row?

12 A. Yeah. There's a number 1, and that's
13 NAIC group number.

14 Q. To whom does NAIC group No. 1 belong?

15 A. It's the Aetna group.

16 Q. Moving down the page under the
17 heading search results, what information is
18 contained in the column titled company name?

19 A. That's the name of the Aetna Inc.
20 group company.

21 Q. Okay. Does each row in the SERRF
22 results represent a different license held by an
23 Aetna Inc. company?

24 A. Yes.

25 Q. Moving to the next column titled

1 domicile, what information is contained in this
2 column?

3 A. Domestic and foreign. The three
4 companies that are listed as domestic obviously are
5 Missouri domestics, and the others are domiciled in
6 a foreign jurisdiction, such as another state.

7 Q. For those of us who are not familiar
8 with insurance company terminology, does domestic
9 or domicile, I believe you said, in Missouri mean
10 that a company is based in Missouri?

11 A. Means they're organized in Missouri.

12 Q. I believe you said Aetna has three
13 Missouri domestic companies; is that correct?

14 A. Correct.

15 Q. Moving over to the next column, what
16 information is contained in the column titled
17 company type?

18 A. That's the licensing type for each
19 entity.

20 Q. What types of companies in the Aetna
21 group are licensed in Missouri?

22 A. I see health maintenance
23 organizations, prepaid dentals, life and health.
24 There's also property and casualty. There's a
25 discount medical plan and also a purchasing group.

1 Q. Can a health maintenance organization
2 write health insurance business in Missouri?

3 A. Yes, it can.

4 Q. Can a prepaid dental company write
5 health insurance business in Missouri?

6 A. Yes.

7 Q. Can it write all kinds of health
8 insurance?

9 A. It's limited to dental.

10 Q. Can a life and health company write
11 health insurance business in Missouri?

12 A. Yes.

13 Q. Can a purchasing group write health
14 insurance business in Missouri?

15 A. No.

16 Q. Can a property and casualty company
17 write health insurance business in Missouri?

18 A. Yes.

19 Q. Looking towards the middle of this
20 section, why is Aetna Life Insurance Company listed
21 twice?

22 A. They're dually licensed as both a
23 life and health insurer and a discount medical
24 plan.

25 Q. Can Aetna Life Insurance Company

1 write health insurance in Missouri pursuant to its
2 life and health license?

3 A. Yes.

4 Q. Setting aside the purchasing group,
5 are the other 13 companies, since you've just
6 indicated that the life insurance company holds two
7 licenses, are the other 13 companies listed on
8 Exhibit 9 affiliated with Aetna Inc.?

9 A. Yes.

10 Q. Setting aside the purchasing group,
11 are the other 13 companies listed on Exhibit 9
12 subsidiaries of Aetna?

13 A. Yes.

14 Q. Are you aware of any companies
15 licensed in Missouri and affiliated with Aetna Inc.
16 that are not listed on Exhibit 9?

17 A. No.

18 Q. I do not know if I asked you this
19 question. I apologize if I'm repeating myself.
20 Can a property and casualty company write health
21 insurance business in Missouri?

22 A. Yes.

23 Q. You can set aside Exhibit 9. Now I'm
24 going to pass you what's been marked as Exhibit 10.
25 Ask you if you recognize that document.

1 A. Yes, I do.

2 Q. Does this document contain the same
3 type of information as Exhibit 9, except with
4 relation to the Humana Inc. group?

5 A. Yes.

6 Q. Are the records portrayed in
7 Exhibit 10 created and maintained in the same
8 manner as Exhibit 9?

9 A. Yes.

10 Q. Exhibit 10 has previously been
11 admitted into evidence. How do you know this is
12 the Humana Inc. group portrayed on Exhibit 10?

13 A. The group, the NAIC group number 119,
14 that's the Humana group number.

15 Q. How many companies are listed on
16 Exhibit 10?

17 A. Ten.

18 Q. Are these ten companies authorized to
19 do business in the state of Missouri?

20 A. Yes.

21 Q. Does the Humana Inc. group have any
22 Missouri domestic companies?

23 A. No.

24 Q. Are there any company types listed on
25 Exhibit 10 that are not listed on Exhibit 9?

1 A. No.

2 Q. Are all the companies listed on
3 Exhibit 10 affiliated with Humana Inc.?

4 A. Yes.

5 Q. Are all of the companies listed on
6 Exhibit 10 subsidiaries of Humana Inc.?

7 A. Yes.

8 Q. Are you aware of any companies
9 licensed in Missouri and affiliated with Humana
10 Inc. that are not listed on Exhibit 10?

11 A. No.

12 Q. You can set aside Exhibit 10. At
13 this time I'm going to pass you what's been marked
14 as Exhibit 11. Exhibit 11 is entirely confidential
15 as to the public. It has previously been
16 stipulated to by the parties. Have you seen this
17 document before?

18 A. Yes.

19 Q. Is this a true and accurate copy of
20 the Form E filing made by Aetna Inc. with the
21 Department pursuant to its proposed acquisition of
22 Humana Inc. and its subsidiaries?

23 A. Yes.

24 Q. Was this Exhibit 11 date stamped as
25 received on October 15th, 2015 by the Department?

1 A. Yes.

2 Q. Were any alterations to this document
3 made by the Department upon receipt, outside of the
4 date stamp?

5 A. No.

6 Q. Exhibit 11 has been previously
7 admitted. When was Exhibit 11 received by the
8 Department?

9 A. October 15th, 2015.

10 Q. You can set aside Exhibit 11. I'm
11 now going to pass you what's been marked as
12 Exhibit 12. The first page of Exhibit 12 is a
13 public record, and the remainder of Exhibit 12 is
14 confidential, as previously stipulated by the
15 parties today. Do you recognize this document?

16 A. Yes.

17 Q. Is this a true and accurate copy of
18 the letter sent by the Division to Aetna Inc.
19 requiring additional information relating to the
20 Form E filed by Aetna Inc. on October 15 the, 2015?

21 A. Yes.

22 Q. Did you have input into the
23 preparation and drafting of this letter?

24 A. Yes.

25 Q. On what day was that letter sent to

1 received on March 2nd, 2016 by the Department?

2 A. Yes.

3 Q. Were any alterations to this document
4 made by the Department upon receipt, outside of the
5 date stamp?

6 A. No.

7 Q. Exhibit 13 has been previously
8 admitted into evidence. Did you receive an
9 electronic copy of Exhibit 13 prior to March 2nd,
10 2016?

11 A. Yes, I did.

12 Q. When did you receive that?

13 A. On February 26th.

14 Q. You can set aside Exhibit 13. With
15 apologies, there is a second page to Exhibit 13,
16 which has the word enclosures and nothing further.
17 Exhibit 13 with the two pages has already been
18 admitted. Do you recognize the second page as part
19 of Exhibit 13?

20 A. Yes.

21 Q. The cover letter. I'm handing you
22 what's been marked as Exhibit 14. Do you recognize
23 this document?

24 A. Yes.

25 Q. Is this the Division's request for

1 hearing, the filing of which initiated the matter
2 that brings us here today?

3 A. Yes, it is.

4 Q. While Exhibit 14 is already part of
5 the case record prior to today, it has also been
6 admitted into evidence. What day was this request
7 for hearing filed?

8 A. March 25th, 2016.

9 Q. You can set that aside. I believe
10 you previously testified that Aetna Inc. made a
11 Form E filing with the Department in conjunction
12 with its proposed acquisition of Humana Inc.; is
13 that correct?

14 A. Yes.

15 Q. Did the Division conduct a review of
16 the Form E filed by Aetna Inc.?

17 A. Yes.

18 Q. What did that review entail?

19 A. Analysis of market share.

20 Q. What market share was analyzed in
21 that review?

22 A. The health insurance market share.

23 Q. What lines of business were analyzed
24 in that review?

25 A. Well, initially we used the default

1 lines of coverage in the health statement from the
2 state page.

3 Q. What do you mean by state page?

4 A. State page is a page in the annual
5 statement that identifies by filing type different
6 lines of coverage by state with the premium amount
7 by each state.

8 Q. So if a company were writing business
9 shown on the state page in 50 different states, how
10 many state pages would they file?

11 A. They'd have one for each state, so
12 50 states and then a grand total page.

13 HEARING OFFICER ERICKSON: Counsel,
14 could you clarify, when you're talking about
15 statement, are you talking about the Form E or are
16 you talking -- is the witness talking about a
17 different statement?

18 MR. HOPPER: He's talking about a
19 different statement.

20 HEARING OFFICER ERICKSON: Could you
21 please clarify in that area?

22 MR. HOPPER: Sure. And perhaps it
23 would help if I put the statement into the record.

24 BY MR. HOPPER:

25 Q. Mr. Rehagen, your previous testimony

1 when you referenced the state page and a statement,
2 which statement were you referring to?

3 A. The health annual statement. It's
4 the NAIC, the NAIC form.

5 Q. I'm now passing you what's been
6 marked as Exhibit 15. Do you recognize this
7 document?

8 A. Yes. It is the health annual
9 statement blank.

10 Q. Is this the health annual statement
11 blank that you were just referring to?

12 A. Yes.

13 Q. For which year is this, the health
14 annual statement blank?

15 A. 2015.

16 Q. What type of company files this
17 health annual statement blank?

18 A. Those companies that currently write
19 health insurance.

20 Q. What is the source of Exhibit 15?

21 A. This is an NAIC document.

22 Q. Are companies licensed and operating
23 in Missouri that write primarily health insurance
24 required by law and regulation to file this
25 Exhibit 15 with the Department?

1 A. Yes.

2 Q. Exhibit 15 has been previously
3 admitted. I believe you said this is the annual
4 statement blank for companies that primarily write
5 health insurance; is that correct?

6 A. Yes.

7 Q. Are there other types of annual
8 statements blank?

9 A. There are. There's a life, accident
10 and health blank for those that primarily file for
11 life insurance. There's also a property and
12 casualty blank.

13 Q. Could you please turn to page 50 of
14 Exhibit 15, and by 50, I mean the Bates stamp
15 number, not the number on the side.

16 A. Right. Yes, I'm there. Found it.

17 Q. What is the title of page 50?

18 A. Exhibited premium, enrollment and
19 utilization.

20 Q. Is this the state page for the health
21 annual statement blank to which you previously
22 referred?

23 A. Yes, it is.

24 Q. The other types of annual statement
25 blank you mentioned, the life and the property and

1 casualty, would those annual statement blanks have
2 this same page within them?

3 A. No. They would be different.

4 Q. The columns are enumerated 1 through
5 10. What information is contained in column titles
6 1 through 10?

7 A. It is -- No. 1's the total, and then
8 2 through 10 are the various default lines of
9 business in this blank.

10 Q. Looking at the row that is numbered
11 12, what does that row say?

12 A. Health premiums written.

13 Q. Are these direct premiums written?

14 A. Yes.

15 Q. I believe you previously mentioned
16 default lines of business.

17 A. Uh-huh.

18 Q. Do you see any default lines of
19 business on this page 50?

20 A. Yes. They're all default lines of
21 business for this blank.

22 Q. Okay. You can set aside Exhibit 15
23 for the moment, but please keep it close by. I'm
24 now handing you what's been marked as Exhibit 16.
25 Do you recognize this document?

1 A. Yes.

2 Q. Is Exhibit 16 a true and accurate
3 copy of a spreadsheet prepared by the Division to
4 aid in the analysis of the default lines of
5 business from the state page that we just looked
6 at?

7 A. Yes.

8 Q. Are there any additional default
9 lines of business analyzed in Exhibit 16?

10 A. Yes. There's also something in the
11 life, accident and health.

12 Q. Are the lines of business from the
13 life, accident and health blank lines of business
14 from the state page in that annual statement blank?

15 A. Yes.

16 Q. What is the source of the information
17 contained in Exhibit 16?

18 A. The NAIC.

19 Q. Where does the NAIC collect its
20 information from?

21 A. From the annual statements of all the
22 insurance companies that are filed.

23 Q. Are companies that operate in
24 Missouri pursuant to a license or certificate of
25 authority required to file a copy of their annual

1 statement with the NAIC?

2 A. Yes.

3 Q. Does NAIC stand for National
4 Association of Insurance Commissioners?

5 A. Yes, it does.

6 Q. How was the data in Exhibit 16
7 compiled by Division staff?

8 A. Through the NAIC database, we were
9 able to analyze by group the various default lines
10 for each blank.

11 Q. Was the creation of Exhibit 16 by the
12 Division triggered by the filing of a Form E by
13 Aetna Inc. to aid in the Division's analysis of the
14 filing?

15 A. Yes.

16 Q. Is it the Division's current, normal
17 procedure to create a record of this kind upon the
18 filing of a Form E?

19 A. Yes.

20 Q. Did an employee of the Division
21 create this Exhibit 16 at or near the time that the
22 Form E was filed and under review?

23 A. Yes.

24 Q. Does the Division maintain records of
25 this kind relating to filings made by insurance

1 companies in the ordinary course of its business?

2 A. Yes.

3 Q. Exhibit 16 has been previously
4 admitted. How many different lines of business are
5 analyzed in Exhibit 16?

6 A. 15, I believe. Yes, 15.

7 Q. How many of those lines of business
8 relate to the state page of the health annual
9 statement blank or Exhibit 15?

10 A. It's nine, I believe.

11 Q. Is each of the lines of business from
12 the state page in Exhibit 15 analyzed in
13 Exhibit 16?

14 A. Yes.

15 Q. Would you please turn to pages 23 and
16 24 of Exhibit 16.

17 A. Okay.

18 Q. What line of business is analyzed on
19 pages 23 and 24 of Exhibit 16?

20 A. It's the comprehensive group for
21 2015.

22 Q. Is this a line of business from the
23 health annual statement blank state page?

24 A. Yes.

25 Q. Is this a line of business used in

1 the annual statement required to be filed by
2 insurers doing business in the state?

3 A. Yes.

4 Q. Looking at page 23, what information
5 is contained in Section 1?

6 A. Section 1 is market share analysis by
7 group from 2016 through -- excuse me -- 2006
8 through 2015.

9 Q. What numbers support these market
10 shares?

11 A. These are from the state page, the
12 filing made in the annual statement.

13 Q. Do these numbers reflect direct
14 written premium written by these groups?

15 A. Yes.

16 Q. In Section 1, why are certain lines
17 of Section 1 highlighted?

18 A. Because those are -- would be one of
19 the companies that are -- that is part of the
20 proposed acquisition.

21 Q. Is Aetna GRP, the Aetna group
22 controlled by Aetna Inc. in this exhibit?

23 A. Yes. I think it's Aetna Inc. and the
24 subsidiaries.

25 Q. Is the Humana Inc., the Humana group

1 controlled by Humana Inc.?

2 A. Yes.

3 Q. What was Aetna Inc.'s 2015 market
4 share in the comprehensive group line of business
5 from the health annual statement blank state page?

6 A. 20.34.

7 Q. Is that percent?

8 A. Percent, that's correct.

9 Q. What was Humana Inc.'s 2015 market
10 share for the comprehensive group line of business
11 from the health annual statement blank?

12 A. 4.17 percent.

13 Q. Moving down to Section 2, what
14 information is shown in Section 2?

15 A. Section 2, the green, is -- the
16 highlighted area are the two groups that are part
17 of this proposed merger, and then the bottom line
18 would be the combined post-merger numbers as if
19 they'd been merged at that time.

20 Q. What would be the combined market
21 share of Aetna Inc. and Humana Inc. in 2015 in the
22 comprehensive group line of business from the
23 health annual statement blank page?

24 A. 24.51 percent.

25 Q. Moving down to Section 3, what

1 information is shown here?

2 A. Those are the various tests required
3 under statute, concentration and trending.

4 Q. Okay. What was the combined total of
5 the four largest groups market share in the
6 comprehensive group list of business from the
7 health annual state blank state page in 2015?

8 A. 95.65 percent.

9 Q. What was the combined total of the
10 largest three groups in the comprehensive group
11 line of business from the health annual statement
12 blank state page?

13 A. Say it again.

14 Q. Same question as the previous except
15 top three.

16 A. Okay. So we're in 2015?

17 Q. For 2015. My apologies.

18 A. And approximately?

19 Q. Approximately.

20 A. Would be about 91 percent.

21 Q. Could the exact total be calculated
22 using Exhibit 16?

23 A. Yes.

24 Q. Looking at --

25 HEARING OFFICER ERICKSON: Excuse me,

1 Mr. Hopper. Where would the approximate number
2 that Mr. Rehagen is testifying to be found on this
3 document?

4 BY MR. HOPPER:

5 **Q. Mr. Rehagen, where would the**
6 **approximate number that you just testified to be**
7 **found on this document?**

8 A. You would have to add the three in
9 the last column on page 23. I mean, I was just
10 adding in my head the top three.

11 HEARING OFFICER ERICKSON: The last
12 column of?

13 THE WITNESS: Page 23 at the top of
14 Section 1.

15 HEARING OFFICER ERICKSON: At the
16 top, this column?

17 THE WITNESS: Yes.

18 HEARING OFFICER ERICKSON: Thank you,
19 sir.

20 BY MR. HOPPER:

21 **Q. What are the three numbers that you**
22 **approximated?**

23 A. 44.72 percent, 26.26 percent and
24 20.34 percent.

25 **Q. Dropping the decimal, so this will be**

1 an underestimation, what is 44 plus 26 plus 20?

2 A. 90.

3 Q. Is that the minimal market share of
4 the top three insurer groups --

5 A. Yes.

6 Q. -- in 2015?

7 Is Aetna Inc. included in that group
8 of the largest three market shares in this line of
9 business in 2015?

10 A. Yes.

11 Q. If you could look toward the 2007
12 market share in Section 1 for a moment, what is the
13 approximate combined total of the three largest
14 market shares in this line of business in 2007?

15 A. 71 without the decimals. So it would
16 be actually a little higher.

17 Q. Is the combined market share of the
18 top three groups in 2007 less than 80 percent?

19 A. Yes.

20 Q. Could you please turn to pages 25 and
21 26 of Exhibit 16.

22 A. Okay.

23 Q. What line of business is analyzed on
24 these two pages?

25 A. Comprehensive individual for 2015.

1 Q. Is the information contained on
2 pages 25 and 26 comparable to the information
3 contained on pages 23 and 24 except with regard to
4 the different line of business from the health
5 annual statement blank state page?

6 A. Yes. It's the same type of
7 information.

8 Q. What was Aetna Inc.'s 2015 market
9 share comprehensive individual line of business
10 from the health annual statement?

11 A. 27.56 percent.

12 Q. What was Humana Inc.'s 2015 market
13 share in the comprehensive individual line of
14 business from the health annual statement blank
15 state page?

16 A. 2.37 percent.

17 Q. What was the combined market share of
18 Aetna Inc. and Humana Inc. in 2015 in this line of
19 business?

20 A. 49.9 percent.

21 Q. What was the combined total of the
22 four largest market shares in this line of business
23 in 2015?

24 A. 97.1 percent.

25 Q. Approximately what was the combined

1 total of the three largest market shares in this
2 line of business in 2015?

3 A. 93 percent.

4 Q. Could that number be calculated
5 exactly by adding the first three numbers in the
6 last column on page 25?

7 A. Yes.

8 Q. Is Aetna Inc. included in the three
9 largest market shares in this line of business in
10 2015?

11 A. Yes.

12 Q. What was the combined total of the
13 three largest market shares in this line of
14 business in 2007?

15 A. About 87 -- 7-- yeah, 87. Correct.

16 Q. Could that number be calculated
17 exactly using the first three numbers in the column
18 titled 2007 market share?

19 A. Yes.

20 Q. What is 94.74 minus 7?

21 A. 94.74 minus 7 would be 87 without the
22 decimals, 74.

23 Q. Thank you. Could you please turn to
24 pages 29 and 30 of Exhibit 16. Do pages 29 and 30
25 of Exhibit 17 contain comparable information to

1 that in pages 23 and 24 and 25 and 26, except with
2 regard to a different line of business?

3 A. Yes.

4 Q. Which line of business is analyzed on
5 pages 29 and 30?

6 A. It's the Title XVIII Medicare.

7 Q. Is this Title XVIII Medicare a line
8 of business from the health annual statement bank
9 state page?

10 A. Yes. This is for 2015.

11 Q. Is this a line of business used in
12 the annual statement required to be filed by
13 insurers doing business in the state?

14 A. Yes.

15 Q. Looking at pages 29 and 30, and you
16 will likely need to look at both pages due to
17 column sizing, what market share did Aetna Inc.
18 have in 2015 in the Title XVIII Medicare line of
19 business from the health annual statement blank
20 state page?

21 A. 32.11 percent.

22 Q. What market share did Humana Inc.
23 have in 2015 in the Title XVIII Medicare line of
24 business from the health annual statement blank
25 state page?

1 A. 22.27.

2 Q. What is the combined market share for
3 Humana Inc. and Aetna Inc. in this line of business
4 in 2015?

5 A. 54.63 percent.

6 Q. What was the combined total of the
7 four largest market shares in this line of business
8 in 2015?

9 A. 98.52 percent.

10 Q. Was Aetna Inc. included in the four
11 largest market shares in this line of business in
12 2015?

13 A. Yes.

14 Q. What was the combined total of the
15 four largest market shares in this line of business
16 in 2008?

17 A. About 86 and a half.

18 Q. Okay. Could that number be
19 calculated exactly using the first four numbers
20 beneath the heading 2008 market share?

21 A. Yes.

22 Q. You can set aside Exhibit 16. We
23 just looked at three lines of business from the
24 health annual statement blank state page, correct?

25 A. Yes.

1 Q. Do those three lines of business give
2 a complete picture of those three markets?

3 A. No. As I mentioned earlier, the life
4 and health or life and A&H companies and PC
5 companies could also write that type of business.

6 Q. Is any health insurance business
7 written by life and A&H and the state filers for
8 property and casualty annual statement bank filers
9 included in Exhibit 16?

10 A. No.

11 Q. Are there other pages in the health
12 annual statement blank that you think would more
13 completely -- that you think more completely depict
14 any of these health insurance markets?

15 A. Yes. There's a health care
16 supplemental exhibit.

17 Q. Is that health care supplemental
18 exhibit contained in Exhibit 15?

19 A. Yes, it is.

20 Q. Could you please grab Exhibit 15
21 again and turn to Bates page 197.

22 A. Okay.

23 Q. What is the title of this page?

24 A. Supplemental health care exhibit,
25 Part 2.

1 Q. Is this the page you were just
2 referencing?

3 A. Yes, it is.

4 Q. Why would market share information
5 based off this page more completely depict some
6 health insurance markets?

7 A. Because it's broken down into finer
8 definitions, and also these are comparable between
9 the stated blank so that the life, P&C and health
10 insurers all would file the same supplemental
11 health care exhibit.

12 Q. Is this page 197, the supplemental
13 health care exhibit, Part 2, does that page contain
14 the property and casualty annual statement blank?

15 A. Yes.

16 Q. Does that page contain the life and
17 accident and health annual statement blank?

18 A. Yes.

19 Q. Did the Division perform any market
20 share analysis based on the lines of business
21 listed in the supplemental health care exhibit,
22 Part 2?

23 A. Yes.

24 Q. Handing you what's been marked as
25 Exhibit 17. Do you recognize this document?

1 A. Yes.

2 Q. Is this Exhibit 17 a true and
3 accurate copy of a spreadsheet prepared by the
4 Division to aid in the analysis of lines of
5 business from the supplemental health care exhibit,
6 Part 2, and the annual statement blanks filed by
7 life and accident and health, health and property
8 and casualty insurance companies in 2015?

9 A. Yes.

10 Q. What is the source of the information
11 contained in Exhibit 17?

12 A. This came from SNL.

13 Q. What is SNL?

14 A. SNL is a service that we subscribe to
15 that helps us query information on the NAIC
16 database.

17 Q. Where does SNL get its information?

18 A. It's directly from the NAIC database.

19 Q. Where does the information in the
20 NAIC database come from?

21 A. From the financial filings the
22 companies make.

23 Q. Is the information contained in
24 Exhibit 17 reflective of annual statement filings
25 made with the Department and with the NAIC?

1 A. Yes.

2 Q. How is the data compiled by the
3 Division staff?

4 A. How is it compiled? It's compiled
5 using SNL.

6 Q. Let me rephrase. How does Division
7 staff acquire data from SNL?

8 A. There's a method to query it.

9 Q. Was the creation of Exhibit 17 by the
10 Division triggered by the filing of a Form E by
11 Aetna Inc. to aid in the Division's analysis of
12 filing?

13 A. Yes.

14 Q. Is it the Division's current normal
15 procedure to create a record of this kind upon the
16 filing of a Form E?

17 A. Yes.

18 Q. Did an employee of the Division
19 create this Exhibit 17 at or near the time that the
20 Form E was filed and under review?

21 A. Yes.

22 Q. Does the Division maintain records of
23 this kind relating to filings made by insurance
24 companies in the ordinary course of its business?

25 A. Yes.

1 Q. Exhibit 17 has been previously
2 admitted. Looking at the first page of Exhibit 17,
3 the first column is titled company name. What
4 information is contained in Exhibit 17 in the first
5 column?

6 A. That's the name of each company that
7 writes that type of business.

8 Q. Is this a complete list of the
9 companies that filed a health care supplement --
10 excuse me.

11 Is this a complete list of companies
12 that filed the supplemental health care exhibit,
13 Part 2, and reported premium on that page in the
14 annual statement in 2015?

15 A. Yes.

16 Q. Moving to the second column entitled
17 NAIC code, period, code, what information is
18 contained in that column?

19 A. That's the individual NAIC code for
20 each company.

21 Q. Moving to the third column, titled
22 NAIC group code, what information is contained in
23 this column?

24 A. That's the group code for each of the
25 companies.

1 Q. I believe you previously said that
2 Aetna Inc. was NAIC group code 1?

3 A. Yes.

4 Q. Do you see any Aetna Inc. companies
5 on this list?

6 A. Yes, I do.

7 Q. Do you see any Humana Inc. companies
8 on this list?

9 A. Yes. They would be group code 119.

10 Q. Moving to the next column, which
11 reads AR, colon, comp health and individual, what
12 information is contained in this column?

13 A. That's the direct premiums written in
14 thousands by each company.

15 Q. At the bottom of this column there is
16 a total for the entirety of the column?

17 A. Yes.

18 Q. What is that total?

19 A. 1,406,615,726.

20 Q. Moving to the next column, which
21 reads in part AR, colon, comp health, colon, small
22 GRP employer, what information is contained in this
23 column?

24 A. It's the same premium information for
25 small group.

1 thousands. It's in full dollars.

2 Q. Do you see the Aetna group listed on
3 this page 2?

4 A. Yes.

5 Q. Is the Aetna group listed in the
6 first line of this page?

7 A. Yes.

8 Q. Is the Humana group also listed in
9 this page?

10 A. Yes.

11 Q. Is the information in the final
12 right-most four columns of this page comparable to
13 the right-most four columns of page 1 by total
14 budget?

15 A. Yes.

16 Q. Could you please turn to page 3.
17 What information is contained on page 3 of
18 Exhibit 17?

19 A. This is the market share information
20 based on premium of market share.

21 Q. What was the Aetna group's market
22 share in the comprehensive health individual line
23 of business from supplemental part 2 in 2015?

24 A. 36.88 percent.

25 Q. What was Humana's -- Humana group's

1 market share in that same frame?

2 A. 1.93 percent.

3 Q. Moving to the next column, what was
4 the Aetna group's market share in the small group
5 employer comprehensive health insurance line of
6 business from the supplemental health care exhibit?

7 A. 12.14 percent.

8 Q. What about Humana group's market
9 share?

10 A. 5.99 percent.

11 Q. Moving to the next column, large
12 group employer comprehensive insurance from the
13 supplemental health care exhibit, Part 2, what was
14 Aetna group's market share in that line for 2015?

15 A. 14.13 percent.

16 Q. What was Humana group's market share
17 under the same line of business?

18 A. 0.85 percent.

19 Q. What was the combined total of the
20 top four groups in the comprehensive health ins--
21 individual comprehensive insurance line of business
22 from the supplemental health care center?

23 A. 91.02 percent.

24 Q. What about the top four groups in the
25 small group employer comprehensive health insurance

1 list of business from the same page?

2 A. 88.49 percent.

3 Q. What about the large group employer
4 comprehensive health insurance line of business
5 from the same page?

6 A. 94.27 percent.

7 Q. Set that aside. Just keep it handy.
8 Next I'm going to pass you what's been marked as
9 Exhibit 18. Do you recognize this document?

10 A. Yes, I do.

11 Q. Does Exhibit 18 contain comparable
12 information to Exhibit 17, except from 2010 rather
13 than 2008?

14 A. Yes.

15 Q. Was the information in Exhibit 18
16 compiled in the same manner and for the same
17 reasons as the information in Exhibit 17?

18 A. Yes.

19 Q. Exhibit 18 has previously been
20 admitted into evidence. Comparing Exhibit 18 to
21 Exhibit 17, looking at the first page of each
22 exhibit, which exhibit contains more rows?

23 A. Exhibit 18 has more rows.

24 Q. What does that information mean to
25 you?

1 A. That means there were more individual
2 insurers writing that type of business in 2010.

3 Q. Moving to the bottom of the
4 comprehensive individual health insurance line of
5 business column, what was the total in that line of
6 business in 2010?

7 A. 525,596-- 525,596,708.

8 Q. How does that number compare to the
9 total for that same line of business in 2015?

10 A. 2015 more than twice that much.

11 Q. Does this mean that the size of this
12 line of business has more than doubled from 2010 to
13 2015?

14 A. Yes.

15 Q. Would you please turn to page 2 of
16 the exhibit. Again, which page -- comparing the
17 second page of Exhibit 17 and the second page of
18 Exhibit 18, which page contains more rows?

19 A. Exhibit 18 has more rows.

20 Q. Looking at Exhibit 17, do you see a
21 line and the NAIC group code of 23?

22 A. Yes.

23 Q. What group does that belong to?

24 A. BCS Insurance Group.

25 Q. How much premium did the BCS

1 Insurance Group report in the comprehensive
2 individual health insurance line of business in
3 2010?

4 A. None.

5 Q. Excuse me. In 2015.

6 A. Oh, 2015?

7 Q. I misspoke. We were looking at 2015.
8 I just confused you.

9 A. Right. It reported none in the
10 individual.

11 Q. Okay. What about in the next column
12 for small group employer comprehensive health
13 insurance?

14 A. No.

15 Q. Moving down, do you see NAIC group
16 code 661?

17 A. Yes.

18 Q. How much individual comprehensive
19 health insurance business did this report in 2015?

20 A. It was negative 47,142.

21 Q. How could a group report negative
22 premium?

23 A. I suppose it could have been some
24 returned premium.

25 Q. Moving to the next column, small

1 group employer health insurance, how much premium
2 was reported by group 661?

3 A. 15,231.

4 Q. Moving down to group code 4826, do
5 you see a group code 4826 in 2015?

6 A. Yes, I do.

7 Q. How much premium was reported in the
8 individual comprehensive health insurance market
9 for group code 4826 in 2015?

10 A. 2,079.

11 Q. I think you may be mixing up.

12 A. Yes, I am.

13 Q. Did that group report any other
14 premium on this page?

15 A. No.

16 Q. Moving down one line to the group
17 code NA with the company code 71439, how much
18 business did this company report in the
19 comprehensive individual health insurance line of
20 business in 2015?

21 A. 2,079.

22 Q. Is any other business reported by
23 this company in 2015 on this page?

24 A. No.

25 Q. Comparing the second page of

1 Exhibit 17 with the second page of Exhibit 18, do
2 you see the four -- the three group codes and the
3 one company code that we just listed, listed on the
4 second page of Exhibit 18?

5 A. No.

6 Q. What does that information tell you?

7 A. Those were new groups that entered
8 this market after 2010.

9 Q. Do you see any other groups listed
10 for 2010 in Exhibit 18 -- excuse me. Strike that.

11 Do you see any other groups listed on
12 the second page of Exhibit 17 for 2015 that are not
13 listed on the second page of Exhibit 18 for 2010?

14 A. No.

15 Q. What does that information tell you?

16 A. That there were no other groups that
17 joined the market.

18 Q. Do you see any groups listed for
19 2015 -- excuse me. Sorry. Do you see any groups
20 listed for 2010 in Exhibit 18 that are not listed
21 in Exhibit 17 for 2015?

22 A. Yes.

23 Q. Approximately how many do you see?

24 A. There's several. I would guess
25 between 15 and 20.

1 Q. What does that information tell you?

2 A. Those are companies that are no
3 longer writing that type of business as of 2015.
4 Actually, those are groups that are no longer
5 writing that business, not just companies.

6 Q. Still looking at the second page of
7 Exhibit 18, I see that three rows are highlighted?

8 A. Yes.

9 Q. Why is that the case?

10 A. The Aetna and Humana are the two
11 parties to this proposed merger. Coventry is now
12 merged into Aetna after 2010.

13 Q. Is the Coventry Corp group listed in
14 the Exhibit 17 for 2015?

15 A. No.

16 Q. Did the merger between Aetna and
17 Coventry occur between 2010 and 2015?

18 A. Yes.

19 Q. Looking at page 3 of Exhibit 18, does
20 this page 3 of Exhibit 18 contain comparable
21 information to page 3 of Exhibit 17, except for
22 2010 instead of 2015?

23 A. Yes.

24 Q. What was the combined market share of
25 the top four groups in the comprehensive individual

1 health insurance line of business from the health
2 care supplement -- from the supplemental health
3 care exhibit, Part 2 in the annual statement?

4 A. 83.5 percent.

5 Q. Comparing the third page of
6 Exhibit 18 with the third page of Exhibit 17, can
7 you identify the top three groups in the individual
8 comprehensive health insurance line of business in
9 2010?

10 A. 2010. Top three would be Anthem
11 Inc., Blue Cross/Blue Shield of Kansas City and the
12 United Health Care Group.

13 Q. Can you identify the fourth largest
14 group in this line of business?

15 A. Coventry Corporation.

16 Q. Looking down five rows, do you see
17 market share greater than Coventry's in this line
18 of business?

19 A. Yes, Assurant, Inc. at that time.

20 Q. Is Coventry the fifth largest market
21 share in this line of business?

22 A. Yes.

23 Q. Is Aetna the sixth largest market
24 share in this line of business?

25 A. Yes.

1 Q. Looking at 2015, can you identify the
2 five largest groups in the individual comprehensive
3 health insurance line of business?

4 A. Yes. It's Anthem Inc., United Health
5 Group, Aetna Inc. -- or Aetna group, Blue
6 Cross/Blue Shield of Kansas City and Cox.

7 Q. Is the Assurant, Inc. group
8 possessing a higher market share than the Cox
9 insurance group?

10 A. Yes. It is, yes.

11 Q. Absent -- excuse me. Excluding the
12 Coventry Corp group from 2010, which you previously
13 said was acquired by Aetna, how did the identities
14 of the top five groups in this line of business
15 from 2010 compare to the identities of the top five
16 groups in this line of business in 2015?

17 A. They're the same.

18 Q. Moving to the next column in both
19 pages, for 2010, can you identify the top five
20 groups in the small group employer comprehensive
21 insurance line of business?

22 A. Yes, it's Anthem, Blue Cross/Blue
23 Shield of Kansas City, United Health Group,
24 Coventry Corporation, Humana and Aetna.

25 Q. Is Aetna the sixth largest?

1 A. Sixth largest. I'm sorry.

2 Q. Looking at 2015, can you identify the
3 five largest groups in the comprehensive small
4 group employer health insurance line of business?

5 A. Yes. It's Anthem Inc., United Health
6 Group, Aetna, Blue Cross/Blue Shield of Kansas City
7 and Cox.

8 Q. Does Humana group have a higher
9 market share than Cox?

10 A. I was looking at large. I'm sorry.
11 I'll go back to the small and redo that. It is
12 Anthem Inc., United Health, then Blue Cross/Blue
13 Shield of Kansas City, Aetna and then Humana.

14 Q. Are the identities of the five
15 largest groups in this line of business between
16 2010 and 2015 excluding Coventry the same?

17 A. Yes.

18 Q. Moving to the next column, large
19 group employer comprehensive health insurance, in
20 this line of business, what are the identities of
21 the four largest groups in this line of business
22 from 2010?

23 A. Anthem, Blue Cross/Blue Shield of
24 Kansas City, United Health and the Coventry group.

25 Q. In 2015, what are the identities of

1 the four largest groups in this line of business?

2 A. Anthem, United Health, Aetna and Blue
3 Cross/Blue Shield of Kansas City. Not in that
4 order, though. Aetna's fourth.

5 Q. I'm sorry. Did I cut you off?

6 A. I was just saying Aetna's fourth.

7 Q. Okay. Comparing the top four
8 insurers that you just read off in 2010 and 2015
9 and accounting for Aetna's acquisition of Coventry,
10 how do these two lists compare?

11 A. They're the same.

12 Q. You can set aside those two exhibits.
13 I'm now going to pass you what's been marked as
14 Exhibit 19. Do you recognize this document?

15 A. Yes.

16 Q. Is Exhibit 19 a true and accurate
17 copy of a Read-Me file from the CMS website that
18 accompanied data files available publicly on that
19 website?

20 A. Yes.

21 Q. Have you personally located and
22 viewed this document on the CMS website?

23 A. Yes.

24 Q. Is Exhibit 19 a true and accurate
25 copy of the document you found and viewed on that

1 website?

2 A. Yes.

3 Q. Exhibit 19 has been previously
4 admitted into evidence. Below the title, what does
5 the first line of this document say?

6 A. Says contract, slash, plan, slash,
7 state, slash, county package.

8 Q. What does that mean?

9 A. That means the information is by
10 contract, by plan, by state, every state and county
11 in the United States.

12 Q. Okay. Skipping down two paragraphs
13 to the paragraph that begins with the CPSC
14 underscore contract. You don't need to read the
15 file name, but could you read the first of that
16 paragraph?

17 A. This is a comma separated value text
18 file containing descriptive attributes for every
19 contract plan combination that appears in the CPSC
20 enrollment info file.

21 Q. Okay. The next paragraph, again
22 skipping the file name, would you read that?

23 A. Yes. This is a comma separated value
24 text file. It contains the enrollment data for the
25 month and year described in the file name for every

1 contract plan in every state and county.

2 Q. Did the paragraphs you just read
3 describe two data files that accompanied this
4 Read-Me file on the CMS website?

5 A. Yes.

6 Q. What information was contained in the
7 CPSC underscore contract, et cetera, file?

8 A. It's the various contract
9 information.

10 Q. And what information was contained in
11 the second?

12 A. The enrollment data.

13 Q. To what type of contract or plan do
14 these two data files relate?

15 A. The Medicare.

16 Q. Okay. Moving down to the bottom of
17 page 1 of Exhibit 19, what organization types were
18 included in these two data files?

19 A. The local CCP, the regional CCP, the
20 MSA and the PFFS.

21 Q. Does that list continue on to page 2?

22 A. Yes. And also included in that was
23 demonstrations, national pace, 1876 costs, HCPP,
24 1833 costs, employer-sponsored PDP and PDP.

25 Q. Does this list of organization types

1 correspond with the list of contract types that
2 Ms. Nelson previously testified to in Exhibit 5?

3 A. Yes.

4 Q. Which of these organization types
5 offer Medicare Advantage contracts?

6 A. The first four on the first page,
7 local CCP, regional CCP, MSA and PFFS.

8 Q. Moving to the second page under the
9 heading special notes, would you read special
10 note 1?

11 A. The privacy laws of HIPAA have been
12 interpreted to prohibit publishing enrollment data
13 values of 10 or less. Consequently some enrollment
14 data in this file have been set to blank because
15 the enrollment was ten or less.

16 Q. Paraphrasing that special note, what
17 does that mean?

18 A. Basically if there's less than 10
19 enrollees, the information is blank.

20 Q. Does that also apply to lines of
21 10 enrollees?

22 A. Repeat that. I didn't hear you. Ten
23 enrollees, correct.

24 Q. What does special note 2 tell you,
25 just paraphrasing?

1 A. That this is a very large file and it
2 likely did not work with Microsoft Excel, so you
3 must use Access or some statistical package to
4 download.

5 Q. Did the Division analyze the two data
6 files that were included with this Read-Me file on
7 the CMS website?

8 A. Yes.

9 Q. For which month and year -- which
10 month and year did the two data files included with
11 this Exhibit 19 on the CMS website pertain to?

12 A. The month of April from 2007 and then
13 every April through 2016.

14 Q. So if I understand you correctly, the
15 Division analyzed 10 separate sets of data?

16 A. Yes.

17 Q. Special note 2 mentions that the
18 enrollment data file was very large, I think you
19 said?

20 A. Right.

21 Q. And could not be handled by Excel.
22 How did the Division analyze that data file?

23 A. We first had to download it into
24 Access.

25 Q. Okay. What did the Division do next?

1 A. Then next we filtered out the
2 non-Missouri information and the blank information.

3 Q. After filtering out the non-Missouri
4 information and the blank information, what did the
5 Division do next?

6 A. Then we exported it into Excel.

7 Q. Now that the file was exported into
8 Excel, did the file contain multiple rows for each
9 plan --

10 A. Yes.

11 Q. -- at this point? Is this because
12 the CMS file contained a separate row for each
13 county for each plan?

14 A. Yes, exactly.

15 Q. What did the Division do next to
16 analyze this data?

17 A. We filtered the data such that there
18 was only one row for each plan.

19 Q. Was this filtering done using Excel
20 functions?

21 A. Yes.

22 Q. I'm now going to pass you what has
23 been marked as Exhibit 35. For clarify of the
24 record, these exhibits are out of order. Do you
25 recognize Exhibit 35?

1 A. Yes.

2 Q. Is Exhibit 35 a true and accurate
3 copy of an intermediate stage of data analysis by
4 the Division that you were just describing?

5 A. Yes.

6 Q. Does Exhibit 35 contain data
7 pertaining to Medicare Advantage and other Medicare
8 plans with enrollees in Missouri counties and the
9 City of St. Louis?

10 A. Yes.

11 Q. What is the source of the information
12 contained in Exhibit 35?

13 A. This is from the CMS data.

14 Q. Did an employee of the Division
15 create the file portrayed by Exhibit 35 to aid in
16 the Division's analysis of the Form E filed by
17 Aetna Inc.?

18 A. Yes.

19 Q. Is it the Division's current normal
20 procedure -- strike that.

21 Do you consider analysis documents of
22 this kind to be reliable in carrying out your
23 regulatory duties?

24 A. Yes.

25 Q. Is the subject matter of this

1 document related to the issues of the relevant
2 product market, the relevant geographic market,
3 market shares, the volatility of ranking of market
4 leaders, the number of competitors, concentration
5 and trends of concentration in the industry, and
6 the ease of entry and exit into the market for --
7 in this matter?

8 A. Yes.

9 MR. HOPPER: The Division offers
10 Exhibit 35 into evidence.

11 MR. WHITMER: No objection.

12 HEARING OFFICER ERICKSON: The
13 Division's Exhibit 35 is admitted.

14 (PETITIONER'S EXHIBIT 35 WAS RECEIVED
15 INTO EVIDENCE.)

16 BY MR. HOPPER:

17 Q. Does Exhibit 35 portray the stage of
18 the analysis that you were just discussing whereby
19 each plan with enrollees in Missouri displays that
20 data on one row each?

21 A. Each plan -- no. I don't see it.

22 Q. I should probably rephrase. Does
23 each row in Exhibit 35 correspond to one plan?

24 A. Yes.

25 Q. For which months and years does

1 Exhibit 35 contain information?

2 A. It's the months of April from 2007
3 through every month through 2016.

4 Q. Why didn't the Division analyze data
5 from April 2006 or earlier?

6 A. It wasn't available.

7 Q. Does Exhibit 35 contain information
8 from the second data file discussed in Exhibit 19,
9 I believe it's the contract info data file?

10 A. No.

11 Q. Does Exhibit 35 contain contract
12 information?

13 A. Some contract information.

14 Q. Okay. Does Exhibit 35 represent
15 information from both data files that were taken
16 from the CMS website?

17 A. Yes.

18 Q. Does Exhibit 35 contain any plans
19 with the organization type of 1876 cost plan, a
20 national PACE plan or any other organization types
21 from the second page of Exhibit 19?

22 A. Yes.

23 Q. Are those plans Medicare Advantage
24 plans?

25 A. No.

1 Q. What did the Division do next to
2 analyze this data?

3 A. We filtered out all those type of
4 plans.

5 Q. After filtering all those types of
6 plans, did the data contain individual Medicare
7 Advantage plans?

8 A. Yes.

9 Q. Did the data contain employer group
10 Medicare Advantage plans?

11 A. Yes.

12 Q. Did the data contain special needs
13 Medicare Advantage plans?

14 A. Yes, it did.

15 Q. What did the Division do next to
16 analyze that?

17 A. We secondly pulled that information
18 for each of those types out.

19 Q. After separating that information,
20 did each parent organization listed in the data
21 still have more than one row if it offered more
22 than one plan in Missouri?

23 A. Yes.

24 Q. What did the Division do next to
25 analyze the data?

1 A. Then we combined those such that
2 there was one row per parent.

3 Q. Did the Division do this for the ten
4 data sets from April 2007 through April 2016?

5 A. Yes.

6 Q. After combining the data so that each
7 parent organization had one row, what did the
8 Division do next to analyze the data?

9 A. Then we looked at the market share
10 for each -- for the individual and group compared
11 to the total.

12 Q. How was that market share calculated?

13 A. The total for the group versus the
14 total premiums written.

15 Q. Do these data files contain direct
16 premium written or do they contain enrollment?

17 A. It is enrollment.

18 Q. We've looked at a lot of numbers
19 today, and I understand --

20 A. Yes, we have. Yes.

21 HEARING OFFICER ERICKSON: Counsel,
22 could you reclarify the point for the hearing
23 officer to make sure the record is clear?

24 MR. HOPPER: Certainly.

25 BY MR. HOPPER:

1 Q. Do the data files which are portrayed
2 on Exhibit 35 contain enrollment figures or direct
3 written premium figures?

4 A. Enrollment figures.

5 Q. Why do they contain enrollment
6 figures?

7 A. Because that's how the data comes
8 from CMS.

9 Q. Was comparable data available with
10 direct written premium numbers?

11 A. No.

12 Q. You can set aside Exhibit 35. I'm
13 now going to resume the sequence of numbering and
14 pass you what's been marked as Exhibit 20. Do you
15 recognize this document?

16 A. Yes.

17 Q. Is this document the final product of
18 the Division's analysis of individual Medicare
19 Advantage plans from April 2007 through April 2016?

20 A. Yes.

21 Q. Is this document an analysis work
22 paper of the Division?

23 A. Yes.

24 Q. Do you typically rely upon analysis
25 work papers of the Division in undergoing your

1 regulatory duties?

2 A. Yes.

3 Q. Does this document relate to the same
4 issues described in -- does this document relate to
5 the same issues in this matter as Exhibit 19?

6 A. Yes.

7 Q. Does this document relate to the same
8 issues relevant to this matter as Exhibit 35?

9 A. Yes.

10 Q. Okay. Looking at the first page of
11 Exhibit 20, what information is contained in the
12 first column?

13 A. That's the county.

14 Q. Looking at the first three pages of
15 Exhibit 20, are the 114 counties and the City of
16 St. Louis within Missouri listed for 2007?

17 A. Yes.

18 Q. Does this Exhibit 20 contain market
19 share information for different parent
20 organizations within those counties and the City of
21 St. Louis?

22 A. Yes.

23 Q. Okay. Exhibit 20 has previously been
24 admitted into evidence. In the second through
25 eleventh columns, what information is listed here?

1 A. That's the parent company market
2 share in each county.

3 **Q. Okay. Is the statewide market share**
4 **also listed?**

5 A. Yes, the total.

6 **Q. Where is that listed?**

7 A. It's the total column.

8 **Q. Is the statewide market share for**
9 **each parent organization listed?**

10 A. Yes, it's also the first two rows
11 under the headings.

12 **Q. Moving past the eleventh column,**
13 **there is a column titled total. What information**
14 **is contained in this column?**

15 A. That's the totals for each county and
16 statewide.

17 **Q. What is the next column?**

18 A. That's the combined totals for Aetna
19 and Humana.

20 **Q. What is the next column?**

21 A. The number of providers.

22 **Q. What is the next column?**

23 A. HHI.

24 **Q. What is HHI?**

25 A. It's a measure of concentration of

1 the market.

2 Q. How do you calculate HHI?

3 A. You take the percentages of each
4 individual in the market, square those and then add
5 them together.

6 Q. Would you please turn to the last
7 three pages of Exhibit 20, Bates number 30 to 32.

8 A. Yes.

9 Q. Does the first column of pages 30 to
10 32 contain comparable information to the first
11 column of the rest of this exhibit?

12 A. Yes.

13 Q. What information is contained in
14 columns 2 through 8?

15 A. That's the parent -- each line, each
16 different parent company and the total.

17 Q. Do those columns contain enrollment
18 and market share information for the different
19 parent organizations in the individual Medicare
20 Advantage market in April of 2016 in Missouri?

21 A. Yes.

22 Q. What was Aetna's market share
23 statewide in the individual Medicare Advantage
24 market in April of 2016?

25 A. 32.82 percent.

1 Q. What about Humana?

2 A. 20.94 percent.

3 Q. Where Aetna is listed in Exhibit 20,
4 is that representative of companies controlled by
5 Aetna Inc.?

6 A. Yes.

7 Q. Where Humana is listed in Exhibit 20,
8 is that representative of companies controlled by
9 Humana Inc.?

10 A. Yes.

11 Q. What would be Aetna and Humana's
12 combined market share in April of 2016?

13 A. 53.76 percent.

14 Q. Do these three pages also contain
15 market share by county?

16 A. Yes.

17 Q. Are the market shares of Aetna and
18 Humana and the combined market share of Aetna and
19 Humana discernible from this document for 2016 in
20 April in the individual Medicare Advantage market?

21 A. Yes, they are.

22 Q. What does the column title pre-merger
23 providers tell you?

24 A. That's the number of groups that are
25 offering coverage prior to the merger.

1 Q. What does the column titled
2 post-merger providers tell you?

3 A. That there will be one less provider
4 providing this coverage.

5 Q. What does the column titled
6 pre-merger HHI tell you?

7 A. That would be the pre-merger measure
8 of concentration in market.

9 Q. What does the column titled
10 post-merger HHI tell you?

11 A. That would be the post-merger market
12 concentration.

13 Q. What does the column titled HHI
14 increase tell you?

15 A. That's the amount the HHI increased.

16 Q. Okay. What would be the statewide
17 HHI increase when accounting for this proposed
18 acquisition?

19 A. 1,374.

20 Q. What would be the HHI post merger
21 when accounting for this proposed acquisition?

22 A. 3,846.6.

23 Q. Looking back at columns 2 through 8
24 in these three pages, going to move to some
25 demonstrative exhibits. In approximately how many

1 counties of Missouri did Aetna have individuals
2 enrolled in Medicare Advantage plans in April of
3 2016?

4 MR. WHITMER: I'll object based on
5 foundation. I don't know that we've laid a
6 foundation for where this information came from.

7 BY MR. HOPPER:

8 Q. Based on Exhibit 20, in approximately
9 how many counties does Aetna have non-zero market
10 share in this market?

11 A. It looks from visually around half.

12 Q. What does it look like based on
13 Exhibit 20?

14 A. I'd have to get Exhibit 20.

15 Q. Again, I'm looking at the last three
16 pages.

17 A. Right. I'll have to count them.

18 Q. Just approximately.

19 A. It's probably about 60, just an
20 estimate.

21 HEARING OFFICER ERICKSON: I'm sorry.
22 Could you speak up?

23 THE WITNESS: It looks to be around
24 60 as an estimate.

25 BY MR. HOPPER:

1 Q. Would Exhibit 20 demonstrate the
2 exact number of counties in which Aetna has
3 non-zero market share?

4 A. Yes.

5 Q. In approximately how many counties in
6 this market does Humana have non-zero market share
7 in April of 2016?

8 A. Humana has very few, maybe three or
9 four. Non-zero. I'm backwards. It only has three
10 or four that are zeros. I said it backward.

11 Q. Would the exact number of non-zero
12 market shares be discernible from Exhibit 20?

13 A. Yes.

14 Q. Looking at Exhibit 20, does Humana
15 have non-zero enrollment in this market in every
16 county in which Aetna has non-zero enrollment?

17 A. Yes.

18 Q. Can you speak into the microphone to
19 make sure?

20 A. Yes. I'm sorry. Yes, it does.

21 Q. Okay. Looking at Exhibit 20, again,
22 approximately in how many counties does UHC have
23 non-zero enrollment in this market?

24 MR. WHITMER: I'm just going to
25 object again, your Honor. The question's a fine

1 one, but having the question asked with a visual
2 that we still don't have a foundation for is
3 troubling. So as long as the witness is answering
4 based on his review of the document and not what's
5 up on the board, then we don't have an objection.

6 BY MR. HOPPER:

7 Q. Mr. Rehagen, does the document
8 displayed on the screen derive its information
9 directly from Exhibit 20?

10 A. Yes, it does. And there's one
11 county, Worth County for UHC, according to this.
12 That was the wrong one. Hang on.

13 HEARING OFFICER ERICKSON: You need
14 to speak up, sir. I'm sorry.

15 THE WITNESS: I'm getting them
16 confused with Aetna. I'm trying to follow the --

17 BY MR. HOPPER:

18 Q. Does UHC operate in the majority of
19 the state in this market?

20 A. Yes.

21 Q. Do any other of the parent
22 organizations listed in pages 30 to 32, apart from
23 Aetna, Humana and UHC, operate in as many counties
24 as those three parent organizations do, based on
25 Exhibit 20?

1 A. No.

2 Q. Based on Exhibit 20, do any other
3 parent organizations apart from Aetna, Humana and
4 UHC operate statewide in this market?

5 A. No.

6 Q. Going to the bottom of page 32, under
7 the heading pre-merger providers, what is the
8 bottom number in this column?

9 A. 2.87.

10 Q. Is that number an average of the
11 pre-merger providers with non-zero enrollment in
12 Missouri counties and the City of St. Louis?

13 A. Yes.

14 Q. What is the number at the bottom of
15 the post-merger providers column?

16 A. 2.20.

17 Q. Is that number an average of the
18 providers with non-zero enrollment n Missouri
19 counties and the City of St. Louis taking into
20 effect -- taking into account the proposed
21 acquisition of Humana by Aetna?

22 A. Yes.

23 Q. Do pages 30 to 32 of Exhibit 20
24 contain market share information for individual
25 Medicare Advantage plans by county?

1 A. Yes.

2 Q. You can set aside Exhibit 20.

3 HEARING OFFICER ERICKSON:

4 Mr. Hopper, on Exhibit 20, page 1, the exhibit
5 sticker appears to cover some information. Is that
6 substantively relevant information?

7 MR. HOPPER: The HHI is an advisory
8 reference but --

9 HEARING OFFICER ERICKSON: I'm not
10 asking you to testify. I'm asking if it's
11 relevant. My simple request is, during the next
12 break, you provide replacement cover pages to all
13 the counsel and the hearing officer such that the
14 exhibit sticker does not cover any information.

15 MR. HOPPER: Understood. Thank you.

16 HEARING OFFICER ERICKSON: And that
17 would be the same for the next exhibit, 21. Thank
18 you, sir.

19 MR. HOPPER: Thank you.

20 BY MR. HOPPER:

21 Q. I'm now passing you what's been
22 marked as Exhibit 21. Do you recognize that
23 exhibit?

24 A. Yes.

25 Q. Does Exhibit 21 contain comparable

1 information to Exhibit 20 but for group Medicare
2 Advantage plans rather than individual Medicare
3 Advantage plans?

4 A. Yes.

5 Q. Was Exhibit 21 prepared in the same
6 manner as Exhibit 20?

7 A. Yes.

8 Q. Moving to the final three pages of
9 this exhibit, Bates number 34 through 36, what was
10 Aetna's market share in the group Medicare
11 Advantage market statewide in Missouri in April
12 2016?

13 A. 18.77 percent.

14 Q. What about Humana?

15 A. 10.8 percent.

16 Q. Exhibit 21 has previously been
17 admitted into evidence. You can set that aside.
18 Handing you what's been marked as Exhibit 22. Do
19 you recognize this document?

20 A. Yes.

21 Q. What is this document?

22 A. It's the 10-K for Aetna Inc.

23 Q. Is this the 2015 10-K for Aetna Inc.?

24 A. Yes, it is.

25 Q. Could you please turn to page --

1 HEARING OFFICER ERICKSON: Counsel,
2 before you have him turn to any pages, would you
3 have the witness explain what a 10-K is?

4 MR. HOPPER: Certainly.

5 BY MR. HOPPER:

6 Q. Mr. Rehagen, what is a 10-K?

7 A. It's an SEC filing that publicly
8 traded companies are required to make. It includes
9 some financial information.

10 Q. Is this filing made annually?

11 A. The 10-K, yes, is an annual filing.

12 Q. With whom is the 10-K filed?

13 A. The Securities and Exchange
14 Commission.

15 Q. The Securities and Exchange
16 Commission is a branch of the Federal Government?

17 A. Yes.

18 Q. Does the Division rely on filings
19 made with the Federal Government in the course of
20 its regulatory duties?

21 A. Yes.

22 Q. Exhibit 22 has previously been
23 admitted. Can you please turn to Bates number 32?

24 A. Okay.

25 Q. Can you tell me total assets for

1 Aetna Inc. as of December 31, 2015?

2 A. 24.16 billion, approximately.

3 Q. Thank you. You can set that aside.

4 Now passing you what's been marked as Exhibit 23.

5 Do you recognize that document?

6 A. Yes. This is the 2015 10-K for
7 Humana Inc.

8 Q. Does this Exhibit 23 contain
9 information of the same type as Exhibit 22?

10 A. Yes.

11 Q. Was Exhibit 23 filed with the
12 Securities and Exchange Commission?

13 A. Yes.

14 Q. Do you consider documents filed with
15 the Securities and Exchange Commission reliable?

16 A. Yes.

17 Q. Have you personally located and
18 viewed Exhibit 23 on the Securities and Exchange
19 Commission website?

20 A. Yes.

21 Q. Have you personally found and viewed
22 Exhibit 22 on the Securities and Exchange
23 Commission website?

24 A. Yes.

25 Q. Can you please turn to page 85 of

1 Exhibit 23?

2 A. Okay.

3 Q. Can you tell me the total assets for
4 Humana Inc. as of December 31st, 2015?

5 A. 4.7 billion.

6 Q. Set that aside. Passing you what's
7 been marked as Exhibit 24. Do you recognize this
8 document?

9 A. Yes. This is the 10-K for the United
10 Health Group.

11 Q. Does Exhibit 24 contain similar
12 information to Exhibits 22 and 23?

13 A. Yes.

14 Q. Did you personally find and view this
15 document on the Securities and Exchange Commission
16 website?

17 A. Yes.

18 Q. Can you please turn to page 48 of
19 Exhibit 24?

20 A. Okay.

21 Q. Can you tell me the total assets of
22 United Health Group as of December 31st, 2015?

23 A. 111.38 billion.

24 Q. Set that aside. Now passing you
25 what's been marked as Exhibit 25. Do you recognize

1 this document?

2 A. Yes, I do.

3 Q. Is the information contained in
4 Exhibit 25 comparable to Exhibits 22 through 24?

5 A. Yes. This is the 10-K for Anthem,
6 Inc.

7 Q. Have you personally found and viewed
8 this document on the Securities and Exchange
9 Commission website?

10 A. Yes.

11 Q. Can you please turn to page 82 of
12 Exhibit 25?

13 A. Okay.

14 Q. Can you tell me the total assets of
15 Anthem, Inc. as of December 31st, 2015?

16 A. 61.7 billion.

17 Q. Set that aside. Now going to pass
18 you what's been marked as Exhibit 26. Do you
19 recognize this document?

20 A. Yes, I do.

21 Q. What is this document?

22 A. It is the Cigna Corporation 10-K for
23 12/31/2015.

24 Q. You personally found and viewed this
25 document on the Securities and Exchange Commission

1 website?

2 A. Yes.

3 Q. Could you please turn to page 65 of
4 exhibit 26?

5 A. Okay.

6 Q. What were the total assets of the
7 Cigna Corporation as of December 31st, 2015?

8 A. 57.1 billion.

9 Q. Set that aside. Now passing you what
10 has been marked as Exhibit 27. Do you recognize
11 this document?

12 A. Yes, I do.

13 Q. What is this document?

14 A. It's the statutory financial
15 statement as of December 31st, 2015 for Blue
16 Cross/Blue Shield of Kansas City.

17 Q. Is Exhibit 27 different in form from
18 Exhibits 22 through 26?

19 A. Yes.

20 Q. Was this document filed with the
21 Securities and Exchange Commission like Exhibits 22
22 through 26?

23 A. No.

24 Q. Who was this document filed with?

25 A. With the Department.

1 Q. Does this document contain financial
2 information pertaining to Blue Cross and Blue
3 Shield of Kansas City?

4 A. Yes.

5 Q. As the director of the Division, do
6 you rely upon annual statements filed by companies
7 in carrying out your regulatory duties?

8 A. Yes.

9 Q. Could you please turn to page 2, and
10 can you tell me the total assets of Blue Cross and
11 Blue Shield of Kansas City as of December 31st,
12 2015?

13 A. It's approximately 1.1 billion.

14 Q. Set aside Exhibit 27. I'm now going
15 to pass you what's been marked as Exhibit 28. Do
16 you recognize this document?

17 A. Yes.

18 Q. What is this document?

19 A. It is the audited financial statement
20 for Cox Health as of September 30, 2014.

21 Q. Have you personally found and viewed
22 this document on the Internet?

23 A. Yes.

24 Q. Is this document the type of document
25 that you rely upon as the director of the Division

1 in the course of your regulatory duties?

2 A. Yes.

3 HEARING OFFICER ERICKSON: Excuse me,
4 Mr. Rehagen. At the bottom, there's a footnote
5 that speaks to AICPA. What relationship, if any,
6 does this document have to do with that entity?

7 THE WITNESS: That was the way we
8 found this through publicly available information.
9 This is filed with the Department confidentially,
10 but that was where the search for that information
11 occurred.

12 HEARING OFFICER ERICKSON: So is the
13 statement by the accountants filed with the
14 Department confidentially, but you were able to
15 locate a publicly available document on the
16 Internet through the -- was this -- did you locate
17 it from BKD's website, Cox's or from the American
18 Institute of Certified Public Accountants?

19 THE WITNESS: You know, I don't
20 remember exactly which particular website it came
21 from. What I did was basically Google the Cox
22 information until I found it here that I wanted. I
23 don't know that I have the link memorized where it
24 came from.

25 HEARING OFFICER ERICKSON: I

1 understand. But your point is, is that the
2 Department already holds such information
3 confidentially pursuant to required filings by Cox
4 Health?

5 THE WITNESS: Right.

6 HEARING OFFICER ERICKSON: But you
7 found something on the Internet that we could
8 share --

9 THE WITNESS: Right.

10 HEARING OFFICER ERICKSON: -- with
11 everyone today?

12 THE WITNESS: Yeah. The only
13 difference is this cover letter is not in the
14 Department's record.

15 HEARING OFFICER ERICKSON: Thank you.
16 Please proceed, Mr. Hopper.

17 BY MR. HOPPER:

18 **Q. What distinguishes an audited**
19 **financial statement from an unaudited financial**
20 **statement?**

21 A. An audited financial statement would
22 be where it has gone through the audit process and
23 an auditor has assigned his opinion as to whether
24 it's accurate.

25 **Q. Is Exhibit 28 an audited financial**

1 statement or an unaudited financial statement?

2 A. It is an audited financial statement.

3 Q. Do you consider audited financial
4 statements to be more or less reliable than
5 unaudited financial statements?

6 A. Be more reliable.

7 Q. Looking at page 6 of Exhibit 28 --

8 A. Yes.

9 Q. -- what were the total assets of Cox
10 Health as of September 30th, 2014?

11 A. Approximately 1.5 billion.

12 Q. Does Cox Health have any insurance
13 company subsidiaries licensed to write health
14 insurance in Missouri?

15 A. Yes.

16 Q. Could you please grab Exhibit 17?

17 A. Okay. Got it.

18 Q. On the first page of Exhibit 17, do
19 you see any insurance companies listed that are
20 subsidiaries of Cox Health?

21 A. Yes.

22 Q. Which ones?

23 A. Cox Health Systems Insurance Company
24 and Cox Health System HMO, Inc.

25 Q. Are those companies members of NAIC

1 group code 1203?

2 A. Yes.

3 Q. Do you see any insurance companies
4 listed on the first page of Exhibit 17 that either
5 are or -- are subsidiaries of Blue Cross and Blue
6 Shield of Kansas City?

7 A. Yes.

8 Q. Which insurance companies are those?

9 A. There's Blue Cross/Blue Shield of
10 Kansas City itself, and then there's Good Health
11 HMO.

12 Q. Are those in group 537?

13 A. Yes.

14 Q. Do you see any insurance companies
15 listed on the first page of Exhibit 17 that are
16 subsidiaries of Cigna Corporation?

17 A. I don't see any.

18 Q. Toward the bottom, do you see NAIC
19 group code 901?

20 A. There's one. Okay. Yes, Cigna
21 Health and Life Insurance Company, Cigna Health
22 Care of St. Louis and Connecticut General Life
23 Insurance Company.

24 Q. Does Cigna Corporation control NAIC
25 group code 901?

1 A. Yes.

2 Q. Do you see any companies on this
3 first page of Exhibit 17 that are subsidiaries of
4 Anthem, Incorporated?

5 A. I don't know. I can't find them
6 through a search.

7 Q. This is real small printing. I
8 apologize. Can you look at NAIC group code 671?

9 A. Yes, now I see them. Healthy
10 Alliance Insurance Company HMO Missouri.

11 Q. Does Anthem, Incorporated control
12 NAIC code 671?

13 A. Yes.

14 Q. I won't make you hunt and peck
15 anymore in this small print. Does Humana Inc.
16 control NAIC group code 119?

17 A. Yes.

18 Q. Does Aetna Inc. control NAIC group
19 code 1?

20 A. Yes.

21 Q. Does United Health Group control NAIC
22 group code 707?

23 A. Yes.

24 Q. You can set that aside. I'm now
25 passing you what's been marked as Exhibit 29. Do

1 you recognize this document?

2 A. Yes.

3 Q. What is this document?

4 A. This is a news release from Anthem
5 through 8K, it looks like.

6 Q. Does Exhibit 29 contain a collection
7 of news releases and filings with the Securities
8 and Exchange Commission?

9 A. Yes, it does.

10 Q. Did Division staff collect these news
11 releases and SEC filings in the course of its
12 analysis of the Form E filed by Aetna Inc.?

13 A. Yes.

14 Q. Do you typically rely on documents
15 collected by Division staff in carrying out your
16 regulatory duties?

17 A. Yes.

18 Q. Exhibit 29 has previously been
19 admitted. You can set that aside.

20 Now passing you what's been marked as
21 Exhibit 30. Do you recognize this document?

22 A. Yes.

23 Q. Is this document a newsletter
24 containing information and analysis of Medicare
25 Advantage, Medicare Part D and Managed Medicare?

1 A. Yes.

2 Q. Have you personally found and viewed
3 this document on the Internet?

4 A. Yes.

5 Q. Does the subject matter of this
6 document relate to the relevant product market in
7 this matter?

8 A. Yes.

9 Q. Exhibit 30 has previously been
10 admitted. Set that aside.

11 I'm now going to pass you what's been
12 marked as Exhibit 31. Do you recognize this
13 document?

14 A. Yes.

15 Q. Is this document an issue brief
16 published by the Department of Health and Human
17 Services?

18 A. Yes.

19 Q. Is the Department of Health and Human
20 Services a branch of the Federal Government?

21 A. Yes.

22 Q. Does Exhibit 31 relate to the issue
23 of the relevant product market in this matter?

24 A. Yes.

25 Q. Do you typically rely in your job

1 duties as director of the Division upon
2 publications of the Federal Government?

3 A. Yes.

4 Q. Exhibit 31 has been previously
5 admitted. Now passing you what's been marked as
6 Exhibit 32. Do you recognize this document?

7 A. Yes.

8 Q. Is this document an online news
9 article relating to Medicare Advantage?

10 A. Yes.

11 Q. Have you personally found and viewed
12 this article on the Internet?

13 A. Yes.

14 Q. Is this document relevant to issues
15 presented in this matter?

16 A. Yes.

17 Q. Exhibit 32 has been admitted. I will
18 now pass you what's been marked as Exhibit 33. Do
19 you recognize this document?

20 A. Yes.

21 Q. Is this document a report relating to
22 the subject matter of Exhibit 32?

23 A. Yes.

24 Q. Have you personally found and located
25 and viewed Exhibit 33 on the Internet?

1 A. Yes.

2 Q. Does Exhibit 33 relate to issues
3 raised in this matter?

4 A. Yes.

5 MR. HOPPER: You can set aside
6 Exhibit 33. And the Division has no further
7 questions for this witness.

8 HEARING OFFICER ERICKSON: Counsel,
9 seeing that it is now one o'clock, Mr. Whitmer, I
10 believe you'll want to engage in cross-examination.

11 MR. WHITMER: That's correct.

12 HEARING OFFICER ERICKSON: I think
13 that we will take a break. I realize we have a
14 considerable amount of material still to cover
15 today, so we will have a half-hour break, so please
16 return by 1:30.

17 Mr. Rehagen, when you return, please
18 return to the witness desk -- chair and you will
19 still be under oath.

20 Thank you. We are off the record.

21 (A BREAK WAS TAKEN.)

22 HEARING OFFICER ERICKSON: We are
23 back on the record. Mr. Rehagen, I remind you you
24 are still under oath. Mr. Whitmer, you may
25 proceed.

1 CROSS-EXAMINATION BY MR. WHITMER:

2 Q. Good afternoon, Mr. Rehagen. I'd
3 like to start with Exhibit 11.

4 A. Okay. Yes.

5 Q. Exhibit 11 is the confidential Form E
6 that you testified about on direct?

7 A. Yes.

8 Q. This is the document that you
9 received and reviewed at the time it was obtained
10 by the Department?

11 A. Yes.

12 Q. If we could go ahead and turn to
13 page 7 of this confidential document, I'd like to
14 talk with you about some of the lines that were not
15 discussed during your direct examination. Starting
16 with the bottom of page 7, under life and A&H
17 reporters. Do you see that?

18 A. Yes.

19 Q. The first one you'll see there is
20 ordinary life insurance. You'll agree, sir, that
21 there are no concerns at all with respect to this
22 transaction from the Division's standpoint with
23 respect to that line?

24 A. I believe we did run some analysis on
25 those lines.

1 Q. But as of today, you have no
2 concerns, right?

3 A. I don't see any that failed the test.

4 Q. In fact, it's exempt under Missouri
5 statutes, correct?

6 A. That I'm not aware. I don't know.

7 Q. Well, let's take a look at group life
8 insurance. Let me take a step back, sir. You're
9 aware that the Division has put three lines of
10 insurance before the hearing officer today,
11 correct?

12 A. Correct.

13 Q. I'm talking about lines other than
14 those three --

15 A. Okay.

16 Q. -- that the Division has put before
17 the hearing officer today. I just would like to go
18 through them with you.

19 A. Okay.

20 Q. The second one is group life
21 insurance, again under the life and A&H reporters.
22 You'll agree that that also is an exempt line and
23 that the Division has no competition concerns for
24 that line as well?

25 A. Those are only the three lines we

1 identified.

2 Q. And the reason you didn't identify
3 them is because you didn't have concerns about that
4 line, right, sir?

5 A. I'm not a lawyer, so I can't say
6 whether it's exempt or not.

7 Q. The next line at the top of page 8 is
8 accident and health group policies only?

9 A. Yes.

10 Q. You'll agree that line also is exempt
11 under Missouri statutes and that there are, by
12 definition, no competition concerns here today?

13 A. Same as with the other lines. We
14 didn't identify that as an issue, that line as an
15 issue.

16 Q. You're speaking in the past tense,
17 and I'm talking about today, as we sit here after
18 data has been reviewed, all the evaluations have
19 been conducted. You can now confirm for the
20 hearing officer that there are no concerns at all
21 about that line of insurance, correct?

22 A. The data we presented would show no
23 line, no concerns for those other lines. That's
24 just our data.

25 Q. So again, as we're going through

1 these that are listed in the Form E, federal
2 employees HBP, that's another line for which there
3 are no competition concerns as we sit here today,
4 correct?

5 A. Based on the data.

6 Q. The next one is Medicare Title XVIII
7 exempt from state taxes or fees, again, another
8 line for which there are no concerns as we sit here
9 today?

10 A. That would appear based on the data
11 we have.

12 Q. Guaranteed renewable accident and
13 health, you can confirm for us that is an
14 additional line for which the Division has no
15 concerns as we sit here today?

16 A. Yeah, based on the data.

17 Q. And then you have the all other A&H,
18 that's another line for which the Division has
19 confirmed that it is exempt under Missouri statutes
20 and there are no competition concerns, correct?

21 A. The Division did not confirm that
22 it's exempt. We provided the data, the data
23 analysis.

24 Q. And the data analysis confirms there
25 is no concerns with respect to that line, correct,

1 **sir?**

2 A. The data analysis shows that it
3 appears that there is no concerns.

4 Q. I'd like to shift directions with you
5 and move over to the health-only reporters. The
6 first one is dental only. Can you confirm for us
7 that the Division has no concerns with respect to
8 that line as well?

9 A. Based on data, no, there would be no
10 concerns.

11 Q. And your answer would be the same for
12 the next one, which is the federal employees HBP?

13 A. Correct.

14 Q. And your answer also would be the
15 same for the next one, which is Medicare
16 supplement?

17 A. I believe so.

18 Q. As we move forward to the next one,
19 which is Title 19 Medicaid, you can again confirm
20 that the Division has no competition concerns for
21 that line?

22 A. Correct.

23 Q. Last on that page is vision only.
24 That line is also exempt, and you can confirm that
25 the data you've reviewed and analyzed confirms

1 there are no competition concerns?

2 A. Based on the data, there wouldn't
3 appear to be any.

4 Q. Not only not appear, but as of today
5 you can confirm for us there are no data concerns?

6 A. No concerns based on the data.

7 Q. Let's move then to the next page,
8 page 9. Now, we're talking about a line, life and
9 A&H reporters. For that particular line, you can
10 also confirm for us, and specifically it's in the
11 life and A&H reporter, but the line is nonrenewable
12 stated reasons only?

13 A. Okay.

14 Q. As you sit here today, we can confirm
15 there are no competition concerns with respect to
16 that line, correct?

17 A. Correct.

18 Q. And although there was a stipulation
19 that's been entered into, you being the person
20 that's reviewed some of this information can
21 confirm for us on page 12 that the line titled
22 disability long-term care, stop loss and other is
23 not a line for which the Division has any
24 competition concerns?

25 A. Correct. That wasn't one of the

1 lines we highlighted.

2 Q. So, sir, if I may, I'm going to --
3 can you see that okay, sir?

4 A. Yes.

5 Q. So we're left with three lines that
6 are up on the chart, and those are the three lines
7 of insurance that we're here talking about today,
8 the first being comprehensive group, right?

9 A. Correct.

10 Q. The second, comprehensive individual,
11 correct?

12 A. Correct.

13 Q. And the third, Title XVIII Medicare?

14 A. Correct.

15 Q. And those are the three lines for
16 which you provided testimony during your direct
17 examination?

18 A. Correct.

19 Q. We'll come back to that in a second.
20 Before we do, I'd like to go back to your
21 experience. I believe you explained you have a BS
22 in accounting?

23 A. No. It's a business administration
24 with an emphasis in accounting.

25 Q. And you'd agree you're not an

1 economist, sir, correct?

2 A. I'd agree.

3 Q. And you have had no training in the
4 world of economics?

5 A. No, no training.

6 Q. And when it comes to issues such as
7 how do you define a market, that's not the type of
8 issue you deal with on a daily basis?

9 A. That wouldn't be the type of issue I
10 would deal with on a daily basis, no.

11 Q. And with respect to here today, your
12 testimony, you're not here to put on any economic
13 opinion for the hearing officer; is that fair?

14 A. That is fair.

15 Q. And, sir, have you had the
16 opportunity to review Dr. Thomas McCarthy's report
17 that's been submitted in this matter?

18 A. Actually, no, I haven't.

19 Q. Okay. So then you could confirm for
20 us that you're not here today to provide any sort
21 of rebuttal to the written affidavit that's been
22 presented and put into evidence concerning this
23 transaction?

24 A. As far as from the economist point of
25 view?

1 Q. Well, sir, you confirmed for us you
2 haven't read it?

3 A. Right.

4 Q. So you're not here today to provide a
5 rebuttal to something you haven't read, correct?

6 A. Correct.

7 Q. And with respect to John Orszag's
8 report, which has also been submitted and put into
9 evidence, have you reviewed that one?

10 A. No.

11 Q. So you could confirm for us you're
12 not here today to provide any kind of rebuttal of
13 that report as well?

14 A. That's correct.

15 Q. And you'd agree just further that you
16 really don't have any basis, any factual basis
17 whatsoever to rebut any of the findings that are
18 set forth in Dr. McCarthy's report or Jonathan
19 Orszag's report, correct?

20 A. Me personally, no.

21 Q. And you're not here today to provide
22 any testimony with respect to either of those
23 reports?

24 A. Correct.

25 Q. I'd like to direct your attention to

1 Exhibit 10. You provided some testimony about
2 Exhibit 10 during your direct examination. I'd
3 like to actually talk about the lines -- the Humana
4 lines that you testified about on direct. Do you
5 recall that testimony?

6 A. Yes.

7 Q. And what page are you on, sir?

8 A. I'm on Exhibit 10, page 1.

9 Q. That's fine. How many total Humana
10 lines do you find on that page?

11 A. Humana lines? The -- there's ten
12 companies.

13 Q. Ten companies. Okay. With respect
14 to those ten companies, sir, how many of those
15 companies currently write business in the state of
16 Missouri?

17 A. I'd have to have additional data.
18 This wouldn't provide that data.

19 Q. So if I were to tell you that four of
20 them actually don't write any business in this
21 state, you would have no basis to disagree with
22 that?

23 A. Yeah. I don't have the data in front
24 of me.

25 Q. Okay. With respect to the other six,

1 how much premium did those -- would they write? Do
2 you have a basis or an ability today to speak to
3 that question?

4 A. I don't have that data in front of
5 me.

6 Q. Okay. So if I were to tell you that
7 four of the six actually write less than \$1 million
8 in premium annually in this state, you'd have no
9 basis to disagree with that?

10 A. Right. I'd have to look up the data.

11 Q. So you haven't -- so we heard your
12 direct testimony. You talked about these ten
13 companies and you explained they're on the page,
14 but you really haven't dug in to understand what
15 these companies are actually doing in this state;
16 is that fair?

17 A. We looked at it on a group basis
18 because that's what the standard points us to.

19 Q. Well, let's go there. I'm going to
20 ask Mr. Hopper, do you mind putting back up on the
21 screen what we had earlier?

22 MR. HOPPER: Which slides are you
23 talking about?

24 MR. WHITMER: I'm going to actually
25 turn your attention to Exhibit 16, but I think it

1 would be helpful, I think, for all of us if we
2 could put the exhibit, the slide up on the board.

3 MR. HOPPER: Sure. This one
4 (indicating)?

5 MR. WHITMER: That's exactly right.
6 Thank you.

7 BY MR. WHITMER:

8 Q. So if you could, sir, if you could
9 turn to pages 23 and 24 or, if you like, we can
10 just go ahead and look up at the board together. I
11 think that you can read that from where you're
12 sitting; is that correct?

13 A. Yeah, I can read it.

14 Q. We're going to enlarge it by putting
15 it on the slide show. There we go. All right. So
16 this is -- what, again, is this page? Just if you
17 could remind us, what line are we talking about
18 here?

19 A. I have to look it up. I don't know.

20 Q. Take your time.

21 A. This is the comprehensive group line.

22 Q. Comprehensive group. Okay. So when
23 you say comprehensive group, you're actually
24 referring to the first of the three lines that are
25 up on the chart we were just talking about, right?

1 A. Right.

2 Q. First of all, I noticed on the
3 left-hand side that you've highlighted Aetna but
4 Coventry is not highlighted. Can you tell why that
5 is?

6 A. Because Coventry is now part of
7 Aetna.

8 Q. Let's try this a different way. The
9 reason it's not highlighted perhaps is because at
10 the time, 2007, Coventry was not yet part of Aetna?

11 A. Yes. Exactly.

12 Q. But it's part of Aetna today?

13 A. It is part of Aetna.

14 Q. So if you want to kind of look at the
15 Aetna and Humana on the left side and the right,
16 that's the part that you want to consider?

17 A. I don't know -- what are you trying
18 to say?

19 Q. Well, let's talk about the ones
20 you've highlighted on the right side, because
21 that's really where I want to focus. Aetna group
22 had 20.34 percent?

23 A. Uh-huh.

24 Q. And Humana group had 4.17 percent,
25 right?

1 A. Correct.

2 Q. And you did a good job adding those
3 up. It's --

4 A. About 24 and a half percent total
5 combined.

6 Q. And so, sir, you mentioned you're not
7 an economist, but I want to come back to this. Are
8 you familiar with the viewpoint -- prevailing
9 viewpoint among economists that market share
10 underneath 30 percent generally is of no concern in
11 a merger context?

12 A. No.

13 Q. Never heard that before?

14 A. Generally? Not really, I have not.

15 Q. Do you have any reason to disagree
16 with that assertion that generally market shares
17 lower than 30 percent are not problematic in this
18 context?

19 MR. HOPPER: Objection. That calls
20 for a legal conclusion, outside the scope of what
21 Mr. Rehagen's testified to as his experience.

22 HEARING OFFICER ERICKSON: As to the
23 objection regarding outside the scope, there is no
24 limitation in administrative practice on
25 cross-examination. Regarding whether it calls for

1 a legal conclusion, I think the question is
2 straightforward. If you would like to repeat your
3 question.

4 BY MR. WHITMER:

5 Q. Sure. So, sir, from a factual
6 perspective, do you have any basis to disagree
7 with the proposition that a share of approximately
8 30 percent as part of a merger like this one is
9 generally not a concern?

10 A. I have no reason to object to that.

11 Q. So if you look at the 20 percent and
12 the 4 percent which you said is still under
13 25 percent, what additional analysis did you do,
14 sir, other than just looking at two numbers?

15 A. That's what we did. That's the
16 analysis.

17 Q. Nothing beyond looking at two
18 numbers, adding them up and seeing if they're
19 higher than what, higher than the exemption
20 threshold?

21 A. We compared those to the requirement
22 under the statute.

23 Q. So what you did is you confirmed that
24 they are not exempted under the law, correct?

25 A. That was the basis of our analysis

1 was to, first, see if they, in our opinion -- not
2 opinion, but based on the data, were they exempt.

3 Q. And they're certainly not exempt,
4 right, because those exemption standards are set
5 forth right in the standard?

6 A. Correct.

7 Q. But you understood, sir, that that's
8 a starting point, that these are just starting
9 thresholds, correct?

10 A. Yes.

11 Q. And that additional analysis may be
12 considered to put things in context, correct?

13 A. Right.

14 Q. So what I'm trying to figure out is
15 what additional things did you as the Division do
16 to try to put these numbers into some kind of
17 context?

18 A. From the Division's standpoint, what
19 I did with my staff is we did the data analysis.

20 Q. Okay. Did you consult with any
21 economists?

22 A. Me personally, no.

23 Q. Now, sir, you understand that the
24 threshold we're talking about today, those are NAIC
25 thresholds that are relatively low to determine

1 whether an exemption is met or not? You'd agree
2 with that?

3 A. You're saying NAIC threshold.

4 Q. I'm talking about the statutory
5 thresholds we're talking about here today, those
6 are relatively low thresholds, you'd agree?

7 A. No. They are what they are. The
8 statute is the statute.

9 Q. But just talking about process here,
10 you understand that whether something exceeds the
11 exemption amount or not is just the beginning of
12 the analysis?

13 A. It is the beginning.

14 Q. Just the beginning, right? Let's go
15 ahead and turn to the very next page. We now have
16 Exhibit 16 at pages 25 through 26, and if you could
17 just remind us, what line are we looking at now?

18 A. This is the comprehensive individual.

19 Q. So comprehensive individual, if you
20 look back at our chart, that's the second of the
21 three lines that are on the chart in front of you?

22 A. Correct.

23 Q. And if you look on the right-hand
24 side of this chart, you'll see Aetna at 47.56 and
25 Humana at 2.37. That's what you talked about on

1 direct, correct?

2 A. Correct.

3 Q. Now, you just explained for us, with
4 respect to comprehensive group, the analysis you
5 went through, which is you look at the two numbers
6 and you decided whether they exceeded the statutory
7 threshold, correct?

8 A. Correct.

9 Q. Did you do the same kind of analysis
10 here?

11 A. Yes.

12 Q. You'd agree with me that you didn't
13 do anything beyond just looking at the numbers and
14 deciding whether they had exceeded the statutory
15 thresholds?

16 A. One of the things we did do that I
17 failed to mention, we did ask in our response or
18 our comments to the company for some additional
19 information.

20 Q. You did, and Aetna and Humana
21 provided additional information to the Division?

22 A. Right.

23 Q. So let's take a look at these
24 numbers. As you considered these numbers and
25 you're looking at them, did you have any

1 consideration about the volatility of the exchanges
2 over the last few years, the public exchanges?

3 A. No.

4 Q. That didn't factor into the analysis
5 at all?

6 A. No.

7 Q. Did you consider at all which
8 companies are making money in the exchanges and
9 which ones aren't?

10 A. No.

11 Q. Did you consider at all any
12 marketplace changes that have been occurring over
13 the last few years in the exchanges in your state?

14 A. No.

15 Q. Did you ask anyone to do that?

16 A. Me personally, no.

17 Q. But I mean, again, you are the
18 director of the Division?

19 A. Correct.

20 Q. So everyone in the Division reports
21 up to you, correct?

22 A. Right.

23 Q. Now, let's take a look at the number,
24 2.37. Sir, you confirmed for us you're not an
25 economist. What I'm trying to figure out is, as

1 you sit here today, have you personally
2 investigated whether 2.37 percent is material,
3 given the context of this transaction and all the
4 volatility in the marketplace? Have you considered
5 that at all?

6 A. No.

7 Q. Let's move forward. Let's take a
8 look at the next slide. Here you go. This is
9 Exhibit 16 at pages 9 through 30 on the right-hand
10 side. You'll see those market share numbers 32.11
11 and 22.27. Do you see that?

12 A. Yes.

13 Q. What line are we talking about here?

14 A. That's the Title XVIII Medicare.

15 Q. The third of the three lines --

16 A. Correct.

17 Q. -- that are up on the board?

18 Okay. So before you looked at
19 those -- well, let's confirm. Was the approach you
20 did here the same as what was conducted for the
21 first two lines, which is you looked to see if the
22 numbers exceeded the thresholds and you determined
23 they did and then you stopped?

24 A. That was our first step, right.

25 Q. And then now, as you were looking at

1 this, these numbers up here, do they include
2 numbers for traditional Medicare?

3 A. No, it wouldn't be. That's a
4 different line. It's a different line, yeah.

5 Q. So did you consider the question --
6 did you consider the question of whether
7 traditional Medicare and Medicare Advantage are
8 competitors?

9 A. No.

10 Q. Did that even come up at all in the
11 discussions?

12 A. With division staff, no.

13 Q. Just off the radar. So at any point
14 prior to today, before getting up on the stand, had
15 you considered whether traditional Medicare ought
16 to be considered when looking at this Medicare
17 Title XVIII line as part of the analysis?

18 A. I don't understand the question.

19 Q. Sure. At any point in time did you
20 personally or anyone that you're aware of in your
21 division consider the question of, when we're
22 looking at shares, should we also consider the
23 impact of traditional Medicare on the process?

24 A. On that line or -- I'm still trying
25 to -- I don't -- because it's not -- it's separate.

1 It's different than Medicare Advantage.

2 Q. So there was a consent order that was
3 issued by the Florida Office of Insurance
4 Regulation with respect to this transaction?

5 A. Okay.

6 Q. Have you had -- this has happened in
7 the last few months. Have you had the opportunity
8 to review that consent order?

9 A. I haven't reviewed the consent order,
10 no.

11 Q. So you're not aware of the approach
12 then that the Florida Office of Insurance
13 Regulation took with respect to this same issue; is
14 that fair?

15 A. I believe I heard of it at a high
16 level, but I don't know the details of the order.

17 Q. Well, are you aware, sir, that the
18 Florida Office of Insurance Regulation said that
19 you do need to take into account traditional
20 Medicare when you're doing the math and comparing
21 the market shares when considering this line?

22 A. No. Like I say, I didn't read the
23 details of the order.

24 Q. Have you considered how the numbers
25 would change if that type of analysis were, in

1 fact, done as, for example, the Florida OIR said
2 you should?

3 A. No.

4 Q. Have you seen anything at all that
5 would reflect numbers adjusting the share numbers
6 based on factoring in traditional Medicare?

7 A. No.

8 Q. Let's take a look at the Form E and
9 see if we can refresh your recollection at all.
10 This is Exhibit 11.

11 A. Okay.

12 Q. And if you could, take a look at the
13 bottom of page 16.

14 A. Okay.

15 Q. You see at the bottom of page 16
16 there's a discussion of traditional Medicare and
17 the fact that it accounts for roughly 74 percent of
18 the enrollees in Medicare. Do you see that, bottom
19 of the page?

20 A. Yes, I do see that.

21 Q. And right below that statement is a
22 chart which sets out shares for Aetna, Humana and
23 others juxtaposed side by side with traditional
24 Medicare. Do you see that?

25 A. Yes.

1 Q. Now that you've seen that, does that
2 refresh your recollection that, in fact, you were
3 presented with data and information that
4 demonstrates what the shares would be if
5 traditional Medicare is, in fact, incorporated or
6 included in the analysis like the Florida Office of
7 Insurance Regulation has said is the approach to
8 take?

9 A. Yes, I do remember seeing that now.

10 Q. Okay. Good. So having seen that,
11 did you have the opportunity to investigate it
12 further and decide whether that's the approach that
13 we ought to be taking here today?

14 A. No, we didn't -- we didn't do that.

15 Q. You didn't do it, and when did you
16 decide to not do that?

17 A. Well, we based our analysis on the
18 fault lines in the annual statement.

19 Q. So as we talked about earlier, you
20 looked at the exemptions and the fault lines and
21 then looked no further beyond that, correct?

22 A. Right.

23 Q. Did you have the opportunity to call
24 anyone at Florida OIR and ask them about why they
25 had made the conclusions they had on this issue?

1 A. I didn't call anyone in Florida.

2 **Q. Have you had the opportunity to**
3 **consider the differences or similarities between**
4 **traditional Medicare and Medicare Advantage?**

5 A. I believe we heard testimony today
6 from Ms. Nelson.

7 **Q. Have you had the opportunity to**
8 **consider whether the competition between Medicare**
9 **Advantage and traditional Medicare is sufficient to**
10 **allay any concerns the Division may have with**
11 **respect to this line?**

12 A. We haven't done any analysis on that,
13 no.

14 MR. WHITMER: Thank you. I have no
15 further questions.

16 HEARING OFFICER ERICKSON:
17 Mr. Hopper, redirect?

18 REDIRECT EXAMINATION BY MR. HOPPER:

19 **Q. I will attempt not to disclose any**
20 **confidential information from Exhibit 11 that**
21 **Mr. Whitmer has already disclosed. Turning to**
22 **page 8, Bates stamped page 8 of Exhibit 11,**
23 **Mr. Whitmer took you through a list of lines of**
24 **business underneath the heading exempt lines of**
25 **business, correct?**

1 A. Correct.

2 Q. Do you see the heading A, life and
3 A&H reporters?

4 A. Correct.

5 Q. Do the seven lines underneath that
6 heading relate only to life and A&H reporters?

7 A. Yes.

8 Q. Does the line Medicare Title XVIII
9 exempt from state fees or taxes relate only to life
10 and A&H reporters under that heading?

11 A. Yes.

12 Q. Does the line all other A&H relate
13 only to life and A&H reporters under that heading?

14 A. Yes.

15 Q. Are those lines from the life and A&H
16 annual statement?

17 A. Yes.

18 Q. Mr. Whitmer pulled out this flip
19 chart, and he has three lines of insurance at issue
20 listed here: Comprehensive group, comprehensive
21 individual and Title XVIII Medicare. Do you see
22 that?

23 A. Yes.

24 Q. I believe he said that these were the
25 only three lines of business under review at this

1 hearing.

2 A. Yes.

3 Q. Did the Division consider lines of
4 business outside of these three?

5 A. We looked at all these lines.

6 Q. Did the Division consider alternate
7 market definitions based on different data than is
8 presented in only the state page of the health
9 annual statement?

10 A. Yes, we did.

11 Q. Have you gone through the analysis on
12 your direct testimony of lines of business from the
13 supplemental health care exhibit, Part 2?

14 A. Yes.

15 Q. Are those lines of business the same
16 as the lines of business that are listed on this
17 flowchart?

18 A. No. They're broken out differently.

19 Q. In going through the analysis of the
20 lines of business from the supplemental health care
21 exhibit, Part 2, which is separate, these three
22 lines as you've just said, did the Division
23 consider any additional factors from
24 Section 382.095, such as market shares, volatility
25 of ranking of market leaders, number of

1 competitors, concentration, trend of concentration
2 in the market and ease of entry and exit into the
3 market?

4 A. Yes, we did consider those.

5 Q. Do a large number of the exhibits
6 that you identified on your direct testimony relate
7 to those factors?

8 A. Yes.

9 Q. For example, we admitted financial
10 statements relating to seven different groups,
11 correct?

12 A. Correct.

13 Q. Are those financial statements
14 relevant to some of the factors I just listed off?

15 A. Yes. They're very large.

16 Q. For example, we looked at the
17 identities of the top five insurance groups in
18 multiple lines of business based on the
19 supplemental health care exhibit, Part 2. Was that
20 analysis relevant to the factors that I just listed
21 such as volatility of ranking of market leaders?

22 A. Yes.

23 Q. We went through concentration numbers
24 on your direct in many of these exhibits, and --
25 I'm sorry. Did we go through concentration numbers

1 in several of your exhibits on direct?

2 A. Yes, we did.

3 Q. Did several of the exhibits that were
4 admitted on your direct relate to the trend of
5 concentration in the industry?

6 A. Yes.

7 Q. Did several of the exhibits admitted
8 on direct relate to the ease of entry and exit into
9 the market?

10 A. Yes.

11 Q. Did we look at the lists of groups
12 active in multiple lines of insurance between 2010
13 and 2015 and analyze the number of competitors in
14 those lines of business between 2010 and 2015?

15 A. Yes.

16 MR. WHITMER: Objection, leading.

17 MR. HOPPER: I'll try to rephrase.

18 BY MR. HOPPER:

19 Q. Do you recall looking at 2010 and
20 2015 market share information --

21 A. Yes, I do.

22 Q. -- on direct?

23 Do you recall giving testimony as to
24 the number of competitors?

25 A. Yes. There were more competitors in

1 2010 than 2015.

2 Q. Did Aetna control Coventry in 2007?

3 A. No.

4 Q. Did Aetna compete with Coventry in
5 2007?

6 A. Yes.

7 Q. Does Aetna compete with Coventry
8 today?

9 A. No.

10 Q. All else being equal, is competition
11 greater or lesser today than in 2007 due to that
12 fact?

13 A. Lesser.

14 Q. Mr. Whitmer asked during
15 cross-examination if the Division looked at market
16 share numbers and applied exemption thresholds,
17 correct?

18 A. Yes.

19 Q. Are there also additional thresholds
20 in the statute for prima facie violations of the
21 competitive standard?

22 A. Yes, there are.

23 Q. Did the Division review whether
24 market share figures violated those standards?

25 A. Yes.

1 Q. Did the Division retain an economist
2 to analyze those issues?

3 A. Yes.

4 Q. Will that economist be presenting his
5 report at this hearing?

6 A. Yes, that's my understanding.

7 MR. HOPPER: I have nothing further.

8 HEARING OFFICER ERICKSON: Recross?

9 RE-CROSS-EXAMINATION BY MR. WHITMER:

10 Q. Mr. Rehagen, so I would be correct,
11 then, that the economic issues that are going to be
12 presented are all going to be presented by
13 Dr. Gruber, the Division's expert for this matter,
14 correct?

15 A. I believe he's after me.

16 Q. And he's the only witness who's going
17 to be presented by the Division in this proceeding
18 to speak to the economic issues, correct?

19 A. Yes.

20 Q. And you'd agree that the Division
21 specifically asked Dr. Gruber to analyze only two
22 issues with respect to this transaction, correct?

23 A. Two issues? I'm not certain exactly.

24 Q. Have you had the opportunity to
25 review Dr. Gruber's report?

1 A. I have not.

2 MR. WHITMER: I have no further
3 questions.

4 MR. HOPPER: If I may, just one.

5 FURTHER REDIRECT EXAMINATION BY MR. HOPPER:

6 Q. Has the Division presented market
7 share information?

8 A. Yes.

9 Q. Do you consider market share
10 information to be part of the economic issues that
11 will be left to Dr. Gruber?

12 MR. WHITMER: Objection, leading.

13 HEARING OFFICER ERICKSON: I'll allow
14 it. Please answer.

15 THE WITNESS: Yes, I would think that
16 would be important as part of its review.

17 BY MR. HOPPER:

18 Q. Did the Division present -- present
19 market share information independent of Dr. Gruber?

20 A. Yes.

21 Q. Is that market share information
22 sufficient for the director of the Department to
23 make a determination under the statute as to this
24 transaction?

25 MR. WHITMER: Objection. Calls for a

1 legal conclusion.

2 HEARING OFFICER ERICKSON:

3 Mr. Hopper, what's your response?

4 MR. HOPPER: I'll try to rephrase.

5 HEARING OFFICER ERICKSON: Thank you.

6 BY MR. HOPPER:

7 Q. Can the market share information
8 presented by the Division be evaluated independent
9 of any opinion from Dr. Gruber as to that market
10 share?

11 A. Yes, it could be.

12 MR. HOPPER: Nothing further.

13 MR. WHITMER: I have no further
14 questions.

15 HEARING OFFICER ERICKSON: Thank you,
16 Mr. Rehagen, for your time. You may step down.

17 MR. ANGOFF: The division calls
18 Jonathan Gruber.

19 HEARING OFFICER ERICKSON:
20 Mr. Angoff, if you'd be so kind as to use the
21 microphone. Thank you.

22 JONATHAN GRUBER, being sworn, testified as follows:

23 DIRECT EXAMINATION BY MR. ANGOFF:

24 Q. Good afternoon, Professor Gruber.

25 A. Good afternoon.

1 Q. Would you please state your full
2 name.

3 A. Jonathan Gruber.

4 Q. And what is your occupation?

5 A. I am a professor of economics at MIT.

6 Q. And how long have you taught
7 economics at MIT?

8 A. Since 1992.

9 Q. Are you a full professor?

10 A. Yes, I am.

11 Q. Do you have an endowed chair?

12 A. Yes, I'm the Ford professor of
13 economics.

14 Q. What is an endowed chair?

15 A. It's -- it's a promotion. It's
16 basically kind of the highest accomplishment you
17 can get as a tenured academic. It comes with some
18 research funds.

19 Q. And where did you get your
20 undergraduate degree?

21 A. From MIT.

22 Q. And what was that in?

23 A. Economics.

24 Q. And where did you get your graduate
25 degree?

1 A. From Harvard University.

2 Q. And what was that in?

3 A. Economics.

4 Q. Have you written any articles in the
5 field of health economics?

6 A. Yes, I've written a number of
7 articles in health economics.

8 Q. About how many have you written?

9 A. I'm not sure. More than 100.

10 Q. And have you -- have you received any
11 awards in the field of health economics?

12 A. Yes.

13 Q. And could you name one or two of
14 those?

15 A. In two different years I received the
16 Kenneth Arrow Award for the best paper published in
17 health economics in the US. In 2006 I received the
18 award for best health economist in the US age 40
19 and under.

20 Q. And what did do you do to receive
21 that award?

22 A. Be 40 and under, first of all. And
23 second of all, it was just -- it was a recognition
24 from the American Society of Health Economists for
25 my achievement in the field of health economics.

1 Q. And are you a member of any
2 professional organizations or associations in the
3 field of health economics?

4 A. Yes, a number of them.

5 Q. Okay. Could you just name a few of
6 them?

7 A. Sure. I'm a member of the Institute
8 of Medicine.

9 Q. What is that?

10 A. That's an organization which
11 recognizes leaders in the field of medicine
12 broadly, including health economics. The National
13 Academy of Social Insurance.

14 Q. And what is that?

15 A. That's an organization which
16 recognizes leaders in the field of social
17 insurance, which includes health care programs. I
18 am the associate editor of Journal of Health
19 Economics, which is the leading field journal in
20 the study of health economics, and other
21 organizations as well.

22 Q. And are you familiar with the
23 National Bureau of Economic Research?

24 A. Yes, I am.

25 Q. What is that?

1 A. The NBER is really sort of the most
2 prominent nonpartisan economic think tank in the
3 US.

4 **Q. And are you affiliated with them in**
5 **any way?**

6 A. Yes. I'm a long-time affiliate. I'm
7 currently a research associate, and I direct their
8 program on health care.

9 **Q. Are you familiar with the American**
10 **Society of Health Economists?**

11 A. Yes, I am.

12 **Q. Okay. Are you affiliated with that**
13 **in any way?**

14 A. Yes. I've been a member since the
15 inception, and I'm the incoming president of
16 American Society of Health Economists.

17 MR. ANGOFF: Your Honor, at this time
18 the Division tenders Jonathan Gruber as a qualified
19 expert witness in the field of health economics.

20 MR. WHITMER: No objection.

21 HEARING OFFICER ERICKSON: I'm not
22 sure Missouri law requires us to any more formally
23 recognize qualifications of an expert, but he does
24 sound duly qualified and it is noted that he is
25 qualified to testify today as an expert. Please

1 proceed.

2 MR. ANGOFF: Thank you, your Honor.

3 BY MR. ANGOFF:

4 Q. Professor Gruber, I hand you what's
5 been marked as and what is, in fact, Exhibit 34.
6 Could you please identify that?

7 A. Yeah. This is a report I recently
8 wrote to the Department of Insurance regarding
9 competition in the Medicare Advantage and
10 individual exchange markets.

11 Q. So what did the Department ask you to
12 do a report on?

13 A. The Department asked me specifically
14 to do a report on the extent of competition between
15 traditional Medicare and Medicare Advantage, as
16 well as to discuss competition in the individual
17 insurance exchanges.

18 Q. Okay. Well, let's take those two
19 topics separately. In connection with the first,
20 the issue of competition between Medicare Advantage
21 and traditional Medicare, just in brief, what did
22 you find?

23 A. I found, based on review of the
24 economic literature in the area, that there is
25 really incomplete competition between traditional

1 Medicare and Medicare Advantage.

2 **Q. And when you use the term "incomplete**
3 **competition," what do you mean?**

4 A. Yeah. That's -- that's my shorthand
5 term that I'm using to mean there exists a
6 situation where a price increase in one segment of
7 a market is not fully constrained by the existence
8 of another segment of the market. They're not
9 competitive enough, the cross-segment that one
10 segment couldn't increase prices.

11 **Q. And what evidence did you find to**
12 **support your conclusion that there is incomplete**
13 **competition between Medicare Advantage and**
14 **traditional Medicare?**

15 A. In the report I lay out four
16 different kinds of evidence.

17 **Q. Could you start with the first one?**

18 A. Sure. The first one really is two
19 parts. The first is just the nature, the
20 differentiated nature of these products that
21 traditional Medicare and Medicare Advantage are
22 pretty different products.

23 **Q. And how do they differ?**

24 A. They differ a number of ways. I
25 think probably the two most important ways is

1 traditional Medicare has an extensive amount of
2 cost sharing on Medicare recipients that's not
3 present in most Medicare Advantage plans. On the
4 other hand, Medicare Advantage plans have a much
5 more restrictive network of providers than
6 traditional Medicare, which allows patients to
7 essentially go wherever they want.

8 **Q. And are there other differences**
9 **between traditional Medicare and Medicare**
10 **Advantage?**

11 A. Yeah, there are a number of other
12 differences. Another important difference is how
13 doctors are reimbursed under traditional Medicare.
14 They're reimbursed according to a reimbursement
15 schedule. Whereas Medicare Advantage, it's more
16 negotiated and often what's called capitated rates,
17 where providers are paid not just based on what
18 they do, but based on other -- based on other
19 factors.

20 **Q. And is there a difference regarding**
21 **choice of provider as between TM -- can we use for**
22 **short TM for traditional Medicare and MA for**
23 **Medicare Advantage?**

24 A. That would save time.

25 **Q. With respect to choice of provider,**

1 **is there a difference between TM and MA?**

2 A. Yes, I think that's the second
3 fundamental choice I laid out, that essentially
4 under TM, you can go to any doctors that accept
5 Medicare, and under MA, there's typically a
6 restricted network of doctors that you're allowed
7 to go to.

8 Q. Okay. And how do those differences
9 that you just laid out, how do they support your
10 conclusion that the -- that TM does not fully
11 constrain MA?

12 A. It supports it because essentially
13 people are shopping over somewhat differentiated
14 products.

15 Q. Okay. And we're still within your
16 first piece of evidence, right?

17 A. Right.

18 Q. There was a second half of that.
19 What's the second half?

20 A. The second half is just the large
21 body of economic evidence that suggests that
22 there's differentiated populations to some extent
23 shopping across these products.

24 Q. And how do those populations differ?

25 A. Well, there is a large body of

1 research which shows that the people on Medicare
2 Advantage are much healthier on average than those
3 who enroll in traditional Medicare.

4 Q. Okay. And the fact that the people
5 who are on MA are healthier than the people who are
6 on TM, how does that support the conclusion that TM
7 has not fully constrained the price of Medicare
8 Advantage?

9 A. Well, it just suggests that there's
10 some segment of individuals who aren't really -- or
11 it suggests there are some individuals at least who
12 aren't considering these fully comparable products,
13 because they're either very healthy people who are
14 happier with MA or they could be very sick people
15 who aren't willing to consider the restricted
16 networks that are in MA.

17 Q. Now, there as a second -- you said
18 there are four pieces of evidence --

19 A. Yes.

20 Q. -- that support the conclusion that
21 there's incomplete competition between the two.
22 What is the -- and you've just gone through two
23 halves of the first piece of evidence, correct?

24 A. Yes.

25 Q. Okay. So then what is your second

1 **piece of evidence?**

2 A. The second piece of evidence is a
3 couple of recent articles which show that there's
4 very incomplete pass-through of the money the
5 government pays Medicare Advantage plans to
6 enrollees in those plans.

7 Q. And when you say there's incomplete
8 pass-through, what does that mean, of the money
9 that --

10 A. Yeah

11 Q. -- the government pays MA plans, what
12 does that means? What happens to that money?

13 A. Well, we don't know for sure. What
14 the evidence says is that when the government pays
15 Medicare managed plans another dollar, half or less
16 of that is passed on to consumers in the form of
17 either lower prices or higher benefits. What
18 happens to the other half is not fully accounted
19 for. There's some evidence some of it is used for
20 increased advertising expenditures. There's some
21 evidence that some of it shows up in higher
22 profits.

23 Q. Okay. And why does the fact that
24 more or less half of the -- the payment from the
25 government is not passed through to consumers, how

1 **does that support the conclusion that TM does not**
2 **fully constrain the price of MA?**

3 A. Well, in a perfectly competitive
4 market, what you'd expect is these articles really
5 lay out a much more theoretical detail than I can
6 today. They both lay out clearly a model which,
7 under a perfectly competitive market, you would
8 expect a full pass-through of such an increase in
9 compensation to some participants in the market.

10 **Q. And why is that?**

11 A. Well, that's because in a competitive
12 market, if some competitors are paid more, they're
13 going to then be trying to compete with each other
14 to gain business to make money on that higher
15 payment. They will compete with each other by
16 lowering prices, and they'll do so until they've
17 essentially dissipated all the extra money they
18 could make. If there's money to be made, then they
19 would lower prices. If they're not lowering
20 prices, then it's not perfectly competitive.

21 **Q. So how did the situation you just**
22 **laid out, how does that differ from the situation**
23 **in this case with Medicare Advantage?**

24 A. That difference in this case because
25 the higher reimbursements to some extent were

1 passed on, but as I said, between -- by the
2 estimate of these papers, between zero and
3 50 percent only is passed. And that is different
4 than what you'd expect as these papers lay out --
5 this is not my own research -- but as these papers
6 lay out, that's different than you would expect
7 under a perfectly competitive situation.

8 **Q. Did you say that one of the papers**
9 **found zero percent?**

10 A. One of the papers found less -- found
11 basically zero percent. There's obviously some
12 range, but essentially found zero. One found about
13 50 percent.

14 **Q. Now, you've -- there was a third --**
15 **did you find a third piece of evidence that**
16 **supports the conclusion that there is incomplete**
17 **competition between MA and TM?**

18 A. Yeah. The third piece of evidence is
19 from a really interesting piece of research done
20 about actually a third competitor in this market.
21 It was private fee for service plans, which were
22 plans introduced in 2003 that essentially were
23 plans where consumers had a free choice of provider
24 but those plans got reimbursed at Medicare
25 Advantage rates.

1 And what was interesting with this
2 paper is in 2008 the Federal Government decided
3 they were over-reimbursing these plans and
4 constrained them, essentially killing this market.
5 About 75 percent of the market went away. When it
6 did go away, you saw a very large response by the
7 Medicare Advantage plans. When this piece -- when
8 these PFFS, these private fee for service plans
9 went away, Medicare Advantage plans cut their
10 benefits about 20 percent.

11 **Q. And why does that show that Medicare,**
12 **traditional Medicare does not fully restrain the**
13 **price of MA?**

14 A. Well, because this was a small third
15 competitor in the market. If there is really such
16 intense competition between TM and MA, there is no
17 reason why this small third competitor in the
18 market should have a significant effect on MA's
19 behavior. They were still able to compete with
20 each other within TM.

21 **Q. And I guess now we're up to the**
22 **fourth piece of evidence. What was the fourth**
23 **piece of evidence you found to support your**
24 **conclusion?**

25 A. The fourth piece of evidence is

1 really sort of related to the previous two but
2 expanding on them, which is that these articles
3 I've been discussing, as well as another article
4 I discussed in the report, all find that when
5 market -- when MA markets are more concentrated,
6 that is when we think about the Herfindahl index.

7 When the Herfindahl index is higher
8 in MA markets, that has dramatic effects on the
9 extent to which, for example, MA plans pass on
10 savings to consumers or the extent traditional
11 responds to existence of a fee for service plan or,
12 as the third study shows, really the extent to
13 which consumers gain surplus from the existence of
14 the MA plan.

15 **Q. And when you said consumers gain**
16 **surplus, what does that mean?**

17 A. Sure. So consumer surplus is a
18 really important fact in economics. It's basically
19 the difference between the price you pay for the
20 good and the utility and the -- your willingness to
21 pay for the good. We think new markets often
22 choose consumer surplus because there's some
23 consumers who benefit who will value them more than
24 what they cost.

25 MA is no exception. When a new

1 market comes in, it adds some surplus, but what the
2 study found was that that surplus varied enormously
3 with the extent of competition in MA markets.
4 Varied about twelve-fold between markets -- varied
5 about twelve-fold across markets with different
6 levels of MA competition. Once again, if MA was to
7 compete with traditional Medicare, it shouldn't
8 matter that much.

9 **Q. Why is that?**

10 A. Well, because -- think of it this
11 way. In the typical market in the US, traditional
12 Medicare is 70 percent plus in the market. So if
13 you have a change in Medicare Advantage HHI, that
14 can be pretty big within Medicare Advantage, but
15 it's pretty small relative to the total market.
16 It's really one integrated market. A change in
17 Medicare Advantage HHI could be pretty small
18 relative to that total. The fact that that change
19 has such a big effect on consumer welfare suggests
20 it's not a completely integrated market.

21 **Q. Now, you also in your report reviewed**
22 **a second issue, correct, and what was that issue?**

23 A. That issue was the extent to which
24 insurer competition on the ACA, the Affordable Care
25 Act exchange, seems to affect premiums.

1 **Q.** And have there been other studies
2 done on the extent, if any, to which concentration
3 on the individual health insurance exchanges
4 affects prices?

5 A. Yes. There have been -- there have
6 been several studies that have done that.

7 **Q.** And what have those studies found?

8 A. Studies have uniformly found that
9 where these markets are more concentrated, exchange
10 prices are higher.

11 **Q.** And have there been studies done on
12 the effect of concentration on prices in other
13 segments of the health insurance market?

14 A. Yes, there have been.

15 **Q.** Okay. And what -- what markets did
16 they concern?

17 A. There's been studies in a variety of
18 markets. I'm not familiar with all of them.
19 Probably the most important study, the best known
20 is the study by the Leemore Dafny colleagues where
21 they looked at what happened in the group health
22 insurance market when there was a health insurance
23 merger.

24 **Q.** And what happened then?

25 A. So they studied a previous health

1 insurance merger and they found that that health
2 insurance merger which increased concentration in
3 the market led to higher prices being paid by
4 employer insured individuals.

5 **Q. And do you know, have there been any**
6 **studies done on the effect of concentration in the**
7 **group market?**

8 A. That was the group market.

9 **Q. Well, what did your study find?**

10 A. So our study really was just trying
11 to take one additional step. As I said, there were
12 a number of correlational studies which showed that
13 in markets with more concentrated exchange markets,
14 premiums were higher.

15 The problem with those correlational
16 studies is you don't really know if there is some
17 other third factor that might be correlated with
18 both concentration and premiums. So Leemore Dafny,
19 Chris Ody and I in our article tried to get around
20 this by using the experience in 2014 of United
21 Health Care.

22 **Q. And what experience was that?**

23 A. Well, when these exchanges were set
24 up, the initial assumption was the insurers who had
25 been in the individual market before the ACA would

1 come on the exchanges. Shortly before the
2 exchanges were finalized, United Health Care
3 announced that they would not be participating in
4 any of the federal exchanges, which are 34 states.
5 They en blanc announced that they would not -- I
6 shouldn't use legal terms. They announced they
7 would not participate in any of these markets.

8 What that meant was, essentially that
9 was a very different shock to competition,
10 different markets. In markets where United was a
11 big player, that was -- United was a big player,
12 them dropping out suddenly made the market a lot
13 less competitive. In markets where United was a
14 small player, it didn't much affect the market.

15 So essentially we looked at what
16 happened in markets based on how a big a player was
17 United before, before the ACA.

18 **Q. And you quantified the extent to**
19 **which United not being in the market affected**
20 **prices?**

21 A. Yes, we did.

22 **Q. Okay. And what was that**
23 **quantification?**

24 A. We found if United had participated
25 in all the federal exchanges, premiums would have

1 been 5.4 percent lower.

2 **Q. And did you make any finding as to**
3 **what would happen had additional carriers**
4 **participated in the exchanges?**

5 A. Yeah. Our estimates -- now, this is
6 a projection, but suggests that if all the carriers
7 who had been in the individual market before the
8 ACA had stayed on the exchanges, premiums would
9 have been about 11 percent lower.

10 MR. ANGOFF: Thank you, Professor
11 Gruber. I have no additional questions.

12 HEARING OFFICER ERICKSON:
13 Mr. Whitmer?

14 CROSS-EXAMINATION BY MR. WHITMER:

15 **Q. Good afternoon, Dr. Gruber. So as**
16 **you arrived today, did you see anyone in the crowd**
17 **that you knew?**

18 A. Yeah, John Orszag.

19 **Q. How is that you know Mr. Orszag?**

20 A. John and I worked together in the
21 Clinton administration and became good friends as a
22 result.

23 **Q. And he's an economist, you're an**
24 **economist, you run in the same circles?**

25 A. Yeah. I mean, I'm more ivory

1 towerish. He's more working on mergers and things
2 like that. But we both know a lot of the same
3 people.

4 Q. So you've known him, what, a few
5 decades maybe?

6 A. Yeah.

7 Q. What is your understanding of what
8 Mr. Orszag focuses on?

9 A. My understanding is Mr. Orszag's firm
10 focuses on merger analysis.

11 Q. What types of mergers?

12 A. I don't really know a lot.

13 Q. But that's your understanding of his
14 bread and butter is mergers?

15 A. Yeah.

16 Q. So I've had the opportunity to look
17 at your CV. It's Exhibit 34. It's part of
18 Exhibit 34. And I didn't see any references to any
19 experience with health care mergers; is that
20 correct?

21 A. I have not testified before on health
22 care mergers.

23 Q. Okay. And as I reviewed your CV, I
24 didn't see any references to any experience on the
25 impact that mergers would have on competition. Did

1 I miss anything?

2 A. No.

3 Q. And you'd also agree that there's no
4 reference in your CV to anything about the impact
5 of mergers on competition in the state of Missouri?

6 A. No, nothing on that.

7 Q. When were you hired for this matter?

8 A. When was I hired?

9 Q. See if I can help. Was it April
10 22nd, perhaps?

11 A. That -- yeah, around then.

12 Q. And the report that we're looking at,
13 which is Exhibit 34, that was submitted on -- when
14 did you prepare that report?

15 A. I mean, I started shortly thereafter
16 and I finished, I think, about a week ago, maybe
17 eight or nine days ago.

18 Q. Take a look at Exhibit 34, see if it
19 helps refresh your recollection.

20 A. Yeah.

21 Q. When did you finish the report, sir?

22 A. 5/6.

23 Q. May 6, right?

24 A. Yeah.

25 Q. So I guess that would be 14 days from

1 the day that you were hired to the day that you
2 completed your report?

3 A. Yeah.

4 Q. And I'll just represent to you that
5 the report was submitted to Aetna's counsel on
6 May 10th.

7 A. Okay.

8 Q. Do you know why it was submitted on
9 May 10th and not May 6th?

10 A. No, I have no idea.

11 Q. Let's talk about your report. You'd
12 agree that you were asked by the Division to
13 analyze two issues in connection with this
14 transaction; is that right?

15 A. That's right.

16 Q. And the first issue is the extent of
17 competition between what we've been calling TM and
18 MA?

19 A. That's right.

20 Q. Second issue is the role of the
21 insurance market concentration on the public health
22 insurance exchanges established by the ACA?

23 A. That's right.

24 Q. And you have some experience with the
25 ACA?

1 A. Yes, I do.

2 Q. You'd agree these were the only two
3 issues that the Division asked you to analyze?

4 A. Yes.

5 Q. And you'd also agree that you did not
6 intend -- you did not intend for your report to
7 provide a full determination of the competitive
8 affect of MA mergers, correct?

9 A. Yes, I agree.

10 Q. You'd also agree, sir, that such a
11 determination was just beyond of scope of your
12 analysis?

13 A. Beyond the scope of what I was asked
14 to do, yes.

15 Q. And beyond the scope of what you
16 actually did, correct?

17 A. Yes.

18 Q. You'd agree that your report does not
19 purport to analyze any competition specific to the
20 state of Missouri?

21 A. Yes.

22 Q. And in fact, I've reviewed it
23 carefully. There's no data set forth in your
24 report that's specific to Missouri as well,
25 correct?

1 A. I mean, obviously a lot of the
2 studies involved -- they're usually cross-state
3 studies that involve Missouri as part of the data
4 set, but there's no Missouri-specific analysis, no.

5 Q. We'll get to the studies in a minute,
6 but if I were to comb your report, I'm not going to
7 find data in there anywhere specific to Missouri,
8 right?

9 A. Right.

10 Q. And your report also does not provide
11 any empirical data specific to this proposed
12 transaction, correct?

13 A. Correct.

14 Q. And, in fact, more broadly, there's
15 no data at all in your report that directly
16 concerns this transaction?

17 A. My report is -- no. No data directly
18 concerns this transaction, no.

19 Q. You'd agree, sir -- we heard your
20 word incomplete competition. We'll come back to
21 that. But I'd like to just start, you'll agree,
22 sir, that MA competes against TM?

23 A. To some extent, they complete with
24 each other, yes.

25 Q. In fact, that's something you've

1 written about in previous articles, correct?

2 A. I don't recall.

3 Q. Let me see if I can help refresh your
4 recollection. One of those articles is actually
5 attached to your report, so we don't have to look
6 for it.

7 A. Okay.

8 Q. Exhibit 34. And let's go ahead and
9 turn to that article. The article is titled, More
10 Insurers, Lower Premiums, correct?

11 A. Uh-huh.

12 Q. Let's go ahead and take a look at
13 page 62, the bottom of the page, sir. I'm going to
14 read to you the last paragra--

15 HEARING OFFICER ERICKSON: I'm sorry.
16 Are you referring to the Bates numbered page 62 or
17 the article page 62?

18 MR. WHITMER: Thank you, Hearing
19 Officer. It's the article page 62, not the Bates
20 label.

21 HEARING OFFICER ERICKSON: Thank you.

22 MR. WHITMER: Thank you for the
23 clarification.

24 BY MR. WHITMER:

25 Q. Dr. Gruber, are we together at the

1 bottom of your page 62?

2 A. Yeah.

3 Q. And I'm going to read, if you will,
4 that last paragraph. Another predecessor of HIMs
5 is the market for privately provided Medicare plans
6 known today as Medicare Advantage. That's what
7 we've been calling MA. Like HIMs, competition
8 among plans can affect prices and subsidies.
9 Unlike HIMs, market participants compete against
10 traditional Medicare and often use the same
11 provider reimbursement rates as traditional
12 Medicare. Do you agree with that statement?

13 A. Yes.

14 Q. And when you say market participants
15 in that paragraph, you're talking about Medicare
16 Advantage participants, correct?

17 A. Yes.

18 Q. So, now, does that refresh your
19 recollection that this was one of the issues that
20 you've written about before, the competition
21 between MA and TM?

22 A. Yes.

23 Q. Now, I looked here. I didn't see at
24 the bottom of page 62 anything about incomplete
25 competition. I just saw competition. Is that

1 fair?

2 A. Yes.

3 Q. And this article doesn't qualify,
4 doesn't drop a footnote some cross-references
5 saying they compete but not actually completely,
6 right?

7 A. It really was just a literature
8 viewpoint. It really wasn't worth getting into the
9 details there.

10 Q. Okay. Let's talk economics.

11 A. Okay.

12 Q. Dangerous thing for me to do, but I
13 think we should try.

14 A. Okay.

15 Q. Competition, you'd agree, does not
16 have to be perfect to provide a competitive
17 constraint?

18 A. The term competitive constraint is
19 not a precise term. So I don't quite know what you
20 mean by that statement.

21 Q. Well, let's talk about what you're
22 here to talk about today.

23 A. Okay.

24 Q. The question that we're looking at is
25 whether MA and TM compete with each other enough,

1 such that post merger the Division should be okay
2 with the Medicare Advantage line of insurance. You
3 understand that, right?

4 A. Yes.

5 Q. Okay. And so you'd agree that
6 products can differ substantially even in a highly
7 competitive market?

8 A. They can -- once again, using the
9 word like substantially and highly. I absolutely
10 agree that products can differ in a competitive
11 market, for sure.

12 Q. Those actually aren't my words.
13 Those are yours. But let's go ahead and take a
14 look at page 6 of your report, see if this helps at
15 all. If you look at the bottom of page 6 under
16 Factor 1.

17 A. Uh-huh.

18 Q. First full paragraph, second
19 sentence, these are your words, sir. This is not
20 dispositive as products can differ substantially
21 even in highly competitive markets.

22 A. Okay.

23 Q. So you agree with that statement,
24 right?

25 A. Right. Yes.

1 Q. We can use that as a baseline here?

2 A. Okay.

3 Q. You're aware, sir, that the DOJ, the
4 FTC merger guidelines are replete with discussions
5 about differentiated products, right?

6 A. No, I'm not.

7 Q. Is that because you just don't focus
8 on mergers?

9 A. Yeah. I don't know the specifics of
10 the -- I'm not familiar with the specifics of the
11 guidelines.

12 Q. But more just generally in
13 preparation for your report that you submitted,
14 that you did not have the opportunity to review the
15 DOJ or FTC guidelines, right?

16 A. No, I did not.

17 Q. And to the best of your knowledge,
18 probably haven't reviewed them before today?

19 A. Not that I would remember.

20 Q. So isn't -- okay. Let's go back to
21 my question. Isn't the relevant question here
22 whether there is enough competition between TM and
23 MA to constrain price and quality?

24 A. Once again, the word constrain is a
25 hard word to use. I mean, the question I

1 understand is largely a legal question of whether
2 it meets the conditions. It's largely a legal
3 question that I'm not really here to pontificate on
4 that.

5 **Q. What did you review before you**
6 **prepared your report? What did you have the**
7 **opportunity to review?**

8 A. I reviewed the Florida ruling that
9 you mentioned.

10 **Q. The OIR consent order?**

11 A. Yeah. Yeah. I reviewed -- I don't
12 recall exactly, but there were a couple of opinions
13 that I reviewed -- I don't recall if they were
14 federal or state -- which expressed the idea that
15 these weren't perfect competitors.

16 **Q. Court rulings, you're talking about?**

17 A. Yeah.

18 **Q. What else?**

19 A. And then I reviewed briefly McCarthy,
20 Mr. McCarthy's testimony, and I reviewed all the
21 articles that I referenced here in this paper.

22 **Q. Anything else?**

23 A. Not that I can recall.

24 **Q. When you say McCarthy, you're**
25 **referring to Dr. McCarthy?**

1 A. Dr. McCarthy, yeah.

2 Q. The expert for --

3 A. Yes.

4 Q. Did you have the opportunity to
5 review the white paper that was submitted by Mr. --
6 by your friend John?

7 A. I just glanced through it while I was
8 sitting here.

9 Q. For the first time?

10 A. Yeah.

11 Q. So you're not here to discuss the
12 findings that you read just while you were sitting
13 in the room then?

14 A. Right. I'm not -- right. That's
15 correct.

16 Q. And as you sit here, you have nothing
17 to say about Mr. Orszag's report? That's not what
18 you're here to talk about?

19 A. That's right.

20 Q. Now, you, sir, have not done any
21 independent empirical analysis to test how much of
22 a constraint TM is on MA, right?

23 A. No, I have not.

24 Q. And in fairness to you, you haven't
25 done that because that's not what the Division

1 asked you to do?

2 A. That's correct.

3 Q. But you're aware because you sat in
4 the room and you had a few moments this morning,
5 you're aware that John did actually have the
6 opportunity to do that very analysis?

7 A. I saw there was some analysis in his
8 testimony. I didn't have a chance to read it
9 carefully.

10 Q. Did you read it carefully enough to
11 know that is exactly what he's talking about is
12 this specific transaction and the competitive
13 constraint between -- the competition between TM
14 and MA?

15 A. No, I did not.

16 Q. I know you said you just had the
17 chance to read Mr. Orszag's report while you were
18 sitting in the room here today. Did anyone at the
19 Division tell you how long they've had that report?

20 A. No.

21 Q. Did anyone at the Division explain to
22 you why they didn't provide that to you perhaps
23 some time ago?

24 A. No.

25 Q. You gave us a list of things you

1 reviewed. One of the things I didn't hear, and
2 maybe you'd forgotten, is the Form E that we're
3 talking about here today. Do you know what a
4 Form E is?

5 A. No, I don't.

6 Q. Have you heard the phrase Form E
7 before, the term?

8 A. Not that I can recall.

9 Q. Now, in your report, you relied on
10 several studies. I'd like to talk briefly about
11 them. We don't need to spend a lot of time. You
12 didn't talk a lot about them on direct. But I'd
13 just like to get some context for those studies.

14 A. Okay.

15 Q. The first one would be Abaluck and
16 Gruber. It's from 2011.

17 A. Okay.

18 Q. It's Choice and Consistencies Among
19 the Elderly. Do you recall that?

20 A. Uh-huh.

21 Q. You'd agree that the date range for
22 the data you considered in that report was 2005 to
23 2006?

24 A. That's right.

25 Q. And that none of the analysis in that

1 paper was specific to Missouri?

2 A. That's right.

3 Q. And, of course, you'd agree that
4 nothing in that paper analyzed this transaction?

5 A. That's right.

6 Q. Second paper you looked was another
7 Abaluck and Gruber. That's you, right?

8 A. Yeah.

9 Q. That was a 2015 paper called Evolving
10 Choice Inconsistencies in Choice Prescription Drug
11 Insurance. Do you recall that?

12 A. Yes.

13 Q. Now, the data to that report was 2006
14 to 2009. Does that sound right?

15 A. That's right.

16 Q. And nothing in that report mentions
17 the word Missouri. You can agree with that as
18 well?

19 A. There may be a table which says
20 Missouri, but I can't recall. It's certainly not
21 focused on Missouri.

22 Q. Okay. I didn't see it in there, but
23 as you sit here today, you don't recall the word
24 Missouri?

25 A. I don't recall.

1 Q. And obviously that report didn't
2 analyze this transaction either, right?

3 A. No.

4 Q. The third one, Batata and Amber, 2004
5 piece titled The Effect of HMOs on Fee for Service
6 Health Care Expenditures. That's another report
7 that you rely on in your report?

8 A. Yes. Amber was her first name. It's
9 Batata and first name Amber. But that was another.

10 Q. And Ms. Batata considered data that
11 ranged from 1990 to 1994?

12 A. I don't recall what year she --

13 Q. Sound about right?

14 A. Sounds about right.

15 Q. And again, that report had nothing to
16 do with Missouri, right?

17 A. Yes.

18 Q. You did review these reports as
19 you --

20 A. No. I read the reports. I don't
21 remember. Once again, it may have said Missouri in
22 there somewhere, but it certainly wasn't focused on
23 Missouri.

24 Q. And certainly that article also had
25 nothing to do with this transaction?

1 A. That's correct.

2 Q. Moving forward now, there's the
3 Brown, Jason, Duggan, and a lot of others were
4 involved in that one. How Does Risk Selection
5 Respond to Risk Adjustment?

6 A. That's right.

7 Q. That's one of the reports you relied
8 on, right?

9 A. Yeah.

10 Q. That report relies primarily on data
11 from 1994 to 2006, correct?

12 A. That's about right.

13 Q. Again, nothing to do with Missouri?

14 A. Not that I know of.

15 Q. Again, nothing to do with this
16 transaction?

17 A. No.

18 Q. Number 5, the fifth report was
19 Cabral, Marika, and I'm sure I'm mispronouncing it,
20 but it had to do -- there was others, but it had to
21 do with this privatized health insurance benefits
22 for patients or producers?

23 A. Correct.

24 Q. That report focuses on data from 1997
25 to 2003?

1 A. I think that's right.

2 Q. Nothing about Missouri?

3 A. No.

4 Q. And nothing about this transaction?

5 A. No.

6 Q. All right. The six article set forth
7 in Exhibit 34, which is your report, is the Dafny,
8 Leemore, Gruber, and that's one of the ones you
9 were involved in, More Insurers, Lower Premiums.
10 That's the one we just went through together on
11 page 62, right?

12 A. (Witness nodded.)

13 Q. You'd agree that the study had some
14 limitations?

15 A. Any study has limitations.

16 Q. And, in fact, as you set forth in
17 that study itself, you acknowledge it has
18 limitations?

19 A. As I think any study should.

20 Q. And one limitation, for example, the
21 article just focused on the first year of the
22 exchange operation?

23 A. That's correct.

24 Q. And another limitation is the article
25 focused only on one particular insured?

1 A. Well, we looked at data for the
2 entire insurance market. Our variation came from
3 the actions of one insurer.

4 Q. Right. But actually what you say in
5 the report is you identify a limitation, and the
6 limitation you identified is that the article
7 focused only on one particular insurer, right?

8 A. We may have said that in the
9 report -- may have said that in the article. The
10 bottom line is what I'm explaining to you, which is
11 that the article analyzing exchange markets, a
12 limitation that we highlight in the article is that
13 we're looking at the action of one insurer and how
14 it affects the insurance markets. And we focused
15 on the entire market.

16 Q. Let's take a look, because I don't
17 want to misquote you. Page 14.

18 A. Uh-huh.

19 MR. WHITMER: Again, this is -- your
20 Honor, this is page 14 in the report itself.

21 BY MR. WHITMER:

22 Q. You're with me, right?

23 A. Yep.

24 Q. Page 14, at the very bottom. You're
25 talking about that study and you say, the study has

1 some limitations. Tell me if I read it wrong. The
2 study has some limitations. For example, it just
3 focused on the first year of exchange operation,
4 and focused on a particular insurer. Those were
5 the limitations you identified in your report
6 submitted in this matter?

7 A. And all it's saying is I'm making the
8 point that that doesn't mean that the study was
9 only about one insurer. The study was about
10 exchange markets, but the event we're studying
11 involved one insurer.

12 Q. Now, this report actually does
13 reference some 2014 data points, but you'd agree it
14 primarily focuses on 2011 data?

15 A. Well, no. The prices come from 2014.
16 The market share data comes from 2011.

17 Q. All the market share data is actually
18 from 2011?

19 A. That's correct.

20 Q. Okay. And this report, again, does
21 not provide any analysis of Missouri-specific data?

22 A. No.

23 Q. And certainly doesn't concern this
24 transaction?

25 A. Not directly, no.

1 Q. Duggan, Mark, a 2014 piece titled Who
2 Benefits When the Government Pays More? That's
3 another article you relied on in your submission
4 here?

5 A. That's right.

6 Q. That report used data from 2007 to
7 2011, correct?

8 A. That sounds about right.

9 Q. And again, nothing about Missouri in
10 that report?

11 A. Not that I remember.

12 Q. And nothing about this transaction,
13 of course?

14 A. No.

15 Q. We're getting there. Article 8, this
16 is the Daria and is it Pelech?

17 A. Yes.

18 Q. Paying More For Less? Insurer
19 Competition and Health Plan Generosity. That
20 report concerned data spanning from 2007 to 2012?

21 A. Correct.

22 Q. Nothing about Missouri?

23 A. Not that I can recall.

24 Q. And nothing about this transaction?

25 A. No.

1 Q. The ninth piece is Town -- Robert
2 Town and is another -- it's about the welfare
3 impact of Medicare HMOs. That's one of the
4 articles you relied on?

5 A. Yes.

6 Q. That concerns data from 1993 to 2000.
7 Sound right?

8 A. Yes. That's about right.

9 Q. Nothing about Missouri?

10 A. Not that I can recall.

11 Q. Nothing about this transaction?

12 A. No.

13 Q. And I think we're at the last one,
14 which is Kaiser Family Foundation. That's one of
15 the articles you relied on?

16 A. Yes.

17 Q. I think I've covered all ten of them,
18 but this is the tenth one and this concerns data,
19 spans a long way, all the way from '99, I think all
20 the way up to the present?

21 A. That's right.

22 Q. And again, that wasn't written to
23 focus on Missouri or this transaction?

24 A. That's right.

25 Q. Okay. When you were hired on

1 April 22nd, 2016, just a few weeks ago, the
2 Division just did not ask you to conduct an
3 independent empirical analysis regarding the impact
4 of this transaction on the state of Missouri?

5 A. No, they did not.

6 Q. And even though Mr. Orszag has, in
7 fact, conducted an independent empirical analysis
8 regarding the impact of this transaction on the
9 state of Missouri, that was not shared with you at
10 all until today?

11 A. That's correct.

12 MR. WHITMER: I have no further
13 questions. Thank you.

14 HEARING OFFICER ERICKSON:
15 Mr. Angoff?

16 REDIRECT EXAMINATION BY MR. ANGOFF:

17 Q. Professor Gruber, do you have any
18 reason to believe that any of your conclusions with
19 respect to the evidence as to incomplete
20 competition between Medicare Advantage and
21 traditional Medicare, do you have any reason to
22 believe that those conclusions do not apply in
23 Missouri?

24 A. I have no reason to believe that.

25 Q. And do you believe -- do you have any

1 reason to believe that of all the studies -- that
2 any of the studies that you relied on, that their
3 conclusions also would apply in other states but
4 not in Missouri?

5 A. I see no reason why the studies I
6 relied on wouldn't be national representative,
7 meaning they would apply to Missouri as well as
8 elsewhere.

9 Q. And do you see any reason why your
10 conclusion that concentration has the effect of
11 raising prices on the insurance exchange, do you
12 see any reason why that would apply in other states
13 but not in Missouri?

14 A. No, I don't.

15 MR. ANGOFF: No additional question.

16 HEARING OFFICER ERICKSON: Recross?

17 MR. WHITMER: None, thank you.

18 HEARING OFFICER ERICKSON:

19 Dr. Gruber, thank you for your time and your
20 travels. You are excused.

21 MR. WHITMER: Your Honor, if we could
22 take a five-minute break, it would be much
23 appreciated so we can get organized.

24 HEARING OFFICER ERICKSON: It is
25 about three 'til three o'clock. Let's assume it's

1 three o'clock and come back at 3:15.

2 MR. WHITMER: That would be fine. I
3 guess just as a formality, it would probably be
4 helpful to know if Mr. Angoff and Mr. Hopper are
5 resting their case.

6 MR. ANGOFF: Yes.

7 HEARING OFFICER ERICKSON: I want to
8 just confirm the exchange that has occurred. The
9 Division at this time has no further evidence for
10 its case in chief; is that correct, Counsel?

11 MR. ANGOFF: Yes, it is, your Honor.

12 HEARING OFFICER ERICKSON: Thank you
13 very much. We will break till 3:15, and then Aetna
14 and Humana may present their evidence. We're off
15 the record.

16 (A BREAK WAS TAKEN.)

17 (THE REMAINDER OF THE TRANSCRIPT IS
18 CONTAINED IN VOLUME 2.)

19

20

21

22

23

24

25

| | | | | |
|------------------------|------------------------|-------------------------|------------------------|-----------------------|
| A | 207:16 | 60:6 221:25 | administration | 152:2 155:25 |
| AA 7:11 | account 155:20 | action 53:16,22 | 38:7 44:10 | 157:2,3,11 |
| Abaluck 239:15 | 194:19 | 57:5 244:13 | 60:1 86:10 | 169:25 171:9 |
| 240:7 | Accountable | actions 244:3 | 179:23 225:21 | 193:7 194:1 |
| abbreviate 85:6 | 7:13 | active 38:25 | administrative | 197:4,9 211:9 |
| 85:14 | accountants | 39:3 57:7 | 186:24 | 211:15,20 |
| Abe 7:17 | 164:13,18 | 201:12 | admissibility | 212:1,13,21 |
| ability 75:18 | accounted | activities 64:18 | 15:14,25 19:5 | 213:3,4,10,15 |
| 183:2 | 216:18 | 73:20 86:24 | admissible 84:4 | 213:23 215:2 |
| able 53:13,19 | accounting | add 111:8 149:4 | admitted 21:16 | 215:8 216:5 |
| 56:4 70:11 | 86:11 135:9 | adding 111:10 | 22:2,12 30:21 | 217:23 218:25 |
| 71:18 72:18 | 151:17,21 | 114:5 186:2 | 32:25 33:18 | 219:7,9 |
| 106:9 164:14 | 179:22,24 | 187:18 | 45:8 46:15 | 221:13,14,17 |
| 219:19 | accounts 65:12 | addition 17:12 | 52:1 55:2 65:1 | 232:6,16 |
| above-entitled | 195:17 | 63:14,16 | 74:3 83:12 | 234:2 248:20 |
| 251:11 | accurate 44:24 | additional | 84:6,10,11,13 | advertising |
| abreast 55:25 | 46:4 47:21 | 11:11 12:16 | 91:8 95:11 | 216:20 |
| 58:21 | 51:20 64:21 | 18:24 19:23 | 97:7 98:8 99:8 | advice 40:20 |
| Absent 133:11 | 73:23 75:16 | 33:16 62:2 | 99:18 100:6 | advise 56:7 |
| absolutely | 90:3 96:19 | 97:19 98:18 | 103:3 107:4 | advises 44:16 |
| 29:23 56:24 | 97:17 98:14 | 105:8 176:14 | 121:2 126:20 | advisory 156:7 |
| 59:5 234:9 | 105:2 119:3 | 182:17 187:13 | 136:4 142:13 | Aetna 1:7 3:14 |
| abut 219:10 | 135:16,24 | 188:11,15 | 147:24 157:17 | 4:6 5:5,9,21 |
| 233:21 | 141:2 165:24 | 190:18,21 | 158:23 169:19 | 5:24 8:7 9:12 |
| ACA 221:24 | accustomed | 199:23 202:19 | 170:10 171:5 | 11:6,22 12:14 |
| 223:25 224:17 | 61:7 | 223:11 225:3 | 171:17 200:9 | 13:18,20,23 |
| 225:8 228:22 | achievement | 225:11 249:15 | 201:4,7 | 14:13 16:2,3,6 |
| 228:25 | 208:25 | additionally | adopted 24:20 | 17:15 18:20 |
| academic | acknowledge | 12:24 17:24 | Advance 7:8 | 20:7 22:1 |
| 207:17 | 243:17 | 32:20 | Advantage 4:3 | 25:11 83:15 |
| Academy | ACO 7:7,8,10 | address 15:18 | 4:5,15,22 6:6 | 84:5 88:5,9,12 |
| 209:13 | 7:11 | 16:12 19:3 | 6:10,18,21,25 | 88:19,20,20,21 |
| accept 214:4 | ACOs 7:15 | 31:5 32:22 | 7:17 23:9 63:2 | 88:22,22,24 |
| acceptable | acquire 11:24 | addressed 34:12 | 64:1 65:15,18 | 89:6,16 90:5 |
| 30:13 | 120:7 | adds 221:1 | 66:2,20 67:10 | 91:15,19,23 |
| access 74:12 | acquired 133:13 | adequacy 65:20 | 67:14,18,24 | 92:12,20 |
| 139:3,24 | acquiring 88:13 | adequately | 69:8 70:5,9,11 | 93:20,25 94:8 |
| accident 5:15 | acquisition 5:5 | 22:10 | 71:16,25 72:8 | 94:12,15 |
| 103:9 105:11 | 12:6 14:19 | adjourned | 72:10,17 | 96:20 97:18 |
| 105:13 118:17 | 96:21 100:12 | 26:17 | 73:10 74:17 | 97:20 98:1,15 |
| 119:7 175:8 | 108:20 135:9 | adjusting 195:5 | 74:21 75:1,4,8 | 98:19 100:10 |
| 176:12 | 151:18,21 | Adjustment | 80:15,20 | 100:16 106:13 |
| accommodate | 155:21 | 242:5 | 138:5 141:7 | 108:21,21,22 |
| 11:11 | acronym 49:19 | administer | 143:23 144:7 | 108:23 109:3 |
| accompanied | 59:8 | 59:24 | 144:10,13 | 109:21 112:7 |
| 135:18 137:3 | Act 16:18 23:19 | administered | 146:19 149:20 | 113:8,18 |
| accomplishm... | 24:25 56:15 | 61:16 | 149:23 150:20 | 114:8 115:17 |

| | | | | |
|-------------------------|--------------------------|-------------------------|-------------------------|--------------------------|
| 116:3,10 | affiliates 78:1,4 | aid 105:4 | 187:13,16,25 | 4:11 35:4 |
| 120:11 122:2 | 89:16,19 | 106:13 119:4 | 188:11,19 | 101:4 102:3,8 |
| 122:4 124:2,5 | affiliations | 120:11 141:15 | 189:12 190:4 | 102:10,14,17 |
| 124:21 125:4 | 44:10 | AIDS 71:5 | 190:9 191:4 | 103:3,7,21,24 |
| 125:14 131:10 | Affordable | aknuckey@lo... | 193:17 194:25 | 104:1 105:14 |
| 131:12,16 | 56:15 60:5 | 9:21 | 196:6,17 | 105:21,25 |
| 132:23 133:5 | 221:24 | AL 123:4 | 197:12 199:11 | 107:8,23 |
| 133:5,13,24,25 | afternoon 173:2 | allay 197:10 | 199:19 200:20 | 108:1,12 |
| 134:6,13 | 206:24,25 | Alliance 168:10 | 226:10 229:12 | 109:5,11,23 |
| 135:2 141:17 | 225:15 | allow 49:22 | 230:4 237:21 | 110:7,11 |
| 148:18 150:3 | age 72:13 | 205:13 | 238:6,7 | 113:5,10,14 |
| 150:5,11,17,18 | 208:18 | allowed 214:6 | 239:25 245:21 | 115:8,12,19,24 |
| 152:1,9 153:2 | agent 38:19 | allows 24:13 | 248:3,7 | 116:24 117:8 |
| 153:16 154:16 | ago 25:22 26:16 | 213:6 | analyst 37:19,21 | 117:12 118:14 |
| 154:23 155:3 | 77:22 227:16 | all-day 68:19 | 86:1 | 118:17 119:6 |
| 155:21 157:22 | 227:17 238:23 | all-inclusive | analyze 106:9 | 119:24 121:14 |
| 157:23 159:1 | 248:1 | 67:4 68:18 | 139:5,22 | 123:17 132:3 |
| 168:18 169:12 | agree 14:15 | alterations 97:2 | 140:16 143:4 | 158:11 163:6 |
| 185:3,7,10,12 | 15:3 19:9 | 99:3 | 144:2,16,25 | 196:18 198:16 |
| 185:13,15,21 | 29:19 77:2,4,7 | alternate 199:6 | 145:8 201:13 | 199:9 |
| 189:24 190:20 | 77:10 81:7 | Amber 241:4,8 | 204:2,21 | annually 158:10 |
| 195:22 202:2 | 82:7 84:14 | 241:9 | 228:13 229:3 | 183:8 |
| 202:4,7 | 173:20 174:22 | amended 13:2 | 229:19 241:2 | answer 177:11 |
| 250:13 | 175:10 179:25 | 20:20 | analyzed 100:20 | 177:14 205:14 |
| Aetna's 12:5 | 180:2 181:15 | American 6:25 | 100:23 105:9 | answering |
| 14:18 16:22 | 189:1,6 | 164:17 208:24 | 107:5,12,18 | 154:3 |
| 25:14 135:4,6 | 190:12 204:20 | 210:9,16 | 112:23 115:4 | Anthem 3:3 4:9 |
| 135:9 149:22 | 227:3 228:12 | amount 24:4 | 139:15 177:25 | 41:22,24 42:4 |
| 157:10 228:5 | 229:2,5,9,10 | 101:6 151:15 | 240:4 | 43:11 44:12 |
| Aetna/Humana | 229:18 230:19 | 172:14 189:11 | analyzing | 44:19 45:5 |
| 6:12 20:15 | 230:21 232:12 | 213:1 | 244:11 | 47:18 48:4 |
| 22:24 | 233:15 234:5 | analyses 17:14 | Andrew 47:3 | 132:10 133:4 |
| AET000117 | 234:10,23 | 40:8 57:5 | Angela 2:3 | 133:22 134:5 |
| 3:13 | 239:21 240:3 | analysis 5:24 | 36:15,17,23 | 134:12,23 |
| Affairs 6:18 | 240:17 243:13 | 6:10 7:18 | Angoff 2:10,11 | 135:2 161:5 |
| 37:24 | 245:13 | 79:15 80:19 | 9:8 13:13,13 | 161:15 168:4 |
| affect 221:25 | agreed 33:21 | 81:8 87:4 | 22:19,22 27:4 | 168:11 169:4 |
| 224:14 229:8 | agreement 20:8 | 100:19 105:4 | 27:12 206:17 | Anthem's 44:13 |
| 232:8 | 34:23 43:17 | 106:13 108:6 | 206:20,23 | Anthem/Blue |
| affidavit 3:11 | 82:1 | 118:20 119:4 | 210:17 211:2 | 43:24 44:5 |
| 5:10 83:13 | agrees 16:3 | 120:11 141:3 | 211:3 225:10 | antithetical |
| 180:21 | ahead 79:24 | 141:16,21 | 248:15,16 | 58:21 |
| affiliate 81:24 | 173:12 184:10 | 142:18 146:18 | 249:15 250:4 | antitrust 24:25 |
| 210:6 | 189:15 231:8 | 146:21,24 | 250:6,11 | anti-competiti... |
| affiliated 79:11 | 231:12 234:13 | 169:12,24 | announced | 23:24 24:15 |
| 94:8,15 96:3,9 | AHIP 4:18 | 173:24 176:23 | 224:3,5,6 | 24:17 25:10 |
| 210:4,12 | AICPA 164:5 | 176:24 177:2 | annual 3:21 | 25:15 26:2 |

| | | | | |
|-------------------------|-------------------------|-------------------------|------------------------|------------------------|
| anymore 168:15 | 110:19 113:25 | 220:2 231:1,4 | 48:8 49:21 | 60:23 |
| apart 154:22 | 130:23 151:25 | 236:21 247:4 | 57:8 106:4 | automobile |
| 155:3 | 152:8,18 | 247:15 | associations | 75:22,24 76:9 |
| apologies 99:15 | 153:5,22 | ASHLEE 9:18 | 209:2 | avail 62:25 |
| 110:17 | 159:2 163:13 | aside 48:15 | assume 249:25 | available 11:10 |
| apologize 47:12 | 166:11 187:7 | 53:24 55:21 | Assuming 76:2 | 13:8 44:3 |
| 94:19 168:8 | April 3:9 4:3,4 | 73:1 82:25 | assumption | 45:25 61:20 |
| appear 176:10 | 4:21 6:15 64:3 | 83:2 94:4,10 | 223:24 | 63:4 64:6,10 |
| 178:3,4 | 139:12,13 | 94:23 96:12 | Assurant | 73:13 80:10 |
| appears 45:25 | 143:2,5 145:4 | 97:10 98:8 | 132:19 133:7 | 135:18 143:6 |
| 136:19 156:5 | 145:4 146:19 | 99:14 100:9 | Atchison 47:3 | 146:9 164:8 |
| 177:3 | 146:19 149:20 | 104:22 116:22 | attached 4:20 | 164:15 |
| applicable | 149:24 150:12 | 126:7 135:12 | 98:19 231:5 | Avenue 9:10 |
| 203:12 | 150:20 152:2 | 146:12 156:2 | attempt 197:19 | average 155:10 |
| applicant 5:11 | 153:7 157:11 | 157:17 159:3 | attempting | 155:17 215:2 |
| 74:20 | 227:9 248:1 | 160:6,24 | 84:13 | award 208:16 |
| applicants | AR 122:11,21 | 161:17 162:9 | attend 12:2 | 208:18,21 |
| 74:16 | area 3:3,4 43:8 | 163:14 168:24 | attendees 11:11 | awarded 86:20 |
| Applicant's | 43:24 45:4,20 | 169:19 170:10 | attention 69:11 | awards 86:16 |
| 74:12 | 46:9,11,18,21 | 172:5 | 181:25 183:25 | 208:11 |
| application 3:10 | 47:1 74:18,22 | asked 7:13 30:5 | Attorney 9:9,13 | aware 35:11 |
| 73:7 74:13,21 | 75:10,12 | 30:12 33:11 | Attorneys 9:19 | 78:12 80:9 |
| applications | 76:11,13 80:2 | 33:12 40:23 | 10:2 | 88:4 94:14 |
| 74:7,9,11 | 101:21 109:16 | 45:16 94:18 | attributes | 96:8 174:6,9 |
| applied 202:16 | 211:24 | 154:1 202:14 | 136:18 | 193:20 194:11 |
| apply 16:16 | areas 46:24 | 204:21 211:13 | audio 11:10 | 194:17 235:3 |
| 55:13 79:6 | 47:15,18 | 228:12 229:3 | audit 165:22 | 238:3,5 |
| 138:20 203:10 | argument 24:20 | 229:13 238:1 | audited 4:12 | A&H 117:4,7 |
| 248:22 249:3 | 26:6 | asking 27:1 | 163:19 165:18 | 173:16 174:21 |
| 249:7,12 | arguments | 35:14 156:10 | 165:21,25 | 176:17 178:9 |
| appointed 11:15 | 25:14 | 156:10 | 166:2,3 | 178:11 198:3 |
| appreciated | Arkansas 66:15 | ASPE 4:17 | auditor 165:23 | 198:6,10,12,13 |
| 249:23 | ARPS 10:3 | aspect 88:2 | audits 40:12 | 198:15 |
| approach 14:25 | arrangement | assertion | August 80:9 | a.m 11:2 |
| 20:23 192:19 | 66:4 | 186:16 | author 54:19 | |
| 194:11 196:7 | arrived 225:16 | assets 158:25 | authority 26:5 | B |
| 196:12 | Arrow 208:16 | 160:3,21 | 26:15,20 | B 5:7 16:21,22 |
| approved 25:16 | article 4:18,20 | 161:14 162:6 | 28:23 29:2,7 | 17:8 22:6 |
| 26:7 | 171:9,12 | 163:10 166:9 | 29:10,21 | 60:18 61:3,4 |
| approximate | 220:3 223:19 | assigned 32:11 | 30:20,24 | 61:11,21,24 |
| 111:1,6 | 231:9,9,17,19 | 35:2 165:23 | 31:22 32:3,16 | 62:12,17,25 |
| 112:13 | 233:3 241:24 | assistance 68:9 | 76:3,4 91:1 | 63:13 68:13 |
| approximated | 243:6,21,24 | associate 209:18 | 105:25 | 68:15 |
| 111:22 | 244:6,9,11,12 | 210:7 | authorized 35:8 | bachelor 38:5 |
| approximately | 246:3,15 | associated 6:17 | 87:11,20 | bachelor's 86:9 |
| 37:12,25 | articles 208:4,7 | Association | 95:18 | back 21:1 83:9 |
| 85:19 110:18 | 216:3 217:4 | 32:11 35:2 | automatically | 134:11 151:23 |
| | | | | 172:23 174:8 |

| | | | | |
|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| 179:19,20 | 103:14 117:21 | 66:2,9 67:13 | 43:1,11,12,24 | brings 100:2 |
| 183:20 186:7 | 149:7 157:9 | 216:17 219:10 | 44:6 45:20,21 | broadly 209:12 |
| 189:20 230:20 | 158:23 197:22 | 242:21 246:2 | 46:9,9,11,12 | 230:14 |
| 235:20 250:1 | 231:16,19 | Benton 47:4 | 46:18,18 | broken 118:7 |
| background | BB 7:12 | best 208:16,18 | 47:19,19 48:4 | 199:18 |
| 38:4 86:8 | BCBS 3:4 4:11 | 222:19 235:17 | 48:4,7,7,14 | Brown 242:3 |
| Backup 5:19 6:7 | BCS 127:24,25 | better 69:14 | 132:11 133:5 | Bryan 5:23 |
| backward | began 11:1 | beyond 82:2 | 133:22 134:6 | BS 179:21 |
| 153:10 | beginning 68:21 | 187:17 190:13 | 134:12,23 | Buchanan 47:4 |
| backwards | 74:7 91:10 | 196:21 229:11 | 135:2 162:15 | budget 124:14 |
| 153:9 | 189:11,13,14 | 229:13,15 | 163:2,2,10,11 | build 41:10 |
| bank 115:8 | begins 65:2 | Bhattacharya | 167:5,5,9 | Building 11:9 |
| 117:8 | 69:12 136:13 | 6:5 | BlueKC 46:24 | built 41:14,17 |
| based 57:15 | behalf 5:11 12:3 | big 25:13 | 46:25 | bundle 71:1 |
| 66:5 67:20,21 | 12:3 52:11 | 221:14,19 | blueKC.com | Bundled 7:2,4 |
| 68:1 92:10 | 54:6,20 | 224:11,11,16 | 45:17 46:2 | Bureau 209:23 |
| 118:5,20 | behavior 219:19 | billion 159:2 | board 154:5 | business 23:9 |
| 124:20 152:4 | believe 16:1 | 160:5,23 | 184:2,10 | 33:23 35:8 |
| 152:8,12 | 29:13 32:22 | 161:16 162:8 | 192:17 | 38:6,21 51:6 |
| 154:4,24 | 36:4 44:5,7 | 163:13 166:11 | body 214:21,25 | 86:10 87:12 |
| 155:2 176:5 | 48:13 54:22 | binding 203:19 | bottom 109:17 | 87:20 89:17 |
| 176:10,16 | 61:23 66:6 | bit 80:16 | 122:15 127:3 | 89:20 91:5 |
| 177:9 178:2,6 | 75:16 92:9,12 | BKD's 164:17 | 137:16 155:6 | 93:2,5,11,14 |
| 188:2 195:6 | 100:9 103:3 | blanc 224:5 | 155:8,14 | 93:17 94:21 |
| 196:17 199:7 | 104:15 107:6 | blank 102:9,11 | 164:4 167:18 | 95:19 100:23 |
| 200:18 203:16 | 107:10 122:1 | 102:14,17 | 173:16 195:13 | 101:8 104:9 |
| 211:23 213:17 | 143:9 172:10 | 103:4,8,10,12 | 195:15,18 | 104:16,19,21 |
| 213:18,18 | 173:24 177:17 | 103:21,25 | 231:13 232:1 | 105:5,9,12,13 |
| 224:16 | 179:21 194:15 | 104:9,21 | 232:24 234:15 | 107:1,4,7,11 |
| baseline 235:1 | 197:5 198:24 | 105:13,14 | 244:10,24 | 107:18,22,25 |
| basic 60:25 | 203:8,22 | 106:10 107:9 | Boulevard 10:9 | 108:2 109:4 |
| 63:14 | 204:15 248:18 | 107:23 109:5 | BPCI 7:2,5 | 109:10,22 |
| basically 138:18 | 248:22,24,25 | 109:11,23 | branch 158:16 | 110:6,11 |
| 164:21 207:16 | 249:1 | 110:7,12 | 170:20 | 112:9,14,23 |
| 218:11 220:18 | believes 26:23 | 113:5,14 | bread 226:14 | 113:4,9,14,19 |
| basis 64:12 | belong 91:14 | 115:19,24 | break 34:19,21 | 113:22 114:2 |
| 65:19,22 | 127:23 | 116:24 117:12 | 83:5,7 156:12 | 114:9,14 |
| 66:10 68:4 | belongs 66:14 | 118:9,14,17 | 172:13,15,21 | 115:2,4,8,11 |
| 72:11 77:17 | bench 14:25 | 138:14,19 | 249:22 250:13 | 115:13,19,24 |
| 180:8,10 | beneath 52:14 | 140:2,4 | 250:16 | 116:3,7,11,15 |
| 181:16,16 | 65:6 116:20 | blanks 104:1 | brief 4:17 | 116:23 117:1 |
| 182:21 183:2 | benefit 220:23 | 119:6 | 170:15 211:21 | 117:5,6 |
| 183:9,17 | benefits 61:7,20 | Blank21 3:21 | briefly 17:22 | 118:20 119:5 |
| 187:6,25 | 61:24,25 62:1 | blocked 74:13 | 81:20 236:19 | 120:24 121:7 |
| Batata 241:4,9 | 62:3,15,18,24 | Bloomberg 5:18 | 239:10 | 123:16,18 |
| 241:10 | 63:3,9,10,13 | Blue 42:16,16 | bring 35:13 | 124:23 125:6 |
| Bates 47:4 | 63:16 65:18 | 42:23,23 43:1 | 83:23 | 125:17,21 |

| | | | | |
|--|--|--|---|--|
| 126:1,4 127:2 127:5,6,9,12 128:2,19 129:18,20,22 131:3,5 132:1 132:8,14,18,21 132:24 133:3 133:14,16,21 134:4,15,20,21 135:1 179:23 182:15,20 197:24,25 198:25 199:4 199:12,15,16 199:20 200:18 201:14 203:3 217:14 businesses 17:16 butter 226:14 | capitated 213:16 Capps 6:9 caption 251:12 captioned 14:20 captive 86:1 87:6 Card 48:14 care 3:5 6:14 7:2,4,9,13 14:17 25:18 48:9,17,25 49:3,4 51:21 52:1,3,12 53:12,18 54:15 55:19 56:15 60:5 61:10 65:10 67:2,4 77:23 78:1,2,5,19,20 78:22 117:15 117:17,24 118:11,13,21 119:5 121:9 121:12 123:16 125:6,13,22 132:2,3,12 167:22 178:22 199:13,20 200:19 209:17 210:8 221:24 223:21 224:2 226:19,22 241:6 cared 71:12 carefully 229:23 238:9,10 carriers 225:3,6 Carroll 47:4 carrying 141:22 163:7 169:15 case 1:6,16 8:6 11:7 12:11 15:15 19:19 23:18 24:1,4,6 24:7,8,10,10 24:11 25:4,7 | 65:19 100:5 131:9 217:23 217:24 250:5 250:10 cases 58:23 Cass 47:4 casualty 31:15 37:22 38:24 39:11,25 40:1 92:24 93:16 94:20 103:12 104:1 117:8 118:14 119:8 category 69:14 catering 71:13 cause 251:11 caveat 36:6 CC 7:13 CCP 65:16,21 70:10 71:17 72:18 137:19 137:19 138:7 138:7 CCPs 65:10 CCR 10:8,8 251:22 center 60:3 125:22 Centers 59:12 61:18 64:6 66:11 73:14 centralized 43:7 certain 18:20 63:6 68:5 75:8 108:16 204:23 certainly 29:16 30:7 33:9 57:23 78:12 145:24 158:4 188:3 240:20 241:22,24 245:23 certificate 30:20 32:16 76:3 83:17,21 91:1 105:24 certificates | 28:23 29:2,7,9 29:20 30:23 31:21 32:3 certification 86:17,19 certifications 38:9 86:13 certified 31:5 86:14 164:18 251:7 certify 251:9 cetera 137:7 CFR 52:20 chair 172:18 207:11,14 chance 238:8,17 change 78:10 194:25 221:13 221:16,18 changed 25:12 25:13 changes 59:4 80:10 191:12 channel 72:5 Chapter 31:13 31:15 chapters 31:23 32:4,5 charge 26:10 charged 60:4 CHARLES 9:13 chart 179:6 184:25 189:20 189:21,24 195:22 198:19 Chicago 9:20 chief 1:16 11:12 37:11 57:11 250:10 choice 58:4,6 213:21,25 214:3 218:23 239:18 240:10 240:10 choose 12:2 58:7 70:11 | 71:18 72:19 72:23 220:22 Chris 223:19 chronic 71:3,14 Chuck 13:21 chuck.hatfiel... 9:16 Cigna 4:10 161:22 162:7 167:16,20,21 167:24 circles 225:24 circuit 36:9 circumstance 25:13 circumstances 25:12 cited 19:20 City 8:13 9:6,15 10:10 11:10 35:21 36:5,12 42:12,16,24 43:2,8,10,12 45:21 46:10 46:12,19 47:2 47:20 48:5 132:11 133:6 133:23 134:6 134:13,24 135:3 141:9 147:15,20 155:12,19 162:16 163:3 163:11 167:6 167:10 251:17 Clair 47:8 clarification 231:23 clarify 21:2,3 31:20 84:9 101:14,21 140:23 Clay 47:5 Clayton 24:25 clear 23:14 44:9 145:23 clearly 217:6 |
| <hr/> C <hr/> C 5:10 9:1 17:4 22:6 60:18 61:15,16,19,22 61:24 62:3,14 63:1,4,11,12 66:19 251:1,1 Cabral 242:19 calculate 149:2 calculated 110:21 114:4 114:16 116:19 145:12 calculations 81:2 Caldwell 47:4 call 11:3 42:13 61:6 90:10 196:23 197:1 called 44:18 213:16 240:9 calling 228:17 232:7 calls 36:15 84:16 186:19 186:25 205:25 206:17 | | | | |

| | | | | |
|---|---|---|--|--|
| <p>Clinton 47:5 225:21 clock 83:4 close 50:8 65:3 104:23 closed 16:8,10 19:12,25 20:4 21:7,23 22:7 closely 57:2 closure 18:13 CMS 3:9,10 4:3 4:4,21 59:9,11 59:14,16,19,22 64:14,22 65:20 66:14 73:16,24 74:11,16 135:17,22 137:4 139:7 139:11 140:12 141:13 143:16 146:8 code 28:2,10,15 28:19 32:18 32:18 121:17 121:17,19,22 121:24 122:2 122:9 127:21 128:16 129:4 129:5,9,17,17 130:3 167:1 167:19,25 168:8,12,16,19 168:22 codes 32:10,10 32:23,23 34:2 34:2 35:1,1,9 35:9,10 130:2 Cole 251:5,18 colleagues 222:20 collect 105:19 169:10 collected 4:14 169:15 collection 169:6 collectively 14:8</p> | <p>14:14 colon 122:11,21 122:21 123:5 123:5 column 69:11 69:15,24 70:20 72:2 91:18,25 92:2 92:15,16 104:5 111:9 111:12,16 114:6,17 115:17 121:3 121:5,16,18,21 121:23 122:10 122:12,15,16 122:20,23 123:2,4,6,10 123:13 125:3 125:11 127:5 128:11,25 133:18 134:18 147:12 148:7 148:12,13,14 148:17,20,22 149:9,11 150:22 151:1 151:5,9,13 155:8,15 columns 69:23 70:1,15 71:22 72:3 104:4 123:14,15 124:12,13 147:25 149:14 149:17 151:23 comb 230:6 combination 61:11 136:19 combined 23:3 23:10 109:18 109:20 110:4 110:9 112:13 112:17 113:17 113:21,25 114:12 116:2 116:6,14</p> | <p>125:19 131:24 145:1 148:18 150:12,18 186:5 combining 145:6 come 12:22 53:3 58:23 119:20 179:19 186:7 193:10 224:1 230:20 245:15 250:1 comes 11:17 31:4 50:4 146:7 180:6 207:17 221:1 245:16 comma 136:17 136:23 comment 12:23 12:23 comments 5:7 12:5,25 13:5 190:18 Commission 158:14,16 159:12,15,19 159:23 160:15 161:9,25 162:21 169:8 Commissioners 32:12 35:3 49:22 57:8 106:4 committees 57:9 common 28:13 44:13 commonly 71:4 80:7 communication 57:14 comp 122:11,21 123:5 companies 26:8 26:18 31:14 31:16,22 34:1</p> | <p>35:5 40:6 42:5 42:8,24 43:2 43:12 48:23 49:1,4 50:10 56:19 57:24 58:3,17 61:17 65:19 78:9 79:9,12 80:8 87:1,10,19 88:1 90:5 92:4 92:13,20 94:5 94:7,11,14 95:15,18,22 96:2,5,8 102:18,22 103:4 105:22 105:23 107:1 108:19 117:4 117:5 119:8 119:22 120:24 121:9,11,25 122:4,7 123:18 131:2 131:5 150:4,8 158:8 163:6 166:19,25 167:3,8,14 168:2 182:12 182:13,14,15 183:13,15 191:8 company 1:4 3:6,7,14,15 8:4 11:6,19 12:12 13:14 13:16 14:14 16:18 21:21 22:23 23:19 25:19,21 32:10,15,17,23 34:2 35:1 40:13 45:5 50:5,15,23 51:22 52:2,2 52:12,24 53:7 53:10,13,19 54:7,14,15,24</p> | <p>55:13,15,19 74:24 75:3,6 75:11,21,25 76:8,12 78:20 85:13,15,17,20 86:23 87:5,19 89:7 90:4,9,15 90:18,24 91:4 91:9,18,20,23 92:8,10,17 93:4,10,16,20 93:25 94:6,20 95:24 101:8 102:16 121:3 121:6,20 122:14 129:17 129:18,23 130:3 148:1 149:16 166:13 166:23 167:21 167:23 168:10 190:18 comparable 113:2 114:25 118:8 124:12 126:11 131:20 146:9 149:10 156:25 161:4 215:12 compare 63:10 127:8 133:15 135:10 compared 71:8 145:10 187:21 compares 80:19 comparing 47:13 126:20 127:16 129:25 132:5 135:7 194:20 compensation 37:20 217:9 compete 43:18 48:2,3 202:4,7 217:13 219:19 221:7 232:9 233:5,25</p> |
|---|---|---|--|--|

| | | | | |
|---|--|---|--|---|
| competes 230:22 | 117:2 121:8 121:11 217:15 230:23 | 201:5 222:2 222:12 223:2 223:6,18 228:21 249:10 | 16:9,10,14 19:12,14,23 20:3,16 21:8 21:23 22:7 84:1,2 96:14 97:14 98:11 173:5,13 197:20 | 159:14 166:3 185:16 191:7 191:11 193:5 193:6,21,22 197:3,8 199:3 199:6,23 200:4 205:9 215:15 |
| competition 5:24 6:5 7:17 14:21 22:25 26:24 80:19 80:24 81:3,11 174:23 175:12 176:3,20 177:20 178:1 178:15,24 197:8 202:10 211:9,14,16,20 211:25 212:3 212:13 215:21 218:17 219:16 221:3,6,24 224:9 226:25 227:5 228:17 229:19 230:20 232:7,20,25,25 233:15 235:22 238:13 246:19 248:20 | completed 228:2 completely 117:13,13 118:5 221:20 233:5 compliance 51:18 components 50:16 comprehensive 3:23,25 7:9 53:14,21 55:17,25 57:17,21 58:10 71:1 82:1 107:20 109:4,10,22 110:6,10 112:25 113:9 113:13 124:22 125:5,12,20,21 125:25 126:4 127:4 128:1 128:12,18 129:8,19 131:25 132:8 133:2,20 134:3,19 179:8,10 184:21,22,23 189:18,19 190:4 198:20 198:20 comprise 42:13 concentrated 220:5 222:9 223:13 concentration 24:5 56:21 110:3 142:4,5 148:25 151:8 151:12 200:1 200:1,23,25 | concern 26:1 30:4,8 34:5,7 186:10 187:9 222:16 245:23 concerned 246:20 concerning 180:22 concerns 173:21 174:2,23 175:3,12,20,23 176:3,8,15,20 176:25 177:3 177:7,10,20 178:1,5,6,15 178:24 197:10 230:16,18 247:6,18 concluded 22:23 conclusion 26:22 186:20 187:1 206:1 212:12 214:10 215:6,20 217:1 218:16 219:24 249:10 conclusions 196:25 248:18 248:22 249:3 condition 71:3 conditions 71:14 236:2 conduct 37:21 38:12 40:11 40:11 57:4 100:15 248:2 conducted 175:19 192:20 248:7 confer 21:11 confidential 5:21,22 6:7 | confidentiality 18:12 20:9 confidentially 164:9,14 165:3 confirm 18:19 19:5 175:19 176:13,21 177:6,19,24 178:5,10,14,21 180:19 181:11 192:19 250:8 confirmed 79:21 176:19 181:1 187:23 191:24 confirming 98:5 confirms 19:7 20:8,11,20 176:24 177:25 conflict 39:4 confused 128:8 154:16 conjunction 88:17 100:11 Connecticut 9:10 167:22 connection 211:19 228:13 consent 5:13 194:2,8,9 203:8,9,9,16 203:19 236:10 consequences 53:6 Consequently 138:13 consider 65:5 79:18 141:21 | considerable 172:14 consideration 191:1 considered 51:14 79:15 188:12 190:24 192:4 193:15 193:16 194:24 239:22 241:10 considering 194:21 215:12 Consistencies 239:18 consistent 45:3 46:10 47:17 52:19 constitute 39:4 constrain 214:11 217:2 235:23,24 constrained 212:7 215:7 219:4 constraint 233:17,18 237:22 238:13 consult 78:7 188:20 consumer 37:24 58:1 60:3 220:17,22 221:19 consumers 25:17 40:13 58:4 216:16 216:25 218:23 220:10,13,15 220:23 |
| competitor 218:20 219:15 219:17 | | | | |
| competitors 24:3 47:23 142:4 193:8 200:1 201:13 201:24,25 217:12 236:15 | | | | |
| compiled 106:7 120:2,4,4 126:16 | | | | |
| compiles 50:15 | | | | |
| complete 39:14 | | | | |

| | | | | |
|---|---|---|--|--|
| consummated 88:11 | 188:17 192:3 239:13 | 135:25 141:3 | 238:2 242:1 | 148:15 150:15 |
| consummation 27:2 | continue 31:13 137:21 | Corp 131:13 133:12 | 242:11,23 243:23 245:19 | 153:16 154:11 154:11 155:25 251:5,18 |
| contact 44:17 | continuing 39:15 | Corporation 4:10 132:15 133:24 161:22 | 246:7,21 248:11 250:10 251:14 | couple 216:3 236:12 |
| contain 17:14 18:2 45:19 95:2 114:25 118:13,16 126:11 131:20 140:8 141:6 143:1,7,11,18 144:6,9,12 145:15,16 146:2,5 147:18 149:10 149:17 150:14 155:24 156:25 159:8 160:11 163:1 169:6 | contract 61:18 64:3 65:9 66:7 67:8,12,16 69:1,12 70:10 71:17 72:18 73:8 74:16,18 74:22 75:10 136:6,10,14,19 137:1,7,8,13 138:1 143:9 143:11,13 | 162:7 167:16 167:24 correct 18:10 22:13,14 30:17 31:23 31:25 34:3,4 77:23 79:13 79:23 82:10 82:14,15 84:12 88:21 92:13,14 100:13 103:5 109:8 114:15 116:24 138:23 172:11 174:5 174:11,12 175:21 176:4 176:20,25 177:13,22 178:16,17,25 179:9,11,12,14 179:18 180:1 181:5,6,14,19 181:24 184:12 186:1 187:24 188:6,9,12 189:22 190:1 190:2,7,8 191:19,21 192:16 196:21 197:25 198:1 198:4 200:11 200:12 202:17 203:25 204:10 204:14,18,22 215:23 221:22 226:20 229:8 229:16,25 230:12,13 231:1,10 232:16 237:15 | correctly 139:14 correlated 223:17 correlational 223:12,15 correspond 123:15 138:1 142:23 Cory 6:9 cost 64:1 67:1,1 68:11 143:19 213:2 220:24 costs 137:23,24 counsel 9:3 11:13 13:9 18:25 20:9,13 20:22 21:11 22:10 33:6,8 34:11,21 40:21 101:13 145:21 156:13 158:1 172:8 228:5 250:10 count 152:17 counties 35:20 36:11,11 42:12 43:6,10 47:3,9,13 48:2 75:9 141:8 147:15,20 152:1,9 153:2 153:5,22 154:23 155:12 155:19 country 60:2 county 47:10 65:18,22,22 136:7,10 137:1 140:13 147:13 148:2 | 148:15 150:15 153:16 154:11 154:11 155:25 251:5,18 couple 216:3 236:12 course 16:4 33:22 41:7,18 51:6 64:17 73:19 76:2 87:15,24 91:5 107:1 120:24 158:19 164:1 169:11 240:3 246:13 court 29:25 83:24 236:16 courts 25:2 35:22 36:9 Coventry 131:11,13,17 132:15,20 133:12,24 134:16,24 135:9 185:4,6 185:10 202:2 202:4,7 Coventry's 132:17 cover 3:18 46:25 50:3 98:15 99:21 156:5,12,14 165:13 172:14 coverage 6:15 48:24 53:20 61:4,19 62:4,6 62:7 63:5,8,18 63:18 67:23 70:2,3,6,12 71:1,11 72:4,6 76:4 101:1,6 150:25 151:4 coverages 59:5 59:6 covered 47:3 56:16 63:1 |
| contained 52:7 69:21 70:15 71:22 91:18 92:1,16 104:5 105:17 108:5 113:1,3 117:18 119:11 119:23 121:4 121:18,22 122:12,22 123:6,9,22 124:17 137:6 137:10 140:12 141:12 147:11 148:14 149:13 161:3 250:18 | contracting 56:20 contracts 65:3 65:16,17,21,24 66:7 69:16 75:8,12 138:5 control 5:5 88:13 167:24 168:11,16,18 168:21 202:2 controlled 108:22 109:1 150:4,8 controls 23:18 Conversely 56:18 cooperate 48:5 coordinate 48:5 coordinated 48:9 65:10 coordination 48:12 copy 31:5 44:24 46:4 51:20 64:21 73:23 83:23 90:4 96:19 97:17 98:14 99:9 105:3,25 119:3 135:17 | | | |
| containing 30:19 33:17 136:18 169:24 | | | | |
| contains 17:10 44:15 46:17 65:2 126:22 127:18 136:24 | | | | |
| contemporan... 50:22 | | | | |
| context 186:11 186:18 188:12 | | | | |

| | | | | |
|--|--|---|---|--|
| 247:17 covers 80:4 Cox 133:6,8 134:7,9 163:20 164:21 165:3 166:9 166:12,20,23 166:24 CoxHealth 4:12 Cox's 164:17 Coyle 10:1 13:24,24 20:10 27:9 33:21 CPAs 87:7 CPSC 4:2 136:13,19 137:7 create 14:21 24:15 80:8 81:11 90:15 91:3 106:17 106:21 120:15 120:19 141:15 created 44:4 49:21 50:14 50:19,21 54:11 90:25 95:7 creates 90:18 creation 106:11 120:9 Cross 42:16,23 43:1,11,24 44:5 45:21 46:9,11,18 47:19 48:4,7 163:2,10 167:5 cross-examin... 2:4,7,11 76:24 172:10 173:1 186:25 202:15 225:14 cross-examine 12:18 cross-referen... | 233:4 cross-segment 212:9 cross-state 230:2 Cross/Blue 132:11 133:6 133:22 134:6 134:12,23 135:3 162:16 167:9 crowd 225:16 Crystal 54:21 CSR 10:8 16:25 17:23 27:15 251:22 current 37:7 69:12 72:12 85:10 106:16 120:14 141:19 currently 32:21 36:24 38:15 38:25 39:1 75:7 82:24 85:2 102:18 182:15 210:7 Curriculum 5:12 6:1 Curto 6:3 custodian 29:20 cut 135:5 219:9 CV 4:20 226:17 226:23 227:4 <hr/> D D 2:1 5:12 52:20 60:19 62:21 62:22 63:4,10 63:17 68:10 169:25 Dafny 222:20 223:18 243:7 daily 78:10 180:8,10 Dangerous 233:12 Daria 246:16 data 3:22,24,25 | 4:3,5 5:19,21 5:22 6:7 17:14 40:5 64:1 67:22 68:2 80:24 106:6 120:2,7 135:18 136:24 137:3,12,14,18 138:12,14 139:5,10,15,18 139:22 140:16 140:17 141:3 141:6,13 142:20 143:4 143:8,9,15 144:2,6,9,12 144:20,25 145:4,6,8,15 146:1,7,9 175:18,22,24 176:5,10,16,22 176:22,24 177:2,9,25 178:2,5,6 182:17,18,23 183:4,10 188:2,19 196:3 199:7 229:23 230:3 230:7,11,15,17 239:22 240:13 241:10 242:10 242:24 244:1 245:13,14,16 245:17,21 246:6,20 247:6,18 database 78:8 106:8 119:16 119:18,20 date 50:6,7,8 74:12,14 80:7 96:24 97:4 98:6,25 99:5 239:21 dated 3:12 64:3 98:4 | Daviess 47:5 day 35:13 97:25 100:6 228:1,1 days 26:16 53:2 76:6 227:17 227:25 DC 9:10 DD 7:15 deactivated 39:1 deal 180:8,10 dealings 40:13 Dear 52:14 Debbie 3:11 83:14 decades 226:5 December 6:19 159:1 160:4 160:22 161:15 162:7,15 163:11 decide 196:12 196:16 decided 74:25 75:9,22 76:10 190:6 219:2 deciding 190:14 decimal 111:25 decimals 112:15 114:22 decision 52:22 decisions 24:22 declared 21:22 22:7 dedicated 13:3 deemed 23:23 default 100:25 104:8,16,18,20 105:4,8 106:9 defend 24:14 defense 25:3 defer 27:5,6,10 define 180:7 defined 17:10 18:3 66:14 Definitely 88:3 definition | 175:12 definitions 118:8 199:7 degree 207:20 207:25 DeKalb 47:5 delay 75:17 delivery 48:9 67:4 demo 64:2 demonstrate 48:1 153:1 demonstrates 196:4 demonstrations 137:23 demonstrative 151:25 denotes 43:23 50:5 dental 62:15,18 93:4,9 177:6 dentals 92:23 department 1:1 5:7 8:1,11 9:4 11:14,20 18:11 19:25 24:19,23 27:16 28:24 31:2 32:17,19 32:21 33:25 36:25 37:4,8 37:17 38:1 39:2,6 40:21 41:7,19 44:17 44:19 50:20 50:25 51:6,9 51:12,16,22 52:25 57:12 59:19 76:16 85:3,7,11,24 86:5 87:15,24 88:17 89:5 90:14 96:21 96:25 97:3,8 99:1,4 100:11 102:25 119:25 |
|--|--|---|---|--|

| | | | | |
|--|---|---|--|--|
| 162:25 164:9 164:14 165:2 170:16,19 173:10 203:20 205:22 211:8 211:11,13 departments 24:22 department's 13:3,5 16:23 35:6 37:11 50:9,17 165:14 depict 117:13 118:5 deputy 86:2 derive 154:8 describe 137:3 described 136:25 147:4 describes 46:20 describing 141:4 descriptive 136:18 designation 38:13 desk 172:18 despite 98:10 detail 217:5 details 194:16 194:23 233:9 determination 205:23 229:7 229:11 determine 81:3 188:25 determined 66:11 192:22 developed 41:6 87:14,23 devoted 39:22 differ 89:12 212:23,24 214:24 217:22 234:6,10,20 difference | 165:13 213:12 213:20 214:1 217:24 220:19 differences 70:4 197:3 213:8 213:12 214:8 different 25:1 39:24 57:1 60:14 62:1 71:8 72:24 91:22 101:5,9 101:17,19 104:3 107:4 113:4 115:2 123:12 147:19 149:16,18 162:17 185:8 193:4,4 194:1 199:7 200:10 208:15 212:16 212:22 218:3 218:6 221:5 224:9,10 differentiated 212:20 214:13 214:22 235:5 differently 199:18 difficult 25:3 Dillon 54:21 direct 2:4,7,10 36:18 58:23 69:1,10 84:19 104:13 108:13 122:13 145:15 146:2,10 173:6,15 179:16 181:25 182:2,4 183:12 190:1 199:12 200:6 200:24 201:1 201:4,8,22 206:23 210:7 239:12 directions 177:4 directly 48:1 | 91:9 119:18 154:9 230:15 230:17 245:25 director 11:17 26:4,11,14,20 27:1,22 29:5 29:19 30:1,8 31:3 32:14,20 37:9,24 40:16 52:15 55:8,24 56:5 57:15 58:14 60:9 64:18 73:20 77:23 85:12 85:20 86:3,22 163:5,25 171:1 191:18 205:22 disability 14:17 178:22 disagree 182:21 183:9 186:15 187:6 disapprove 26:5 26:11,15,20 discernible 150:19 153:12 disclaimers 44:9 disclose 197:19 disclosed 197:21 disclosure 21:24 22:8 discount 92:25 93:23 discuss 30:15 34:20 211:16 237:11 discussed 18:25 20:9 33:5,8 77:21 143:8 173:15 220:4 discussing 142:18 220:3 discussion 7:18 15:21 20:24 | 195:16 discussions 193:11 235:4 disease 71:4 displayed 69:15 154:8 displays 142:19 disposition 50:8 dispositive 234:20 dissipated 217:17 distinguishes 165:18 distribution 72:5 division 1:4 3:17 8:3 11:5 11:13,19 12:12,13,15,17 13:12,14,16 14:4,13 15:3 15:23,24 16:7 19:9,11 20:6 21:21 22:12 22:17,22 25:23 26:23 27:25 28:13 28:21 32:8 35:18 36:15 37:9,24 39:19 39:20 40:16 40:19 49:15 50:25 51:3 55:24 57:6,16 58:14 60:9 64:19 73:21 76:20 83:9 84:16 85:12 85:13,14,15,17 85:20 86:2,23 86:24 87:3 89:5,7,9 90:20 91:3 97:18 100:15 105:3 106:7,12,20,24 118:19 119:4 | 120:3,6,10,18 120:22 139:5 139:15,22,25 140:5,15 141:4,14 142:9 143:4 144:1,15,24 145:3,8 146:22,25 158:18 163:5 163:25 169:10 169:15 171:1 172:6 174:9 174:16,23 176:14,18,21 177:7,20 178:23 188:15 190:21 191:18 191:20 193:12 193:21 197:10 199:3,6,22 202:15,23 204:1,17,20 205:6,18 206:8,17 210:18 228:12 229:3 234:1 237:25 238:19 238:21 248:2 250:9 divisions 40:21 Division's 17:17 27:13 33:11 98:16 99:25 106:13,16 120:11,14 141:16,19 142:13 146:18 173:22 188:18 204:13 doctor 61:9 doctors 63:15 213:13 214:4 214:6 document 16:13 16:21,23 17:2 17:4,5,9,17 |
|--|---|---|--|--|

| | | | | |
|--|---|--|--|---|
| 19:25 20:13 43:20,22 44:1 44:2,4,8,15,22 44:25 45:3,13 45:17,18,23,25 46:2,5,17,20 49:11,13 51:15 54:2,4 63:22,24 64:4 64:14,17,22 73:4,6,11,16 73:19,24 80:13 84:1,1,4 84:9,10,13 90:1 94:25 95:2 96:17 97:2,15 98:10 98:12 99:3,23 102:7,21 104:25 111:3 111:7 118:25 126:9 135:14 135:22,25 136:5 142:1 146:15,17,21 147:3,4,7 150:19 154:4 154:7 157:19 157:21 159:5 160:8,15 161:1,8,19,21 161:25 162:11 162:13,20,24 163:1,16,18,22 163:24,24 164:6,15 169:1,3,21,23 170:3,6,13,15 171:6,8,14,19 171:21 173:8 173:13 documentation 33:25 documents 17:14,16,20 18:2,12,13,21 18:24 30:6,15 | 30:16,19 31:5 33:7,12,16 47:25 50:18 73:12 80:8 98:18,22 141:21 159:14 169:14 Doggett 3:11 83:14 doing 108:2 115:13 123:18 183:15 194:20 DOJ 235:3,15 dollar 216:15 dollars 124:1 domestic 89:14 92:3,4,8,13 95:22 domestics 92:5 domicile 92:1,9 domiciled 92:5 doubled 127:12 download 64:11 139:4,23 Dr 17:5 77:9 180:16 181:18 204:13,21,25 205:11,19 206:9 225:15 231:25 236:25 237:1 249:19 drafting 97:23 dramatic 220:8 Drive 5:20 6:8 9:20 drop 233:4 dropping 111:25 224:12 drug 62:23 63:3 63:5,8,18 64:2 68:25 69:2,3,6 69:17,22,25 70:2,3,6,12,17 240:10 drugs 62:6,10 dual 68:8 dually 93:22 | due 26:8 115:16 202:11 dug 183:14 Duggan 242:3 246:1 duly 210:24 Dunn 7:17 duties 40:15,24 41:9 55:23 58:13 86:22 87:9,17 141:23 147:1 158:20 163:7 164:1 169:16 171:1 D-e-b-b-i-e 83:14 D-o-g-g-e-t-t 83:14 <hr/> E E 2:1 3:16,18,22 5:4,9,13 6:11 9:1,1 11:21 14:18 16:13 19:24 20:6 25:11 27:15 52:21 88:19 89:6,11,14 96:20 97:20 100:11,16 101:15 106:12 106:18,22 120:10,16,20 141:16 169:12 173:5 176:1 195:8 239:2,4 239:6 251:1,1 earlier 46:16 117:3 143:5 183:21 196:19 earliest 75:2,11 75:25 76:12 ease 24:6 142:6 200:2 201:8 eastern 42:13 74:10 Echoes 5:17 | economic 5:24 77:6 80:18 180:12 203:24 204:11,18 205:10 209:23 210:2 211:24 214:21 economics 6:25 7:18 180:4 207:5,7,13,23 208:3,5,7,11 208:17,25 209:3,12,19,20 210:19 220:18 233:10 economist 77:3 180:1,24 186:7 191:25 203:23 204:1 204:4 208:18 225:23,24 economists 186:9 188:21 208:24 210:10 210:16 edition 80:6 editor 209:18 education 39:15 educational 38:4 86:8 EE 7:17 16:1,6 22:2,3 effect 14:19 26:2 81:10 155:20 219:18 221:19 222:12 223:6 241:5 249:10 effective 52:18 effects 23:14 24:17 220:8 effectuate 52:10 52:17 efficiencies 6:12 24:16 25:3 eight 227:17 Einav 6:3 | either 24:23 72:12 77:17 167:4 181:22 215:13 216:17 241:2 Elderly 239:19 electronic 49:20 49:22 50:18 51:1,5,21 54:10 90:4,9 90:15,18,24 91:4 99:9 Elena 10:1 13:24 elena.coyle@s... 10:5 eleventh 147:25 148:12 eligibility 67:17 70:4 71:8 eligible 60:24 68:8 70:9 71:11,16 72:13,17 emphasis 86:10 179:24 empirical 230:11 237:21 248:3,7 employed 36:24 85:2 employee 106:20 120:18 141:14 employees 72:12 176:2 177:12 employer 68:25 69:20 71:23 72:4,8,11,19 72:21,24 122:22 123:5 125:5,12,25 126:3 128:12 129:1 133:20 134:4,19 144:9 223:4 |
|--|---|--|--|---|

| | | | | |
|---|--|---|--|---|
| employers 68:15 | entail 100:18 | 83:3,8,20 | 45:9 46:15 | 243:20 245:2 |
| employer-bas... 68:12 | entered 15:7 130:7 178:19 | 84:15 101:13 101:20 110:25 | 52:1 55:2 65:1 83:10 91:8 | exceed 23:22 25:5 203:5 |
| employer-spo... 137:24 | entire 49:8 53:11 244:2 244:15 | 111:11,15,18 142:12 145:21 152:21 154:13 | 95:11 99:8 100:6 126:20 136:4 142:10 | exceeded 190:6 190:14 192:22 |
| employment 39:5 41:7,18 87:15,24 | entirely 96:14 | 156:3,9,16 | 142:15 147:24 | exceeds 189:10 |
| en 224:5 | entirety 16:1 122:16 | 158:1 164:3 164:12,25 | 157:17 180:22 181:9 203:24 | Excel 139:2,21 140:6,8,19 |
| enacted 60:5 | entities 29:1 43:17,25 | 165:6,10,15 172:8,12,22 | 212:11,16 214:16,21 | exception 220:25 |
| enclosures 99:16 | 44:11 48:1 79:18 87:7 | 186:22 197:16 204:8 205:13 | 215:18,23 216:1,2,14,19 | excess 23:3 |
| endowed 207:11 207:14 | entitled 28:2,16 46:24 121:16 | 206:2,5,15,19 210:21 225:12 | 216:21 218:15 218:18 219:22 | excessive 26:5 26:10,12,15,20 |
| end-stage 71:4 | entity 12:4 41:21 42:15 | 231:15,21 248:14 249:16 | 219:23,25 248:19 250:9 | exchange 25:20 25:21,24 |
| enforcing 60:4 | 48:17,21 82:8 86:16 92:19 164:6 | 249:18,24 250:7,12 | 250:14 | 52:23 158:13 158:15 159:12 159:15,18,22 |
| engage 25:17 26:9 172:10 | entry 6:10 24:6 142:6 200:2 201:8 | ESRD 7:9 | Evolving 240:9 | 160:15 161:8 161:25 162:21 169:8 211:10 |
| enhanced 61:6 | enumerated 104:4 | essentially 40:12 68:13 213:7 214:3 | exact 110:21 153:2,11 | 221:25 222:9 223:13 243:22 244:11 245:3 245:10 249:11 250:8 |
| enlarge 184:14 | equal 202:10 | 214:12 217:17 218:12,22 219:4 224:8 224:15 | exactly 114:5,17 116:19 140:14 164:20 184:5 185:11 204:23 236:12 238:11 | exchanges 60:8 82:9 191:1,2,8 191:13 211:17 222:3 223:23 224:1,2,4,25 225:4,8 228:22 |
| enormously 221:2 | equivalent 67:13 | established 228:22 | Exam 2:9 | examination 2:4 2:5,7,8,10,11 36:18 81:22 84:19 87:5 173:15 179:17 182:2 197:18 205:5 206:23 248:16 |
| enroll 61:5 215:3 | Erickson 8:16 11:3,12 14:3 14:10 15:2,6 15:19 16:5 18:4,9,15 19:10 20:12 20:22 21:1,14 21:19 22:5,16 22:20 27:3,7 27:11 28:4,8 28:18 29:6,18 29:24 30:10 30:14,22 31:10,19 32:1 33:1,14,20 34:6,14,25 35:24 36:8 76:22 81:19 82:5,18,21 | 218:12,22 219:4 224:8 224:15 | examinations 62:5 | excluding 133:11 134:16 |
| enrolled 60:24 62:24 70:21 70:22 152:2 | | estimate 152:20 152:24 218:2 | examiner 86:1 86:15 | excuse 19:17 46:23 52:7 54:8 108:7 110:25 121:10 123:1 128:5 130:10,19 133:11 164:3 203:10 |
| enrollees 69:25 72:2 138:19 138:21,23 141:8 142:19 195:18 216:6 | | estimates 225:5 | Examiners 38:13 86:18 | 133:11 164:3 203:10 |
| enrollment 4:2 4:22 69:22,25 70:16,18 103:18 136:20 136:24 137:12 138:12,13,15 139:18 145:16 145:17 146:2 146:4,5 149:17 153:15 153:16,23 155:11,18 | | et 137:7 | example 24:2 59:2 71:5 75:21 78:20 80:24 81:3 195:1 200:9 200:16 220:9 | excused 249:20 exempt 174:4 174:22 175:6 175:10 176:7 |
| enrollments 69:18,19,20 | | evaluated 206:8 | | |
| | | evaluations 175:18 | | |
| | | event 245:10 | | |
| | | events 56:22 57:19 | | |
| | | evidence 2:2 6:6 12:11,14,15,16 12:20 13:6 21:18 22:4 23:1,5,7,9 24:2 25:22 27:13 30:21 32:24 35:13 | | |

| | | | | |
|--------------------------|----------------|----------------|-------------------------|-------------------------|
| 176:19,22 | 73:2,3,23 74:2 | 132:6,6 | 226:17,18 | 179:21 186:21 |
| 177:24 188:2 | 74:4 77:20 | 135:14,16,24 | 227:13,18 | 223:20,22 |
| 188:3 197:24 | 79:25 83:12 | 136:3 137:17 | 231:8 243:7 | 226:19,24 |
| 198:9 | 83:13,25 | 138:2 139:11 | Exhibited | 228:24 |
| exempted | 89:24,25 91:7 | 140:23,25 | 103:18 | expert 4:20 |
| 187:24 | 91:9 94:8,11 | 141:2,6,12,15 | exhibits 3:1 5:2 | 77:13 204:13 |
| exemption | 94:16,23,24 | 142:10,13,14 | 15:14,18,21,25 | 210:19,23,25 |
| 187:19 188:4 | 95:3,7,8,10,12 | 142:17,23 | 16:6 17:13 | 237:2 |
| 189:1,11 | 95:16,25,25 | 143:1,7,8,11 | 18:22 19:8,11 | explain 158:3 |
| 202:16 | 96:3,6,10,12 | 143:14,18,21 | 21:15,20,21,25 | 238:21 |
| exemptions | 96:14,14,24 | 146:2,12,14 | 22:3,6,11,12 | explained 66:6 |
| 196:20 | 97:6,7,10,12 | 147:5,8,11,15 | 29:13 30:7 | 179:21 183:13 |
| exhibit 3:3,4,5,7 | 97:12,13 98:7 | 147:18,23 | 33:9,18 47:22 | 190:3 |
| 3:9,10,11,13 | 98:8,9,10,23 | 149:7,11 | 48:16 82:23 | explaining |
| 3:14,15,16,17 | 98:25 99:7,9 | 150:3,7 152:8 | 135:12 140:24 | 244:10 |
| 3:18,19,21,22 | 99:14,15,17,19 | 152:13,14 | 151:25 160:12 | explicitly 16:14 |
| 3:23,25 4:2,3 | 99:22 100:4 | 153:1,12,14,21 | 161:4 162:18 | exported 140:6 |
| 4:4,6,7,8,9,10 | 102:6,20,25 | 154:9,25 | 162:21 200:5 | 140:7 |
| 4:11,12,14,15 | 103:2,14 | 155:2,23 | 200:24 201:1 | expressed |
| 4:17,18,19,20 | 104:22,24 | 156:2,4,4,14 | 201:3,7 | 236:14 |
| 4:21,23 5:4,7 | 105:2,9,17 | 156:17,22,23 | exist 26:14 70:5 | extensive 213:1 |
| 5:10,12,13,15 | 106:6,11,21 | 156:25 157:1 | existence 212:7 | extent 24:21 |
| 5:17,19,21,22 | 107:3,5,9,12 | 157:5,6,9,16 | 220:11,13 | 25:6 59:3 |
| 5:23 6:1,3,7,9 | 107:13,16,19 | 157:18 158:22 | exists 80:25 | 211:14 214:22 |
| 6:11,14,16,20 | 108:22 110:22 | 159:4,8,9,11 | 212:5 | 217:25 220:9 |
| 6:23 7:2,4,7,8 | 112:21 114:24 | 159:18,22 | exit 52:10,18 | 220:10,12 |
| 7:9,10,11,12 | 114:25 116:22 | 160:1,7,11,19 | 142:6 200:2 | 221:3,23 |
| 7:13,15,17 | 117:9,16,18,18 | 160:25 161:4 | 201:8 | 222:2 224:18 |
| 15:22 16:2,13 | 117:20,24 | 161:12,18 | exits 5:18 53:1 | 228:16 230:23 |
| 16:21,22 17:4 | 118:11,13,21 | 162:4,10,17 | 53:10 | extra 217:17 |
| 17:8 18:21 | 118:25 119:2 | 163:14,15 | expand 74:17 | e-mail 98:5 |
| 19:1,14,21,21 | 119:5,11,24 | 165:25 166:7 | 74:22 75:10 | |
| 19:23,24 20:3 | 120:9,19 | 166:16,18 | 76:11 | F |
| 20:4,13 21:3,4 | 121:1,2,4,12 | 167:4,15 | expanded 75:12 | F 5:15 251:1 |
| 21:6,6,7,17 | 123:10,17,22 | 168:3,25 | expanding | facie 23:24 24:1 |
| 22:1 43:20 | 124:18 125:6 | 169:6,18,21 | 220:2 | 24:4,6,7,10,10 |
| 44:24 45:8,10 | 125:13 126:9 | 170:9,12,22 | expansion 76:17 | 24:11 25:7 |
| 45:12 46:4,10 | 126:11,12,15 | 171:4,6,17,18 | expect 217:4,8 | 202:20 203:2 |
| 46:14 47:14 | 126:17,19,20 | 171:22,25 | 218:4,6 | facilitated 60:7 |
| 49:10,25 51:2 | 126:21,22,22 | 172:2,6 173:3 | expected 40:25 | 82:11 |
| 51:20,25 52:6 | 126:23 127:16 | 173:5 182:1,2 | 41:10 56:4 | facility 68:19 |
| 52:7,8 53:25 | 127:17,18,19 | 182:8 183:25 | 57:12 | 71:13 |
| 54:1,8,11,12 | 127:20 130:1 | 184:2 189:16 | expenditures | fact 7:6 35:1 |
| 54:18 55:1,4,6 | 130:1,4,10,12 | 192:9 195:10 | 216:20 241:6 | 79:10,19 81:7 |
| 55:9,10,12,22 | 130:13,20,21 | 197:20,22 | experience | 98:10 174:4 |
| 63:21 64:21 | 131:7,14,19,20 | 199:13,21 | 27:21 29:5 | 195:1,17 |
| 64:25 67:23 | 131:21 132:3 | 200:19 211:5 | 32:14 57:15 | 196:2,5 |
| | | | | 202:12 211:5 |

| | | | | |
|--|--|---|---|---|
| 215:4 216:23 220:18 221:18 229:22 230:14 230:25 243:16 248:7 factor 191:4 223:17 234:16 factoring 195:6 factors 24:9 25:7 199:23 200:7,14,20 213:19 facts 27:19,20 29:3 32:12 35:22 Facts 22 7:16 factual 181:16 187:5 failed 174:3 190:17 fair 77:16 180:13,14 183:16 194:14 233:1 fairness 237:24 familiar 41:21 41:24 42:15 42:19 44:13 48:16,20 59:8 92:7 186:8 209:22 210:9 222:18 235:10 familiarity 60:11 Family 247:14 FAQ 3:4 far 72:1 180:24 Farber 9:18 13:19,19 Fast 7:16 fault 25:12 196:18,20 favorable 6:18 6:24 features 62:11 February 5:9,14 5:25 6:13 | 74:10,23 99:13 Fedderson 10:8 251:7,22 federal 24:24 25:2 27:22 28:12,15,20 52:19 59:4,16 59:25 60:7,23 158:16,19 170:20 171:2 176:1 177:12 219:2 224:4 224:25 236:14 federally 60:7 82:11 fee 65:11,25 218:21 219:8 220:11 241:5 fees 66:4 176:7 198:9 fewer 57:24 58:2 field 208:5,11 208:25 209:3 209:11,16,19 210:19 fields 74:13 fifth 132:20 242:18 figure 188:14 191:25 figured 21:12 figures 146:2,3 146:4,6 202:24 file 26:18 101:10 102:24 103:10 105:25 118:10 135:17 136:15,18,20 136:22,24,25 137:4,7 138:14 139:1 139:6,18,22 140:7,8,12 141:15 143:8 | 143:9 filed 3:19 11:22 19:25 20:14 25:11 83:18 88:19 97:20 100:7,16 105:22 106:22 108:1 115:12 119:6 120:20 121:9,12 123:18 141:16 158:12 159:11 159:14 162:20 162:24 163:6 164:9,13 169:12 filers 117:7,8 files 32:15,17 49:23 51:17 102:16 135:18 137:3,14,18 139:6,10 143:15 145:15 146:1 filing 3:6,8 11:18 49:15 49:20 50:1,4,7 50:14,16,22 51:1,14,21 52:11 54:5,17 54:23 89:6,12 89:12 96:20 100:1,11 101:5 106:12 106:14,18 108:12 120:10 120:12,16 158:7,10,11 filings 4:14 30:9 35:5 39:22 40:1 51:5,8,11 57:4 76:15 88:16 106:25 119:21,24 120:23 158:18 165:3 169:7 169:11 | filtered 140:1 140:17 144:3 filtering 140:3 140:19 144:5 final 20:3 25:9 26:3 40:10 50:8 69:24 123:10 124:11 146:17 157:8 finalized 224:2 finally 17:1 57:10 60:2 financial 1:1 4:12 5:8 8:1 8:11 9:4 11:14 11:20 27:16 28:25 36:25 85:3,25 86:1 86:14,18 87:4 87:5 119:21 158:9 162:14 163:1,19 165:19,19,21 165:25 166:1 166:2,3,5 200:9,13 find 24:21 62:5 160:14 168:5 182:10 211:22 212:11 218:15 220:4 223:9 230:7 finding 225:2 findings 77:9 181:17 237:12 fine 153:25 182:9 250:2 finer 118:7 finish 227:21 finished 227:16 firm 13:22 226:9 251:8 first 12:14 15:23 16:12 21:6,22 25:9 26:18 39:21 46:23 49:19 52:13 | 53:19 56:4 65:1,8 68:24 69:17 70:1 74:6 75:2 91:10 97:12 114:5,17 116:19 121:2 121:3,4 124:6 126:21 136:5 136:15 138:6 138:6 139:23 147:10,12,14 148:10 149:9 149:10 166:18 167:4,15 168:3 173:19 177:6 179:8 184:24 185:2 188:1 192:21 192:24 208:22 211:19 212:17 212:18,19 214:16 215:23 228:16 234:18 237:9 239:15 241:8,9 243:21 245:3 five 65:6 78:17 132:16 133:2 133:14,15,19 134:3,14 200:17 five-minute 249:22 five-year 53:9 79:5 Flash 5:20 flip 198:18 FLOM 10:3 Florida 5:14 194:3,12,18 195:1 196:6 196:24 197:1 203:7,9,13,15 203:16,19 236:8 flowchart |
|--|--|---|---|---|

| | | | | |
|-------------------------|------------------------|-------------------------|------------------------|----------------------|
| 199:17 | forms 76:6 | 45:16 | Generation | 126:8 135:13 |
| focus 185:21 | forth 181:18 | friend 237:6 | 7:10 | 140:22 146:13 |
| 235:7 247:23 | 188:5 229:23 | friends 225:21 | Generosity | 151:24 153:24 |
| focused 57:10 | 243:6,16 | front 15:22 | 246:19 | 155:6 161:17 |
| 240:21 241:22 | 251:12 | 47:14 50:3 | Gentry 47:5 | 163:14 170:11 |
| 243:21,25 | forward 12:22 | 182:23 183:4 | geographic | 175:25 179:2 |
| 244:7,14 | 34:22 35:13 | 189:21 | 36:10 43:9 | 183:19,24 |
| 245:3,4 | 177:18 192:7 | FTC 235:4,15 | 46:24 76:11 | 184:14 199:19 |
| focuses 226:8,10 | 242:2 | full 36:21 46:23 | 142:2 | 204:11,12,16 |
| 242:24 245:14 | found 13:2 | 70:8 71:15 | geographical | 217:13 230:6 |
| folks 61:5,7 | 44:25 46:5 | 72:16 84:23 | 35:21 | 231:13 232:3 |
| follow 57:2 | 64:13,22 | 124:1 207:1,9 | getting 72:6 | good 13:17 |
| 154:16 | 73:15,24 | 217:8 229:7 | 154:15 193:14 | 36:19,20 |
| Following 5:17 | 91:11 103:16 | 234:18 251:14 | 233:8 246:15 | 57:12 59:1 |
| follows 12:7 | 111:2,7 | fully 212:7 | give 26:19 59:1 | 76:25 77:1 |
| 36:17 84:18 | 135:25 159:21 | 214:10 215:7 | 117:1 | 84:20,21 |
| 206:22 | 161:7,24 | 215:12 216:18 | given 16:14 | 167:10 173:2 |
| footnote 164:4 | 163:21 164:8 | 217:2 219:12 | 34:10,25 | 186:2 196:10 |
| 233:4 | 164:22 165:7 | function 40:10 | 192:3 251:17 | 206:24,25 |
| Ford 207:12 | 170:2 171:11 | 41:12 61:1 | giving 69:23 | 220:20,21 |
| foregoing | 171:24 211:23 | 68:14 | 201:23 203:23 | 225:15,21 |
| 251:14 | 218:9,10,10,12 | functions 39:18 | glance 50:4 | Google 164:21 |
| foreign 92:3,6 | 218:12 219:23 | 39:21 59:22 | glanced 237:7 | government |
| forgotten 239:2 | 221:2 222:7,8 | 59:24 87:2 | glasses 62:5 | 24:24 59:14 |
| form 3:16,18,22 | 223:1 224:24 | 140:20 | Gleason 6:14 | 59:17 158:16 |
| 5:4,9 11:21 | foundation | fundamental | go 64:11 68:18 | 158:19 170:20 |
| 14:18 16:13 | 152:5,6 154:2 | 214:3 | 79:24 83:5 | 171:2 216:5 |
| 19:24 20:6,19 | 247:14 | funds 207:18 | 134:11 173:12 | 216:11,14,25 |
| 20:21 25:11 | four 13:1 78:17 | further 2:9 3:18 | 174:17 179:20 | 219:2 246:2 |
| 44:12 49:23 | 110:5 113:22 | 71:24 76:20 | 183:19 184:10 | grab 117:20 |
| 73:7 88:19 | 116:7,10,15,19 | 82:16,20 | 184:15 189:14 | 166:16 |
| 89:6,11,12,13 | 124:12,13 | 99:16 172:6 | 192:8 200:25 | graduate |
| 89:14 96:20 | 125:20,24 | 181:15 196:12 | 213:7 214:4,7 | 207:24 |
| 97:20 100:11 | 130:2 131:25 | 196:21 197:15 | 219:6 231:8 | grand 101:12 |
| 100:16 101:15 | 134:21 135:1 | 204:7 205:2,5 | 231:12 234:13 | great 25:6 |
| 102:4 106:12 | 135:7 138:6 | 206:12,13 | 235:20 | greater 47:2 |
| 106:18,22 | 153:9,10 | 248:12 250:9 | goal 57:11 | 132:17 202:11 |
| 120:10,16,20 | 182:19 183:7 | | going 15:13 | green 109:15 |
| 141:16 162:17 | 212:15 215:18 | | 17:12 18:19 | grounds 24:14 |
| 169:12 173:5 | fourth 46:23 | G | 19:4 30:5 | group 4:5,8 |
| 176:1 195:8 | 132:13 135:4 | G 5:17 6:20,24 | 45:11 53:25 | 7:18 23:2,4 |
| 216:16 239:2 | 135:6 219:22 | gain 217:14 | 56:8 58:21 | 32:10,18,23 |
| 239:4,6 | 219:22,25 | 220:13,15 | 63:20 68:14 | 34:2 35:1,9 |
| formal 52:9,17 | frame 80:3 | general 46:22 | 73:2 77:19,19 | 42:17,19,21 |
| 55:7 | 125:1 | 78:15 167:22 | 84:7,11 89:14 | 44:12 48:18 |
| formality 250:3 | free 218:23 | generally 68:4 | 89:23 94:24 | 48:22,25 49:3 |
| formally 210:22 | frequently 7:13 | 89:11 186:10 | 96:13 97:11 | 52:3 72:3,11 |
| | | 186:14,16 | | |
| | | 187:9 235:12 | | |

| | | | | |
|----------------------|-------------------------|------------------------|----------------|------------------------|
| 81:25 90:5 | 112:18 125:20 | halves 215:23 | 42:3,22 47:1 | 128:2,12,19 |
| 91:13,14,15,20 | 125:24 130:7 | hand 45:11 | 47:24 48:9,17 | 129:1,8,19 |
| 92:21,25 | 130:9,11,16,18 | 53:25 63:20 | 48:24,25 49:3 | 132:1,1,2,8,12 |
| 93:13 94:4,10 | 130:19 131:4 | 73:2 80:20 | 49:4 51:21 | 133:3,4,23 |
| 95:4,12,13,13 | 131:25 132:7 | 211:4 213:4 | 52:1,3,12 53:7 | 134:4,5,12,19 |
| 95:14,21 | 133:2,14,16,20 | handing 43:19 | 53:12,13,15,18 | 134:24 135:2 |
| 106:9 107:20 | 134:3,15,21 | 49:9 98:9 | 53:20,21 | 160:10,22 |
| 108:7,21,25 | 135:1 150:24 | 99:21 104:24 | 54:15 55:17 | 163:20 165:4 |
| 109:4,10,22 | 200:10,17 | 118:24 157:18 | 55:18 56:1,9 | 166:10,12,13 |
| 110:6,10 | 201:11 | handled 139:21 | 56:10 57:10 | 166:20,23,24 |
| 112:7 121:22 | group's 124:21 | handy 126:7 | 57:18,22 58:5 | 167:10,21,21 |
| 121:24 122:2 | 124:25 125:4 | Hang 154:12 | 58:11,24 | 168:21 170:16 |
| 122:9,25 | 125:8,14,16 | happen 225:3 | 59:20 61:8 | 170:19 175:8 |
| 123:8,14,15,25 | GRP 108:21 | happened 194:6 | 67:2 73:8 | 176:13 199:8 |
| 124:2,5,8 | 122:22 123:5 | 222:21,24 | 74:24 75:6 | 199:13,20 |
| 125:4,12,25 | Gruber 2:10 | 224:16 | 77:23 78:1,2,5 | 200:19 208:5 |
| 126:3 127:21 | 4:20 204:13 | happenings | 78:19,20,22 | 208:7,11,17,18 |
| 127:23,24 | 204:21 205:11 | 40:22 56:6 | 81:25 82:1 | 208:24,25 |
| 128:1,12,15,21 | 205:19 206:9 | happens 216:12 | 87:11,20 | 209:3,12,17,18 |
| 129:1,2,4,5,9 | 206:18,22,24 | 216:18 | 89:17,20 | 209:20 210:8 |
| 129:13,16 | 207:3 210:18 | happier 215:14 | 92:22,23 93:1 | 210:10,16,19 |
| 130:2 131:13 | 211:4 225:11 | hard 6:8 235:25 | 93:2,5,7,10,11 | 222:3,13,21,22 |
| 132:12,14 | 225:15 231:25 | Harrison 47:6 | 93:13,17,23 | 222:25 223:1 |
| 133:5,5,7,9,12 | 239:16 240:7 | Harry 11:9 | 94:1,2,20 | 223:21 224:2 |
| 133:20,23 | 243:8 248:17 | Harvard 208:1 | 100:22 101:1 | 226:19,21 |
| 134:4,6,8,19 | 249:19 | Hatfield 9:13 | 102:3,8,10,13 | 228:21 241:6 |
| 134:24 144:9 | Gruber's | 13:21,21 | 102:17,19,23 | 242:21 246:19 |
| 145:10,13 | 204:25 | HBP 176:2 | 103:5,10,20 | healthier 215:2 |
| 157:1,10 | Grundy 47:5 | 177:12 | 104:12 105:11 | 215:5 |
| 160:10,22 | Guaranteed | HCPP 67:2 | 105:13 107:8 | healthy 168:9 |
| 167:1,12,19,25 | 176:12 | 137:23 | 107:23 109:5 | 215:13 |
| 168:8,16,18,21 | guess 78:15 | head 111:10 | 109:11,23 | health-only |
| 168:22 174:7 | 130:24 219:21 | heading 69:22 | 110:7,11 | 14:16 177:5 |
| 174:20 175:8 | 227:25 250:3 | 70:16 71:23 | 113:4,10,14 | hear 138:22 |
| 179:8 183:17 | guidelines 235:4 | 91:9,17 | 115:8,19,24 | 239:1 |
| 184:21,22,23 | 235:11,15 | 116:20 138:9 | 116:24 117:4 | heard 183:11 |
| 185:21,24 | gym 62:8 | 155:7 197:24 | 117:6,11,14,15 | 186:13 194:15 |
| 190:4 198:20 | | 198:2,6,10,13 | 117:17,24 | 197:5 230:19 |
| 222:21 223:7 | | headings 148:11 | 118:6,9,11,13 | 239:6 |
| 223:8 | H | health 3:5,21 | 118:17,21 | hearing 1:14 |
| grouping 18:5 | H 5:19 | 4:8 5:15 6:5 | 119:5,7,7 | 3:19 8:10,16 |
| 69:17,18,19 | half 42:13 75:15 | 6:14,18,25 | 121:9,12 | 11:1,3,4,5,8,16 |
| 70:14 71:21 | 85:22 86:6 | 14:18 25:18 | 122:11,21 | 11:18 12:1,2,7 |
| groups 42:1 | 116:17 152:11 | 26:5 28:3,16 | 123:5,16 | 13:2 14:3,10 |
| 57:9 108:14 | 186:4 214:18 | 29:10 30:24 | 124:22 125:5 | 15:2,6,19 16:5 |
| 109:16 110:5 | 214:19,20 | 31:14 38:23 | 125:6,13,22,25 | 18:4,9,15 |
| 110:10 112:4 | 216:15,18,24 | 39:11 40:2,3 | 126:4 127:4 | 19:10,19 |
| | half-hour | | | |
| | 172:15 | | | |

| | | | | |
|--|--|--|---|--|
| 20:12,22 21:1 21:14,19 22:5 22:16,20 27:3 27:7,11,18 28:1,4,8,14,18 28:22 29:6,8 29:18,24 30:10,14,22 31:10,19,20 32:1,9,24 33:1 33:14,18,20 34:6,14,17,24 34:25 35:13 35:15,19,24 36:8 76:22 81:19 82:5,18 82:21 83:3,8 83:20,21 84:1 84:15 100:1,7 101:13,20 110:25 111:11 111:15,18 142:12 145:21 145:22 152:21 154:13 156:3 156:9,13,16 158:1 164:3 164:12,25 165:6,10,15 172:8,12,22 174:10,17 175:20 180:13 186:22 197:16 199:1 204:5,8 205:13 206:2 206:5,15,19 210:21 225:12 231:15,18,21 248:14 249:16 249:18,24 250:7,12 | help 101:23 227:9 231:3 helpful 184:1 250:4 helps 119:15 227:19 234:14 Henry 47:6 Herfendahl 220:6,7 HHI 148:23,24 149:2 151:6 151:10,13,15 151:17,20 156:7 221:13 221:17 high 8:12 9:5 38:3 86:7 88:7 194:15 higher 112:16 133:8 134:8 187:19,19 216:17,21 217:14,25 220:7 222:10 223:3,14 highest 86:19 207:16 highlight 244:12 highlighted 108:17 109:16 131:7 179:1 185:3,4,9,20 highly 234:6,9 234:21 HIMs 232:4,7,9 HIPAA 138:11 hired 37:18 227:7,8 228:1 247:25 HIV 71:5 HMO 166:24 167:11 168:10 HMOs 241:5 247:3 hold 38:22 45:10 | holder 29:20 holding 16:18 23:19 39:3 87:18 88:1 holds 94:6 165:2 Holt 47:6 Homison 10:2 14:1,1 Honor 13:13,18 14:7,24 15:11 15:12,17 16:11,19 17:12 18:8,19 18:23 20:7,10 20:18 21:10 21:13 22:15 22:19,22 23:16 24:8 25:4,9 26:3,13 26:22 27:6 28:6 29:12 30:3,8 31:9,12 31:18 33:3 34:5 35:16 36:14 81:21 153:25 210:17 211:2 244:20 249:21 250:11 Honor's 16:15 17:3,9,25 hopefully 35:17 Hopper 2:4,5,7 2:8,9 9:3 13:15,15 15:5 15:12,24 18:14,16,17 19:5,7,13 21:2 21:3,5 22:14 27:12,14 28:11,21 29:9 29:15 30:11 30:12,18 31:11,12,24,25 32:8 33:15,16 35:15,16 36:4 36:14,18 76:19 81:20 | 81:22 82:4,19 82:20,23 83:1 83:11,23 84:12,16,19 101:18,22,24 111:1,4,20 142:9,16 145:24,25 152:7,25 154:6,17 156:4,7,15,19 156:20 158:4 158:5 165:16 165:17 172:5 183:20,22 184:3 186:19 197:17,18 201:17,18 204:7 205:4,5 205:17 206:3 206:4,6,12 250:4 hospitalization 60:25 hospitalizations 63:14 HPMS 74:13 Hsu 6:16,23 Huff 52:15 55:8 77:23 Human 59:20 170:16,19 Humana 1:8 3:15 4:7,23 5:5,17,22,25 8:7 10:1 11:7 11:24 12:6,14 13:25 14:2,13 17:15 18:20 19:15 20:10 27:8 83:15 84:3 88:5,10 88:13 89:1,1,2 89:19 95:4,12 95:14,21 96:3 96:6,9,22 100:12 108:25 | 108:25 109:1 109:9,21 113:12,18 115:22 116:3 122:7 124:8 124:25 125:8 125:16 131:10 133:24 134:8 134:13 148:19 150:1,7,9,18 150:19 153:6 153:8,14 154:23 155:3 155:21 157:14 159:7 160:4 168:15 182:3 182:9,11 185:15,24 189:25 190:20 195:22 250:14 Humana's 16:2 124:25 150:11 hunt 168:14 <hr/> I <hr/> idea 228:10 236:14 identical 55:9 identified 14:18 17:22 18:22 29:13 33:9 79:7 175:1 200:6 244:6 245:5 identifies 29:1 77:25 101:5 identify 13:10 13:11 132:7 132:13 133:1 133:19 134:2 175:2,14 211:6 244:5 identities 35:20 133:13,15 134:14,20,25 200:17 Ignoring 123:13 IL 9:20 |
|--|--|--|---|--|

| | | | | |
|--|---|---|--|--|
| impact 56:22 57:19,20 58:9 58:16 59:6 79:11 81:4 193:23 226:25 227:4 247:3 248:3,8 | 168:4,11 196:5 increase 56:16 56:18 81:25 151:14,17 212:6,10 217:8 | 198:21 211:10 211:16 222:3 223:25 225:7 individually 72:7 | 138:19 140:2 140:2,4,4 141:11 143:1 143:7,12,13,15 144:17,19 147:11,19,25 148:13 149:10 149:13,18 152:6 154:8 155:24 156:5 156:6,14 157:1 158:9 159:9 160:12 161:3 163:2 164:8,10,22 165:2 169:24 178:20 190:19 190:21 196:3 197:20 201:20 203:1 205:7 205:10,19,21 206:7 | 24:22,23 26:4 26:5,7,11,14 26:18,25 27:16 28:25 31:14,15 32:12 33:23 34:1,3 35:2 36:25 37:10 37:18 38:13 38:19,22 39:12,19 40:2 40:3,6,9,13,16 40:25 41:4,11 42:1,3,5,7,8,20 42:22,24 43:2 43:3,12 45:4 47:1,24 48:17 48:23,24 49:1 49:4,22,24,24 50:10,15,23 51:3,22 52:2 52:12 53:8,10 53:13,14,15,19 53:20,21 54:7 54:14,24 55:13,15,17,19 55:24 56:1,6,8 56:9,11,19 57:8,10,16,18 57:22,24 58:2 58:11,14,16,17 58:24 60:3,10 61:8,17 64:19 65:19 73:21 74:25 75:7,19 75:22,24 76:9 78:9,20 80:7 82:1 85:3,13 85:15,17,20 86:2,23,25 87:6,11,20 89:7,17,20 92:8 93:2,5,8 93:11,14,17,20 93:25 94:1,6 94:21 100:22 102:19,23 |
| impacted 79:19 impacts 58:23 implementation 50:7 important 87:10,18 88:2 205:16 212:25 213:12 220:18 222:19 Improvement 7:2,5 inception 210:15 include 31:13 74:15 193:1 included 47:10 56:9 98:22 112:7 114:8 116:10 117:9 137:18,22 139:6,10 196:6 includes 158:8 209:17 including 36:10 209:12 incoming 210:15 incomplete 211:25 212:2 212:12 215:21 216:4,7 218:16 230:20 232:24 248:19 Inconsistencies 240:10 incorporated 41:22,25 42:4 43:11 45:5 47:19 48:4 | increased 151:15 216:20 223:2 increases 25:25 increasing 56:21 independent 205:19 206:8 237:21 248:3 248:7 index 3:1 5:2 220:6,7 indicated 94:6 indicates 34:15 indicating 81:24 184:4 individual 4:3 6:9 23:6 25:15 25:19 52:10 52:18,22 53:14,21 55:17 56:1,8 56:10 57:17 57:22 58:11 72:23 79:8 82:1 112:25 113:9,13 121:19 122:11 123:14 124:22 125:21 127:1 127:4 128:2 128:10,18 129:8,19 131:25 132:7 133:2 144:6 145:10 146:18 149:4,19,23 150:20 155:24 157:2 179:10 189:18,19 | industry 37:11 49:24 57:11 57:13 142:5 201:5 info 136:20 143:9 information 17:10 18:2 30:20 32:18 33:17,25 40:5 45:20 46:8,17 50:2 52:7 60:3 64:3,11 69:21 70:15 71:22 81:24 82:3,7 91:11,17 92:1 92:16 95:3 97:19 104:5 105:16,20 108:4 109:14 110:1 113:1,2 113:7 114:25 118:4 119:10 119:15,17,19 119:23 121:4 121:17,22 122:12,22,24 123:6,7,9,22 123:24 124:11 124:17,19 126:12,15,17 126:24 130:6 130:15 131:1 131:21 136:9 137:6,9,10 | initial 16:23 223:24 initially 37:18 100:25 initiated 100:1 Initiative 7:2,5 input 97:22 ins 125:20 instance 71:3 Institute 164:18 209:7 Institutions 1:1 5:8 8:1,11 9:4 11:14,20 27:17 28:25 37:1 85:4 insurance 1:1,4 3:6,7 5:8,14 6:5 8:1,3,11 9:4 11:5,13,14 11:19,20 12:12 13:14 13:16 14:14 22:23,25 23:19 24:19 | |

| | | | | | | |
|--|---|---|--|---|--|---|
| 103:5,11 105:22 106:4 106:25 117:6 117:14 118:6 119:8 120:23 123:18 125:5 125:12,21,25 126:4 127:4 127:24 128:1 128:2,13,19 129:1,8,19 132:1,8 133:3 133:9,21 134:4,19 166:12,14,19 166:23 167:3 167:8,14,21,23 168:10 173:20 174:8,10,21 175:21 179:7 194:3,12,18 196:7 198:19 200:17 201:12 203:13 209:13 209:17 211:8 211:17 222:3 222:13,22,22 223:1,2 228:21,22 234:2 240:11 242:21 244:2 244:14 249:11 insured 223:4 243:25 insurer 58:5 93:23 112:4 221:24 244:3 244:7,13 245:4,9,11 246:18 insurers 12:17 29:22 32:4 33:22,24 35:7 35:7 73:8 108:2 115:13 118:10 127:2 135:8 223:24 | 231:10 243:9 integrated 221:16,20 intend 229:6,6 intended 31:13 intends 81:25 82:8 intense 219:16 intent 52:10 75:17 intention 52:17 interest 39:4 interested 12:1 12:3,21,24 interesting 218:19 219:1 intermediate 141:3 internal 57:3 Internet 44:3,22 45:1 163:22 164:16 165:7 170:3 171:12 171:25 interpreted 138:12 introduced 30:6 218:22 introducing 24:1 30:19 investigate 196:11 investigated 192:2 Investment 7:7 involve 230:3 involved 35:7 230:2 242:4 243:9 245:11 involvement 82:11 involving 88:5 issue 4:17 27:1 47:23 53:13 53:19 81:15 170:15,22 175:14,15 | 180:8,9 194:13 196:25 198:19 211:20 221:22,22,23 228:16,20 issued 5:13 28:24 29:3,10 29:21 30:24 31:22 91:1 194:3 issues 33:4 34:12,21,23 77:6 142:1 147:4,5,8 171:14 172:2 180:6 203:24 204:2,11,18,22 204:23 205:10 228:13 229:3 232:19 ivory 225:25 | <hr/> J <hr/> J 5:22 6:16,23 17:13 18:5 22:6 Jackson 47:6 January 37:15 52:18 53:15 53:23 57:25 75:5,13,14 Jason 242:3 Jay 6:4 9:8 13:13 jay.angoff@fi... 9:11 Jefferson 8:13 9:6,15 10:10 11:10 251:18 job 40:24 41:9 55:23 87:9,17 170:25 186:2 John 2:6 6:16 6:23 77:13 84:16,18,24 181:7 225:18 225:20 237:6 238:5 | Johnson 47:6,9 joined 130:17 Jonathan 2:10 5:23 6:1,4 181:18 206:18 206:22 207:3 210:18 Joseph 6:16,20 6:23 journal 6:25 209:18,19 judicial 27:19 27:22 28:11 29:25 30:9 34:10 35:22 July 7:19 38:2 jurisdiction 92:6 juxtaposed 195:23 | <hr/> K <hr/> K 5:23 10:8 16:25 17:13 17:23 18:5 22:7 251:7,22 Kaiser 247:14 Kansas 42:16 42:24 43:2,8 43:12 45:21 46:10,12,19 47:2,9,20 48:5 132:11 133:6 133:23 134:6 134:13,24 135:3 162:16 163:3,11 167:6,10 KC 3:4 4:11 Keating 5:24 keep 55:25 104:23 126:7 Kellene 10:8 251:7,22 Kelly 9:3 13:15 Kelly.Hopper... 9:7 Kenneth 208:16 | Key 4:11 killing 219:4 kind 106:17,25 120:15,23 141:22 181:12 185:14 188:16 190:9 206:20 207:16 kinds 93:7 212:16 knew 225:17 know 49:25 58:20 60:14 78:5,6 80:12 94:18 95:11 98:3 152:5 164:19,23 168:5 174:6 184:19 185:17 194:16 216:13 223:5,16 225:19 226:2 226:12 228:8 233:19 235:9 238:11,16 239:3 242:14 250:4 knowledge 24:21 27:21 29:4 32:13 40:25 41:3,6 41:10,15,18 43:14 87:10 87:14,18,23 235:17 known 35:22 42:15 60:8 71:4 222:19 226:4 232:6 KNUCKEY 9:18 |
| <hr/> L <hr/> | | | | | | |
| L 6:1 label 231:20 lack 69:13 Lafayette 47:6 laid 152:5 214:3 | | | | | | |

| | | | | |
|--|--|---|---|--|
| 214:9 217:22 large 23:4 123:5 123:8,15 125:11 126:3 134:10,18 139:1,18 200:5,15 214:20,25 219:6 largely 236:1,2 largest 25:19 46:25 110:5 110:10 112:8 112:13 113:22 114:1,9,13 116:7,11,15 132:13,20,23 133:2,25 134:1,3,15,21 135:1 law 9:9,13,19 10:2 13:22 16:15 19:20 26:17 27:22 28:13 34:9,15 35:11 51:19 51:23 52:19 53:4 102:24 187:24 203:10 203:12,17 210:22 laws 16:17 52:20 75:19 138:11 lawyer 175:5 203:4 lay 212:15 217:5 217:6 218:4,6 leaders 142:4 199:25 200:21 209:11,16 leading 201:16 205:12 209:19 led 223:3 Leemore 222:20 223:18 243:8 left 6:24 68:21 | 179:5 185:15 205:11 left-hand 185:3 legal 9:3 186:20 187:1 206:1 224:6 236:1,2 legislative 40:23 Legislature 26:16,17 Leonard 9:14 13:22 lessen 14:21 22:25 26:24 81:11 lesser 202:11,13 letter 3:17,18 20:5 25:23 77:22,25 97:18,23,25 98:15,16,19 99:21 165:13 letter's 98:4 let's 66:21 79:24 83:4 174:7 178:7 183:19 185:8,19 189:14 190:23 191:23 192:7 192:7,19 195:8 211:18 228:11 231:8 231:12 233:10 233:21 234:13 235:20 244:16 249:25 level 59:4,7 60:23 80:19 88:7 194:16 levels 221:6 Levin 6:4 liaison 37:11 57:11 license 32:16 38:20,22,25 39:3,6,7 90:25 91:22 94:2 105:24 | licensed 74:24 75:6,21 76:8 87:11,19 89:15 90:6 92:21 93:22 94:15 96:9 102:22 166:13 licenses 28:24 29:2,7,21 30:24 31:22 32:4 38:16 39:15 94:7 licensing 30:20 87:5 90:4,9,15 90:19,22,24 91:4 92:18 licensure 78:8,9 life 3:5 5:15 31:14 38:23 39:11 40:2,3 51:22 52:1,12 53:12,18 55:19 92:23 93:10,20,23,25 94:2,6 103:9 103:11,25 105:11,13 117:3,4,7 118:9,16 119:7 167:21 167:22 173:16 173:20 174:7 174:20,21 178:8,11 198:2,6,9,13 198:15 likelihood 26:1 Likewise 42:20 limitation 186:24 243:20 243:24 244:5 244:6,12 limitations 243:14,15,18 245:1,2,5 limited 93:9 line 14:16 40:1 | 52:14 65:9,11 65:13 66:21 66:24,25 67:1 67:6 68:24,25 107:18,22,25 109:4,10,17,22 110:11 112:8 112:14,23 113:4,9,13,18 113:22 114:2 114:9,13 115:2,4,7,11 115:18,23 116:3,7,11,15 124:6,22 125:5,14,17,21 126:4 127:4,5 127:9,12,21 128:2 129:16 129:19 132:1 132:8,14,17,21 132:24 133:3 133:14,16,21 134:4,15,20,21 135:1 136:5 149:15 173:23 174:22,24 175:4,7,10,14 175:21,23 176:2,8,14,18 176:25 177:8 177:21,24 178:8,9,11,16 178:21,23 184:17,21 189:17 192:13 193:4,4,17,24 194:21 197:11 198:8,12 234:2 244:10 lines 22:25 26:25 34:3 38:21 39:24 76:4 79:6 87:6 100:23 101:1 101:6 104:8 104:16,18,20 | 105:4,9,12,13 106:9 107:4,7 107:11 108:16 116:23 117:1 118:20 119:4 123:12,16 138:20 173:14 173:25 174:9 174:13,25 175:13,23 179:1,5,6,15 182:3,4,10,11 184:24 189:21 192:15,21 196:18,20 197:23,24 198:5,15,19,25 199:3,5,12,15 199:16,20,22 200:18 201:12 201:14 203:3 link 164:23 Liran 6:3 list 3:14,15 16:2 18:21,23 47:11,13 110:6 121:8 121:11 122:5 122:8 126:1 137:21,25 138:1 197:23 238:25 listed 67:12,16 92:4 93:20 94:7,11,16 95:15,24,25 96:2,5,10 118:21 124:2 124:5,8 130:3 130:3,9,11,13 130:18,20,20 131:13 144:20 147:16,25 148:4,6,9 150:3,7 154:22 166:19 167:4,15 |
|--|--|---|---|--|

| | | | | |
|--|--|---|--|--|
| 176:1 198:20 199:16 200:14 200:20 lists 15:22 50:6 135:10 201:11 literature 211:24 233:7 Litigation 10:9 251:9 little 80:16 112:16 lives 56:16 Livingston 47:7 LLP 9:19 10:3 local 65:10,16 65:21 70:10 71:17 72:17 137:19 138:7 locate 44:21 164:15,16 located 46:1 135:21 159:17 171:24 LOCKE 9:19 logo 44:9 long 37:12,25 76:5 85:19 86:4 154:3 207:6 238:19 247:19 longer 15:15 131:3,4 long-term 14:17 178:22 long-time 210:6 look 79:24 112:11 115:16 152:12 168:8 174:7 183:10 184:10,19 185:14 187:11 189:20,23 190:5,23 191:23 192:8 195:8,12 201:11 226:16 227:18 231:5 | 231:12 234:14 234:15 244:16 looked 105:5 116:23 145:9 145:18 183:17 192:18,21 196:20,21 199:5 200:16 202:15 222:21 224:15 232:23 240:6 244:1 looking 44:8 70:18 71:24 72:3 91:8 93:19 104:10 108:4 110:24 115:15 121:2 126:21 127:20 128:7 131:6 131:19 132:16 133:1 134:2 134:10 147:10 147:14 151:23 152:15 153:14 153:21 166:7 187:14,17 189:17 190:13 190:25 192:25 193:16,22 201:19 227:12 233:24 244:13 looks 25:10 52:6 54:19 152:11 152:23 169:5 LORD 9:19 loss 14:17 178:22 lot 145:18 224:12 226:2 226:12 230:1 239:11,12 242:3 Louis 35:21 36:5,12 42:12 43:10 141:9 147:16,21 155:12,19 | 167:22 low 188:25 189:6 lower 186:17 216:17 217:19 225:1,9 231:10 243:9 lowering 217:16 217:19 lowest 25:20 low-income 68:9 lump 17:13 <hr/> M <hr/> M 5:23 6:1,3 9:18 10:1 MA 3:10 65:15 66:22 213:22 214:1,5,11 215:5,14,16 216:11 217:2 218:17 219:13 219:16 220:5 220:8,9,14,25 221:3,6,6 228:18 229:8 230:22 232:7 232:21 233:25 235:23 237:22 238:14 Madam 19:18 magnitude 24:16 maintain 39:16 41:10 90:15 90:21 91:3 106:24 120:22 maintained 31:2 41:14,17 51:12,15 54:11 95:7 maintains 90:8 maintenance 29:10 30:24 92:22 93:1 major 25:14 69:14,22 | majority 154:18 makers 56:7 making 191:8 245:7 managed 169:25 216:15 management 38:6 manager 37:23 38:12 86:2 mandated 50:12 manner 54:12 95:8 126:16 157:6 map 3:3 43:23 80:2,3 March 99:1,9 100:8 Marika 242:19 Mark 6:11 246:1 marked 43:19 45:12 49:10 54:1 63:21 73:3 89:24 94:24 96:13 97:11 98:9 99:22 102:6 104:24 118:24 126:8 135:13 140:23 146:14 156:22 157:18 159:4 160:7 160:25 161:18 162:10 163:15 168:25 169:20 170:12 171:5 171:18 211:5 market 23:2,2,4 23:5,6,7,10,15 23:20,22 24:3 24:5,7 25:5,15 25:19,25 37:10,21 38:12 39:19 40:9,10,11,16 51:3 52:10,18 | 53:1,8,11,15 53:21 55:17 55:24 56:1,6,9 56:11,12,18,20 56:21,23 57:4 57:16,18,20,22 58:3,11,14,25 60:10 64:19 73:21 100:19 100:20,22 108:6,9 109:3 109:9,20 110:5 112:3,8 112:12,14,17 113:8,12,17,22 114:1,9,13,18 115:17,22 116:2,7,11,15 116:20 118:4 118:19 124:19 124:20,21 125:1,4,8,14 125:16 129:8 130:8,17 131:24 132:17 132:20,23 133:8 134:9 142:2,2,3,3,6 145:9,12 147:18 148:1 148:3,8 149:1 149:4,18,20,22 149:24 150:12 150:15,17,18 150:20 151:8 151:11 152:9 152:10 153:3 153:6,6,12,15 153:23 154:19 155:4,24 157:10,11 170:6,23 180:7 186:9 186:16 192:10 194:21 199:7 199:24,25 200:2,3,21 |
|--|--|---|--|--|

| | | | | |
|--|--|---|--|---|
| 201:9,20 202:15,24 203:1 205:6,9 205:19,21 206:7,9 212:7 212:8 217:4,7 217:9,12 218:20 219:4 219:5,15,18 220:5 221:1 221:11,12,15 221:16,20 222:13,22 223:3,7,8,25 224:12,14,19 225:7 228:21 232:5,9,14 234:7,11 244:2,15 245:16,17 marketing 44:14 marketplace 191:12 192:4 marketplaces 60:7 82:12 markets 41:11 47:24 58:16 59:6 117:2,14 118:6 203:13 211:10 220:5 220:8,21 221:3,4,5 222:9,15,18 223:13,13 224:7,10,10,13 224:16 234:21 244:11,14 245:10 Mary 6:23 8:16 11:12 master's 38:6 material 172:14 192:2 materials 44:14 math 194:20 matter 7:17 | 11:5,16,17 13:3 14:20 17:18 29:14 30:16 35:3 83:19 88:24 89:3 100:1 141:25 142:7 147:5,8 170:5 170:7,23 171:15,22 172:3 180:17 204:13 221:8 227:7 245:6 MA's 219:18 McCarthy 5:10 5:12,20 236:19,24,25 237:1 McCarthy's 17:5 77:9 180:16 181:18 236:20 McCarty 9:14 McGuire 6:20 6:24 McWilliams 6:16,23 MEAGHER 10:3 mean 37:5 85:8 85:16 88:20 89:2 92:9 101:3 103:14 111:9 126:24 127:11 136:8 138:17 191:17 212:3,5 216:8 220:16 225:25 227:15 230:1 233:20 235:25 245:8 meaning 249:7 means 58:3 92:11 127:1 136:9 216:12 meant 84:8 224:8 | measure 148:25 151:7 Medicaid 59:13 60:1 64:7 66:11 177:19 medical 65:12 92:25 93:23 Medicare 4:3,4 4:15,21,23 5:24 6:6,9,18 6:21,25 7:14 7:17 23:8 59:2 59:5,13,25 60:11,15,21 61:3,13,15,18 61:18 62:4,12 62:14,17,21,22 62:25 63:1,9 63:10 64:1,7 65:15,18 66:2 66:11,19 67:9 67:14,18,24 69:8 70:5,8,11 71:9,15,25 72:8,10,13,15 72:16 73:9,14 73:14 74:17 74:21 75:1,3,8 80:15,16,20,21 115:6,7,18,23 137:15 138:5 141:7,7 143:23 144:6 144:10,13 146:18 149:19 149:23 150:20 152:2 155:25 157:1,2,10 169:24,25,25 171:9 176:6 177:15 179:13 192:14 193:2 193:7,7,15,16 193:23 194:1 194:20 195:6 195:16,18,24 196:5 197:4,4 | 197:8,9 198:8 198:21 211:9 211:15,15,20 211:21 212:1 212:1,13,14,21 212:21 213:1 213:2,3,4,6,9,9 213:13,15,22 213:23 214:5 215:1,3,7 216:5,15 217:23 218:24 219:7,9,11,12 221:7,12,13,14 221:17 232:5 232:6,10,12,15 234:2 247:3 248:20,21 Medicare-bas... 6:14 Medicare-elig... 68:6 Medicare/Me... 66:25 68:7 medicine 209:8 209:11 meeting 65:19 meets 236:2 MEHRI 9:9 member 209:1,7 210:14 members 48:10 166:25 memberships 62:8 memorized 164:23 memory 78:10 mention 17:22 190:17 mentioned 21:9 23:16 62:9 103:25 104:15 117:3 186:6 236:9 mentions 139:17 240:16 | Mercer 47:7 merged 109:19 131:12 merger 6:13 22:24 23:12 23:13,23 24:15,15,18 25:10,14,16 26:2,7,8,23 27:2 109:17 131:11,16 150:25 151:20 186:11 187:8 222:23 223:1 223:2 226:10 234:1 235:4 mergers 4:14 226:1,11,14,19 226:22,25 227:5 229:8 235:8 merging 23:21 met 189:1 method 120:8 metropolitan 43:8 Michael 6:14,16 6:23 10:2 14:1 microphone 22:21 153:18 206:21 Microsoft 139:2 middle 93:19 Midlands 78:22 Midwest 10:9 78:24,25 251:8 Millbank 6:21 million 183:7 mind 183:20 minimal 112:3 minus 114:20 114:21 minute 230:5 minutes 77:22 mispronounci... 242:19 |
|--|--|---|--|---|

| | | | | |
|---------------------------|--------------------------------|------------------------|---------------------------------------|-------------------------|
| misquote 244:17 | 155:18 157:11 166:14 168:10 | 63:25 64:9,10 64:12 | NAIC 32:10,21 35:9 91:13,14 | 154:13 194:19 239:11 |
| missed 18:7 | 174:4 175:11 | months 142:25 | 95:13 102:4,4 | needs 35:12 |
| Missouri 1:2 5:7 | 176:19 182:16 | 143:2 194:7 | 102:21 105:18 | 69:18 70:19 |
| 5:15,21,22 8:2 | 203:10,12,16 | moratorium | 105:19 106:1 | 70:21,23,24,25 |
| 8:13 10:8 | 203:20 210:22 | 53:9 79:5,5,6 | 106:3,8 | 71:6,7,18,19 |
| 11:10,13,19,23 | 227:5 229:20 | 79:11,19 | 119:15,18,20 | 144:12 |
| 14:23 16:15 | 229:24 230:3 | morning 13:17 | 119:25 121:17 | negative 128:20 |
| 19:16 23:1,18 | 230:7 240:1 | 18:25 36:19 | 121:19,22 | 128:21 |
| 24:19 25:1,25 | 240:17,20,21 | 36:20 76:25 | 122:2 127:21 | negotiated |
| 26:14,19,23 | 240:24 241:16 | 77:1 84:20,21 | 128:15 166:25 | 213:16 |
| 27:16,24 | 241:21,23 | 238:4 | 167:18,24 | Nelson 2:3 |
| 28:13,24 | 242:13 243:2 | motion 20:15,20 | 168:8,12,16,18 | 36:15,17,23 |
| 32:17 33:23 | 246:9,22 | 45:9 | 168:21 188:24 | 45:19 46:16 |
| 34:9 35:22 | 247:9,23 | move 34:22 | 189:3 | 48:16 76:19 |
| 36:25 38:20 | 248:4,9,23 | 66:21 151:24 | name 11:12 | 76:25 81:23 |
| 39:23 40:7,8 | 249:4,7,13 | 177:5,18 | 36:22 37:3 | 82:22 138:2 |
| 41:1,4,11 42:8 | 251:3,18 | 178:7 192:7 | 48:11 50:5 | 197:6 |
| 42:10,21 43:3 | Missouri's | moves 27:25 | 54:20 84:23 | network 65:20 |
| 43:5,10,18,25 | 35:20 | 28:13,21 32:8 | 85:6 91:18,19 | 66:3,9 213:5 |
| 45:6 46:12 | Missouri-spec... | 35:18 | 121:3,6 | 214:6 |
| 47:2,3,24 48:2 | 230:4 245:21 | Moving 70:14 | 136:15,22,25 | networks |
| 48:10 49:5,7 | misspoke 47:12 | 71:21 91:16 | 207:2 208:13 | 215:16 |
| 50:11,13 | 128:7 | 91:25 92:15 | 209:5 241:8,9 | never 24:20 |
| 51:19,23 | MIT 207:5,7,21 | 109:13,25 | named 41:21 | 25:2 186:13 |
| 52:19 53:4,14 | mixing 129:11 | 121:16,21 | 48:17 | new 6:16 10:4 |
| 53:20 55:25 | MO 3:3 9:6,15 | 122:10,20 | national 23:12 | 53:19 75:23 |
| 56:12 57:21 | 10:10 | 123:1,4 125:3 | 32:11 35:2 | 76:1,11,13 |
| 58:11,17 | model 7:7,8,9 | 125:11 127:3 | 48:7 49:21 | 130:7 220:21 |
| 66:13,14 | 7:10,11 217:6 | 128:15,25 | 57:8 106:3 | 220:25 |
| 74:25 75:2,4,7 | moment 45:11 | 129:4,16 | 137:23 143:20 | Newhouse 6:16 |
| 75:8,19,22,24 | 104:23 112:12 | 133:18 134:18 | 209:12,23 | 6:20,23 |
| 76:9,11 82:12 | moments 238:4 | 137:16 138:8 | 249:6 | news 4:14,15 |
| 83:17 85:3 | money 191:8 | 148:12 157:8 | nature 27:20 | 169:4,7,10 |
| 87:12,21 | 216:4,8,12 | 242:2 | 29:4 32:13 | 171:8 |
| 89:13,15,17,21 | 217:14,17,18 | MSA 65:12 66:7 | 34:5,7 212:19 | newsletter |
| 90:6 92:5,9,10 | monitor 56:22 | 70:10 71:17 | 212:20 | 169:23 |
| 92:11,13,21 | 57:19 58:15 | 72:18 137:20 | NBER 210:1 | nine 107:10 |
| 93:2,5,11,14 | monitoring | 138:7 | near 90:25 | 227:17 |
| 93:17 94:1,15 | 86:25 | multiple 22:25 | 106:21 120:19 | ninth 247:1 |
| 94:21 95:19 | monopoly 14:22 | 26:25 72:24 | necessary 32:7 | Nodaway 47:7 |
| 95:22 96:9 | 81:12 | 140:8 200:18 | need 16:8 31:4 | nodded 243:12 |
| 102:23 105:24 | month 80:4,4 | 201:12 | 58:8 61:5 68:9 | nonpartisan |
| 123:19 141:8 | 136:25 139:9 | | 70:16 71:10 | 210:2 |
| 142:19 144:22 | 139:10,12 | | 71:13 74:20 | nonrenewable |
| 147:16 149:20 | 143:3 | | 82:24 83:1 | 178:11 |
| 152:1 155:12 | monthly 3:9 | | 115:16 136:14 | Non-Confide... |
| | | N | | |
| | | n 2:1 6:7 9:1 | | |
| | | 17:13 18:7 | | |
| | | 22:7 155:18 | | |

| | | | | |
|--|---|--|--|---|
| 5:19 non-employer 72:19 non-Missouri 140:2,3 non-special 71:19 non-zero 152:9 153:3,6,9,11 153:15,16,23 155:11,18 normal 106:16 120:14 141:19 normally 123:25 northwest 47:2 NOS 21:17 note 18:1 20:14 31:1 83:13 138:10,16,24 139:17 noted 210:24 notes 138:9 251:15 notice 11:25 13:2 27:18,19 27:22 28:1,9 28:12,15,19,23 29:8,25 30:1,9 30:23 31:3,21 32:2,10 34:10 34:10,16 35:9 35:20,23 36:9 36:11 52:9,14 52:17,25 53:2 53:16,22 55:7 noticed 185:2 notification 11:22 Noting 32:1 November 98:2 98:16 NPAs 87:7 number 24:3 36:3 40:7 44:12,16,18,20 47:23 50:6 | 56:16,19 57:1 69:15 91:10 91:12,13 95:13,14 103:15,15 111:1,6 114:4 114:16 116:18 127:8 142:4 148:21 149:7 150:24 153:2 153:11 155:8 155:10,14,17 157:9 158:23 191:23 199:25 200:5 201:13 201:24 208:6 209:4 212:24 213:11 223:12 242:18 numbered 104:10 231:16 numbering 146:13 numbers 58:9 108:9,13 109:18 111:21 114:5,17 116:19 145:18 146:10 187:14 187:18 188:16 190:5,13,24,24 192:10,22 193:1,2 194:24 195:5 195:5 200:23 200:25 202:16 203:5,5 nursing 61:10 NW 9:10 NY 10:4 <hr/> O <hr/> O 6:9 17:13 18:5 22:7 oath 172:19,24 Obamacare 5:17 object 29:17 | 33:4,7,10 36:2 77:17 84:7 152:4 153:25 187:10 objection 28:5,7 28:17 30:4,7 31:1,7 32:2,6 32:23 35:10 36:7 142:11 154:5 186:19 186:23 201:16 205:12,25 210:20 objectionable 35:18 objections 31:17 observations 57:17 observed 56:12 obtain 39:7 73:8 obtained 31:6 173:9 obtaining 70:19 72:4 obviously 39:25 56:14 57:2 59:24 66:4 78:9 92:4 218:11 230:1 241:1 occupation 207:4 occur 59:4 131:17 occurred 164:11 250:8 occurrences 40:22 occurring 191:12 October 5:6 96:25 97:9,20 Ody 223:19 offer 62:15,17 63:5 75:18,18 75:23 138:5 | offered 16:6 19:22 21:16 22:1,11 41:1,4 60:22 61:22 65:21 72:11 144:21 offering 42:22 48:24 72:22 75:3,7,11,25 76:13 150:25 offers 142:9 office 5:14 11:9 194:3,12,18 196:6 251:17 officer 8:16 11:3 11:16 14:3,10 15:2,6,19 16:5 18:4,9,15 19:10,19 20:12,22 21:1 21:14,19 22:5 22:16,20 27:3 27:7,11 28:1,4 28:8,14,18,22 29:6,8,18,24 30:10,14,22 31:10,19,20 32:1,9 33:1,14 33:20 34:6,14 34:25 35:19 35:24 36:8 76:22 81:19 82:5,18,21 83:3,8,20,21 84:15 101:13 101:20 110:25 111:11,15,18 142:12 145:21 145:23 152:21 154:13 156:3 156:9,13,16 158:1 164:3 164:12,25 165:6,10,15 172:8,12,22 174:10,17 175:20 180:13 | 186:22 197:16 204:8 205:13 206:2,5,15,19 210:21 225:12 231:15,19,21 248:14 249:16 249:18,24 250:7,12 official 27:18 28:1,9,14,19 28:22 29:8 30:1,23 31:3 31:21 32:2,9 34:15 35:8,19 36:11 51:15 OFF-THE-R... 20:24 Oh 128:6 OIR 195:1 196:24 236:10 okay 66:21 84:22 91:21 104:22 107:17 110:4,16 112:22 116:18 117:22 128:11 135:7 136:12 136:21 137:16 139:25 143:14 147:10,23 148:3 151:16 153:21 158:24 160:2,20 161:13 162:5 166:17 167:20 173:4 174:15 174:19 178:13 179:3 180:19 182:13,25 183:6 184:22 188:20 192:18 194:5 195:11 195:14 196:10 209:5 210:12 211:18 214:8 214:15 215:4 215:25 216:23 |
|--|---|--|--|---|

| | | | | |
|---|--|--|---|--|
| 226:23 228:7 231:7 233:10 233:11,14,23 234:1,5,22 235:2,20 239:14,17 240:22 245:20 247:25 Oliver 4:19 once 50:15 221:6 234:8 235:24 241:21 ones 63:7 166:22 185:19 191:9 243:8 online 78:8 171:8 open 13:6 57:14 opening 12:8,10 14:5 22:17 27:5 operate 43:13 48:23 105:23 154:18,23 155:4 operates 42:2 42:21 60:12 operating 40:6 56:20 57:24 58:3 102:22 operation 47:15 47:18 60:6 243:22 245:3 operations 40:18 opinion 81:14 165:23 180:13 188:1,2 206:9 opinions 77:6 236:12 opponent 84:5 opportunity 12:16,18 14:25 19:2 34:19,20 77:12 79:17 180:16 194:7 | 196:11,23 197:2,7 204:24 226:16 235:14 236:7 237:4 238:6 opposing 34:16 option 12:9 optional 61:4 Options 4:23 oral 12:4,22 order 5:13 11:4 16:16 17:3,9 18:1 19:18 27:1 39:7 76:16 135:4 140:24 194:2 194:8,9,16,23 203:8,9,10,16 203:19 236:10 ordered 16:8,9 ordering 21:20 22:6 ordinary 64:17 73:19 107:1 120:24 173:20 organization 12:4 93:1 137:17,25 138:4 143:19 143:20 144:20 145:7 148:9 209:10,15 organizations 7:13 29:11 30:25 65:14 92:23 147:20 149:19 154:22 154:24 155:3 209:2,21 organized 31:22 32:4 92:11 249:23 original 80:6 Orszag 5:23 6:1 6:8 77:13 225:18,19 226:8 248:6 | Orszag's 181:7 181:19 226:9 237:17 238:17 other's 12:18 ought 193:15 196:13 outlined 13:2 outpatient 61:6 63:15 outset 83:25 outside 66:3 97:3 99:4 186:20,23 199:4 outweigh 24:17 overlap 43:9 47:15,20 oversee 40:18 59:24 60:1,6 86:24 Oversight 60:4 over-reimbur... 219:3 o'clock 13:1 172:9 249:25 250:1 | 107:8,12,23 108:4,11 109:5,23 110:7,12 111:9,13 113:5,15 114:6 115:9 115:20,25 116:24 117:21 117:23 118:1 118:5,12,13,16 121:2,13 123:10,21,23 124:3,6,9,12 124:13,16,17 126:1,5,21 127:15,16,17 127:17,18 129:14,23,25 130:1,4,12,13 131:6,19,20,21 132:5,6 137:17,21 138:6,8 143:21 147:10 155:6 156:4 157:25 159:25 160:18 161:11 162:3 163:9 166:7,18 167:4,15 168:3 173:13 173:16 175:7 177:23 178:7 178:8,21 182:7,8,10 183:13 184:16 189:15 195:13 195:15,19 197:22,22 199:8 231:13 231:13,16,17 231:19 232:1 232:24 234:14 234:15 243:11 244:17,20,24 pages 4:11 | 77:21 99:17 101:10 107:15 107:19 112:20 112:24 113:2 113:3 114:24 114:24 115:1 115:5,15,16 117:11 133:19 147:14 149:7 149:9 150:14 151:24 152:16 154:22 155:23 156:12 157:8 158:2 184:9 189:16 192:9 paid 62:8 66:5 213:17 217:12 223:3 paper 6:12 7:18 90:3 146:22 208:16 219:2 236:21 237:5 240:1,4,6,9 papers 146:25 218:2,4,5,8,10 paragra 231:14 paragraph 46:20,23 52:14 74:7 136:13,16,21 232:4,15 234:18 paragraphs 136:12 137:2 paraphrasing 138:16,25 parent 144:20 145:2,7 147:19 148:1 148:9 149:15 149:16,19 154:21,24 155:3 part 35:4,5 40:24 41:9 43:7 55:23 58:13 59:14 |
|---|--|--|---|--|

| | | | | |
|---|--|--|--|---|
| 59:16,19 60:18,18,18,19 60:21,22,24 61:3,4,11,11 61:15,16,19,20 61:21,22,24 62:3,14,21,22 62:25 63:1,4,4 63:10,11,12,17 66:19 68:10 68:13,15 79:15 87:9,17 89:25 99:18 100:4 108:19 109:16 117:25 118:13,22 119:6 121:13 122:21 123:17 124:23 125:13 132:3 169:25 185:6,10,12,13 185:16 187:8 193:17 199:13 199:21 200:19 205:10,16 226:17 230:3 | 15:8,20,22 21:24 22:9 23:3,22,25 24:14 25:12 25:16 31:4 89:15 96:16 97:15 131:11 parts 60:14,17 61:24 62:12 62:17 63:13 212:19 party 13:11 19:15 34:16 35:12 84:4 88:24 89:2 pass 26:17 39:8 39:10 89:23 94:24 96:13 97:11 126:8 135:13 140:22 146:14 161:17 163:15 170:11 171:18 220:9 passage 56:15 passed 216:16 216:25 218:1 218:3 passing 102:5 156:21 159:4 160:6,24 162:9 168:25 169:20 171:5 pass-through 216:4,8 217:8 patients 213:6 242:22 pay 220:19,21 paying 68:16 246:18 payment 7:8 216:24 217:15 Payments 7:2,4 pays 216:5,11 216:14 246:2 PC 117:4 PDP 69:1,2 137:24,24 | PDPs 68:24 peck 168:14 Pelech 246:16 people 7:14 214:13 215:1 215:4,5,13,14 226:3 percent 23:3,4,6 23:8,11 109:7 109:8,12,24 110:8,20 111:23,23,24 112:18 113:11 113:16,20,24 114:3 115:21 116:5,9 124:24 125:2 125:7,10,15,18 125:23 126:2 126:6 132:4 149:25 150:2 150:13 157:13 157:15 185:22 185:24 186:4 186:10,17 187:8,11,12,13 192:2 195:17 218:3,9,11,13 219:5,10 221:12 225:1 225:9 percentages 149:3 perfect 233:16 236:15 perfectly 217:3 217:7,20 218:7 perform 40:12 59:22 118:19 performed 39:18 87:2 performing 33:23 performs 39:20 period 121:17 person 12:1,3 | 12:24 178:19 personal 40:15 personally 44:18,21 46:1 64:13 73:15 135:21 159:17 159:21 160:14 161:7,24 163:21 170:2 171:11,24 181:20 188:22 191:16 192:1 193:20 251:10 persons 12:22 perspective 58:1,2 187:6 pertain 139:11 pertaining 141:7 163:2 Petitioner 1:5 8:5 9:2 11:6 21:20 30:25 Petitioner's 1:16 2:2 3:1 18:21 21:15 21:17 142:14 Pettis 47:7 PFFS 65:11,24 70:10 71:17 72:18 137:20 138:7 219:8 PhD 6:9,9,11 phrase 239:6 physical 30:15 30:19 picture 117:2 piece 214:16 215:23 216:1 216:2 218:15 218:18,19 219:7,22,23,25 241:5 246:1 247:1 pieces 215:18 pilot 67:5,6 Pioneer 7:11 place 251:11,16 | plan 4:22,23 61:16 63:2 64:2 66:2,25 67:1,1,24 68:7 69:2,7,17,19 69:20,22,25 70:3,16,17,19 70:21,23,24,25 71:23 73:10 92:25 93:24 136:6,10,19 137:1,13 140:9,13,18 142:19,21,23 143:19,20 144:22 220:11 220:14 246:19 plans 6:10 7:17 47:1 61:22,25 62:4,7,14 63:5 63:6 65:18 66:1,17 67:10 67:14,18 68:11,12,25 69:3,4,6,8 70:5,11 71:6,7 71:9,18,19 72:9,10,19,20 72:24 141:8 143:18,23,24 144:4,6,7,10 144:13 146:19 152:2 155:25 157:2,3 213:3 213:4 216:5,6 216:11,15 218:21,22,23 218:24 219:3 219:7,8,9 220:9 232:5,8 Platte 47:7 play 28:7 player 224:11 224:11,14,16 please 14:10 15:2,23 20:23 21:2,3 22:20 |
|---|--|--|--|---|

| | | | | |
|---|---|---|---|--|
| 27:12 46:19 52:5,13 55:3 65:6 66:23 68:23 69:13 74:3,6 101:21 103:13 104:23 107:15 112:20 114:23 117:20 123:21 124:16 127:15 149:6 157:25 158:23 159:25 160:18 161:11 162:3 163:9 165:16 166:16 172:15 172:17 205:14 207:1 210:25 211:6 PLLC 9:9 plus 36:12 42:12 112:1,1 221:12 point 26:3 31:4 33:6 34:13 46:19 140:11 145:22 165:1 180:24 188:8 193:13,19 245:8 points 25:9 183:18 245:13 policies 44:11 72:1 175:8 policy 39:2 56:7 policyholders 40:14 pontificate 236:3 population 70:8 71:2,15 72:16 populations 68:5 214:22 214:24 portray 142:17 portrayed 95:6 95:12 141:15 146:1 | position 37:7,13 37:14,19,21,22 37:23 85:10 positions 37:16 85:23 possesses 32:16 possessing 133:8 possible 203:15 post 38:3 86:7 151:20 234:1 posted 13:5,6 post-merger 109:18 151:2 151:10,11 155:15 PPO 66:7,8 71:17 72:18 PPOs 65:13 PPO-type 70:10 practice 186:24 precise 233:19 precluded 35:14 precludes 39:2 predecessor 232:4 predominantly 42:11 preferred 65:13 Preliminary 6:12 premium 56:17 101:6 103:18 108:14 121:13 122:24 123:7 123:24 124:20 127:25 128:22 128:24 129:1 129:7,14 145:16 146:3 146:10 183:1 183:8 premiums 68:10 104:12 104:13 122:13 145:14 221:25 223:14,18 | 224:25 225:8 231:10 243:9 prepaid 65:3,9 92:23 93:4 preparation 97:23 235:13 prepare 227:14 prepared 15:17 15:24 105:3 119:3 157:5 236:6 prescription 62:6,10,23 63:2,5,8,17,18 64:2 68:25 69:1,3,6 70:2 70:3,6,12 240:10 prescriptive 23:17 present 12:14 12:15,16 14:25 32:24 34:19 77:6 205:18,18 213:3 247:20 250:14 251:10 presentation 12:11,20 presented 22:1 171:15 175:22 180:22 196:3 199:8 204:12 204:12,17 205:6 206:8 presenting 204:4 preserve 31:7 president 32:21 210:15 pretty 212:22 221:14,15,17 prevailing 186:8 prevent 27:2 previous 101:25 110:14 123:14 | 220:1 222:25 231:1 previously 20:14,16 21:8 45:19 51:25 55:1 64:25 74:2 83:12,18 84:5 91:7 95:10 96:15 97:6,14 98:7 99:7 100:10 103:2,21 104:15 107:3 121:1 122:1 126:19 133:12 136:3 138:2 147:23 157:16 158:22 169:18 170:9 171:4 pre-acquisition 11:22 pre-merger 150:22 151:6 151:7 155:7 155:11 pre-payment 67:2 68:4,14 price 6:23 212:6 215:7 217:2 219:13 220:19 235:23 priced 25:21 prices 212:10 216:17 217:16 217:19,20 222:4,10,12 223:3 224:20 232:8 245:15 249:11 pricing 25:17 26:9 prima 23:24 24:1,4,5,7,9,10 24:11 25:7 202:20 203:2 primarily 42:2 42:22 48:24 | 102:23 103:4 103:10 242:10 245:14 primary 39:20 60:25 print 168:15 printing 168:7 printout 49:14 54:5 prior 4:14 12:10 34:12,17 99:9 100:5 150:25 193:14 privacy 138:11 private 58:24 61:17 65:11 65:25 218:21 219:8 privately 232:5 privatized 242:21 probably 142:22 152:19 212:25 222:19 235:18 250:3 problem 223:15 problematic 186:17 procedure 106:17 120:15 141:20 proceed 12:7 14:11 15:3,20 15:23 22:21 27:12 31:11 32:7 83:9 165:16 172:25 211:1 proceeding 18:14 34:11 204:17 proceedings 251:10,13 process 165:22 189:9 193:23 produced 17:16 31:6 |
|---|---|---|---|--|

| | | | | |
|--------------------------------|-----------------------------|-----------------------------|----------------------------------|-----------------------------|
| producer 38:22 90:22 | 225:6 | 68:20 79:4 | 89:14 | 233:24 235:21 |
| producers 242:22 | prominent 210:2 | 176:22 179:16 | purchasing 92:25 93:13 | 235:21,25 |
| produces 40:7 | promotion 207:15 | 182:1 190:21 | 94:4,10 | 236:1,3 |
| product 37:19 | promulgated 27:15 | 232:5 | purport 229:19 | 249:15 |
| 39:22,25 | properly 76:8 | provider 3:10 | pursuant 11:23 | questions 7:14 |
| 49:14,23 | property 31:15 | 46:25 65:13 | 14:22 16:14 | 30:5 33:11,12 |
| 50:16 51:17 | 37:22 38:24 | 66:4,5 73:9 | 16:15,24 17:2 | 45:16 76:20 |
| 57:4 75:18,18 | 39:11,24 40:1 | 74:17 151:3 | 17:6,8,21,25 | 78:7 82:17 |
| 75:24 76:1,13 | 92:24 93:16 | 213:21,25 | 19:16,18 20:1 | 172:7 197:15 |
| 142:2 146:17 | 94:20 103:11 | 218:23 232:11 | 20:4 21:8,15 | 205:3 206:14 |
| 170:6,23 | 103:25 117:8 | providers | 23:21 27:14 | 225:11 248:13 |
| products 40:3 | 118:14 119:7 | 148:21 150:23 | 27:23 28:12 | question's 153:25 |
| 41:1,4 42:22 | proposed 5:5 | 151:2 155:7 | 51:22 53:16 | quite 233:19 |
| 58:6 59:3 | 12:5 14:19 | 155:11,15,18 | 53:22 83:16 | quote 65:3,3 |
| 212:20,22 | 88:4,12,17 | 213:5,17 | 94:1 96:21 | |
| 214:14,23 | 96:21 100:12 | provides 42:2 | 105:24 165:3 | R |
| 215:12 234:6 | 108:20 109:17 | 50:6 60:24 | put 61:12 89:24 | R 5:10,12 6:16 |
| 234:10,20 | 131:11 151:17 | 61:5,10 62:23 | 101:23 174:9 | 9:1 251:1 |
| 235:5 | 151:21 155:20 | 63:12 | 174:16 180:12 | radar 193:13 |
| professional 1:1 | 230:11 | providing 48:8 | 180:22 181:8 | raise 32:6 |
| 5:8 8:1,11 9:4 | proposes 88:9 | 52:16 68:13 | 184:2 188:12 | raised 172:3 |
| 11:15,21 | proposition 187:7 | 151:4 | 188:16 | raising 249:11 |
| 27:17 28:25 | protected 16:24 | provisions 60:5 | putting 183:20 | range 78:18 |
| 37:1 38:8,16 | 17:2,6,8,20,25 | public 12:1 13:4 | 184:14 | 218:12 239:21 |
| 85:4 86:12 | 25:18 | 19:15 21:6 | P&C 118:9 | ranged 241:11 |
| 209:2 | proud 46:25 | 28:3,16 35:3 | p.m 13:1 74:10 | ranking 142:3 |
| professor | provide 12:4 | 58:15,22,24 | | 199:25 200:21 |
| 206:24 207:5 | 40:20,22 | 84:2 96:15 | Q | rate 26:12,15 |
| 207:9,12 | 52:24 61:19 | 97:13 98:10 | qualifications 210:23 | 49:20 |
| 211:4 225:10 | 61:23,25 62:1 | 164:18 191:2 | qualified 72:13 | rates 26:6,10,19 |
| 248:17 | 62:2 63:2,7 | 228:21 | 72:14 210:18 | 26:21 76:6 |
| profits 216:22 | 65:17 66:9 | publications | 210:24,25 | 213:16 218:25 |
| program 7:12 | 67:13 156:12 | 57:3 171:2 | qualify 233:3 | 232:11 |
| 7:15 59:25,25 | 180:20 181:4 | publicly 44:2 | quality 235:23 | Ray 47:10 |
| 60:15,22 | 181:12,21 | 45:25 64:5 | quantification 224:23 | reach 34:23 |
| 62:23 64:2 | 182:18 229:7 | 73:13 80:10 | quantified 224:18 | read 14:9 17:7 |
| 67:3,3,5 68:17 | 230:10 233:16 | 135:18 158:7 | Quarterly 6:21 | 46:20 52:13 |
| 86:2 210:8 | 238:22 245:21 | 164:8,15 | query 119:15 | 65:6 66:18,23 |
| programs 58:15 | provided 11:25 | published 64:8 | 120:8 | 67:9 68:22 |
| 58:22,24 60:2 | 18:23 20:19 | 170:16 208:16 | question 35:17 | 69:13 74:6 |
| 62:7,11 65:10 | 20:20 62:11 | publishing 138:12 | 57:23 94:19 | 135:8 136:14 |
| 68:3,8 209:17 | 63:10,13,17 | pulled 144:17 | 110:14 154:1 | 136:15,22 |
| prohibit 138:12 | 66:3 67:24 | 198:18 | 183:3 187:1,3 | 137:2 138:9 |
| prohibits 39:3 | | purchase 58:7 | 193:5,6,18,21 | 181:2,5 |
| projection | | 88:9 | | 184:11,13 |
| | | purchased | | 194:22 203:9 |
| | | | | 231:14 232:3 |

| | | | | |
|--|--|---|---|--|
| 237:12 238:8 238:10,17 241:20 245:1 reading 66:22 reads 122:11,21 Read-Me 4:2 135:17 137:4 139:6 reaffirm 24:11 real 168:7 reality 58:22 realize 35:12 172:13 really 61:12 68:7 181:16 183:14 185:21 186:14 210:1 211:25 212:18 215:10 217:4 218:19 219:15 220:1,12,18 221:16 223:10 223:16 226:12 233:7,8 236:3 reason 23:15 26:25 175:2 185:9 186:15 187:10 219:17 248:18,21,24 249:1,5,9,12 reasons 21:24 22:9 33:7 126:17 178:12 rebut 24:1,10 77:8 181:17 rebuttal 12:17 180:21 181:5 181:12 recall 182:5 201:19,23 231:2 236:12 236:13,23 239:8,19 240:11,20,23 240:25 241:12 246:23 247:10 receipt 97:3 | 99:4 receive 40:5 83:21 99:8,12 208:20 received 3:2,16 3:18 5:3 12:25 19:2 21:18 22:4 25:23 51:1 74:11 96:25 97:7 98:5 99:1 142:14 173:9 208:10,15,17 recipients 213:2 reclarify 145:22 recognition 208:23 recognize 43:20 45:13 49:10 54:1 63:21 90:1 94:25 97:15 98:12 99:18,22 102:6 104:25 118:25 126:9 135:14 140:25 146:15 156:22 157:19 159:5 160:7,25 161:19 162:10 163:16 169:1 169:21 170:12 171:6,19 210:23 recognized 24:20 25:2 recognizes 209:11,16 Recognizing 36:9 recollection 195:9 196:2 227:19 231:4 232:19 record 13:10 14:6,9 15:7 17:7 21:2,20 | 22:6 35:3 36:21 50:14 50:19,19 51:15 54:10 64:16 73:18 83:6,9,11,18 84:3,22 97:13 100:5 101:23 106:17 120:15 140:24 145:23 165:14 172:20 172:23 250:15 records 16:8 21:23 22:8 30:1,2 31:1,3 35:6 50:21 90:4,9,16,19 90:22,22,25 91:4 95:6 106:24 120:22 Recross 82:5 204:8 249:16 Recross-Exa... 2:5,8 82:6 204:9 redacted 20:19 20:21 redirect 2:5,8,9 2:11 81:19,22 197:17,18 205:5 248:16 redo 134:11 reduced 6:17 refer 12:13 37:3 68:7 reference 156:8 227:4 245:13 referenced 102:1 203:7 236:21 references 226:18,24 referencing 118:2 referred 16:19 17:18 34:2 48:13 61:13 | 67:2 103:22 referring 102:2 102:11 184:24 231:16 236:25 refers 49:19 reflect 68:2 108:13 195:5 reflected 69:4,7 reflective 67:23 119:24 refresh 195:9 196:2 227:19 231:3 232:18 regard 19:8 21:5 55:18 56:10 113:3 115:2 regarding 5:4 11:21,25 12:5 20:13 21:25 40:8,22 44:9 45:20 46:8 57:4 64:1 65:20 186:23 186:25 211:8 213:20 248:3 248:8 regards 20:15 region 66:13,14 regional 65:13 66:7,10 70:10 71:17 72:18 137:19 138:7 regions 36:10 66:10 Registration 1:1 5:9 8:1,12 9:5 11:15,21 27:17 29:1 37:1 85:4 regular 51:6 91:5 regulate 59:2,7 87:8 regulated 87:7 regulation 1:4 5:14 8:4 11:6 | 11:19 12:13 13:14,16 14:14 21:21 22:23 35:6 37:10 39:19 40:17 51:4 55:24 57:16 58:15 60:10 64:19 73:21 85:13,15,17,21 86:23 88:1,2 89:8 102:24 194:4,13,18 196:7 regulations 28:12,16,20 regulator 34:1 regulators 49:24 regulatory 38:13 58:1 64:18 73:20 141:23 147:1 158:20 163:7 164:1 169:16 Rehagen 2:6 84:17,18,20,24 84:25 101:25 111:2,5 154:7 158:6 164:4 172:17,23 173:2 204:10 206:16 Rehagen's 186:21 reidentify 34:7 reimbursed 213:13,14 218:24 reimbursement 213:14 232:11 reimburseme... 217:25 reinstated 39:6 relate 47:22 107:8 137:14 147:3,4,7 |
|--|--|---|---|--|

| | | | | |
|---|---|---|---|--|
| 170:6,22 172:2 198:6,9 198:12 200:6 201:4,8 related 57:18 142:1 220:1 relates 54:11 86:25 relating 97:19 106:25 120:23 171:9,21 200:10 relation 95:4 relationship 164:5 relationships 57:13 relative 221:15 221:18 relatively 188:25 189:6 release 169:4 releases 4:14 169:7,11 relevant 25:6 142:1,2 147:8 156:6,11 170:6,23 171:14 200:14 200:20 235:21 reliable 141:22 159:15 166:4 166:6 relied 239:9 242:7 246:3 247:4,15 249:2,6 relies 242:10 rely 64:17 73:19 78:10 146:24 158:18 163:6 163:25 169:14 170:25 241:7 remain 82:24 83:2 remainder 21:7 97:13 250:17 | remember 164:20 196:9 235:19 241:21 246:11 remind 172:23 184:17 189:17 renal 71:4 renew 53:13 renewable 176:12 repeat 138:22 187:2 repeating 94:19 rephrase 120:6 142:22 201:17 203:11 206:4 replacement 156:12 replete 235:4 report 3:9 4:19 4:20 5:16 17:5 56:5 63:25 64:5,8 77:9,13 77:17 128:1 128:19,21 129:13,18 171:21 180:16 181:8,13,18,19 204:5,25 211:7,12,14 212:15 220:4 221:21 227:12 227:14,21 228:2,5,11 229:6,18,24 230:6,10,15,17 231:5 234:14 235:13 236:6 237:17 238:17 238:19 239:9 239:22 240:13 240:16 241:1 241:6,7,15 242:10,18,24 243:7 244:5,9 244:20 245:5 245:12,20 | 246:6,10,20 reported 10:7 67:22 121:13 128:9 129:2,7 129:22 reporter 83:24 178:11 251:8 reporters 14:16 173:17 174:21 177:5 178:9 198:3,6,10,13 reports 40:8 57:5 181:23 191:20 241:18 241:20 242:7 represent 13:11 91:22 143:14 228:4 representative 150:4,8 249:6 representing 13:18,19,22,24 14:2 request 3:19 11:18 14:24 16:23 17:19 31:12,20 34:18 35:17 99:25 100:6 156:11 requested 20:16 30:25 requests 17:17 27:25 28:14 28:22 32:9 34:16 35:19 required 26:18 52:24 53:2 76:15 102:24 105:25 108:1 110:2 115:12 123:17 158:8 165:3 requirement 53:3 67:18 187:21 requirements | 70:5 71:8 requires 210:22 requiring 97:19 requisite 76:3 research 207:18 209:23 210:7 215:1 218:5 218:19 reserve 12:9 reserves 32:6 residents 41:1,4 resolved 33:5 respect 14:16 17:7,15 18:13 19:4 80:24 173:21,23 176:25 177:7 178:15 180:11 181:7,22 182:13,25 190:4 194:4 194:13 197:11 204:22 213:25 248:19 respectfully 14:24 Respond 242:5 respondent 9:12 10:1 12:9 Respondents 1:9 8:8 11:7 19:14 Respondent's 5:2 21:25 22:3 responds 220:11 response 3:18 5:7 16:22 17:17 20:6 33:15 98:15 98:19 190:17 206:3 219:6 rest 149:11 resting 250:5 restrain 219:12 restricted 66:3 214:6 215:15 | restrictions 55:16 restrictive 213:5 result 79:12 88:12 225:22 results 91:17,22 resume 146:13 retain 204:1 retirees 72:14 retrospective 40:12 return 172:16 172:17,18 returned 128:24 review 19:2 22:10 39:22 40:5,19 50:9 50:17,20 57:5 74:11 77:13 100:15,18,21 100:24 106:22 120:20 154:4 180:16 194:8 198:25 202:23 204:25 205:16 211:23 235:14 236:5,7 237:5 241:18 reviewed 45:18 51:1 77:11 80:23 89:6 173:9 175:18 177:25 178:20 181:9 194:9 221:21 226:23 229:22 235:18 236:8,11,13,19 236:20 239:1 reviews 39:25 40:2 Revised 11:23 27:23 83:17 revisions 80:13 right 12:9 15:19 32:6 33:6 69:10,15 77:3 |
|---|---|---|---|--|

| | | | | |
|--|---|--|---|---|
| 79:2,7 80:21 103:16 128:9 139:20 152:17 165:5,9 174:2 175:4 179:8 181:3 183:10 184:5,15,25 185:1,15,20,25 188:4,5,13 189:14 190:22 191:22 192:24 195:21 196:22 214:16,17 227:23 228:14 228:15,19,23 230:8,9 233:6 234:3,24,25 235:5,15 237:14,14,19 237:22 239:24 240:2,5,7,14 240:15 241:2 241:13,14,16 242:6,8,12 243:1,6,11 244:4,7,22 246:5,8 247:7 247:8,21,24 | 91:11,21 104:10,11 140:12,18 142:20,23 144:21 145:2 145:7 rows 65:6 66:17 66:23 67:9,13 67:17,20,22 68:2,23 69:5,8 126:22,23 127:18,19 131:7 132:16 140:8 148:10 RPR 10:8 251:22 rule 27:15 49:20 50:13 rules 76:6 ruling 236:8 rulings 236:16 run 173:24 225:24 running 69:11 R-e-h-a-g-e-n 85:1 | SBS 3:14,15 90:10,11,14,19 90:21 schedule 66:5 213:15 school 38:3 86:7 science 38:5 86:9 scope 186:20,23 229:11,13,15 screen 89:24,25 154:8 183:21 search 91:10,17 164:10 168:6 SEC 4:14 158:7 169:11 second 16:21 17:18 21:11 69:18 99:15 99:18 121:16 127:17,17 129:25 130:1 130:4,12,13 131:6 137:11 138:8 143:8 143:21 147:24 174:20 179:10 179:19 189:20 208:23 214:2 214:18,19,20 215:17,25 216:2 221:22 228:20 234:18 240:6 secondly 144:17 secret 17:10 18:2 19:20 section 11:23 14:22 16:17 16:19,24 17:1 17:1,11,21,24 18:3 19:16,17 20:1,2 27:23 37:22 39:25 40:2,4,11 46:22 52:20 52:21 57:6 | 83:16 93:20 108:5,6,16,17 109:13,14,15 109:25 111:14 112:12 199:24 sections 17:21 39:21 Securities 158:13,15 159:12,15,18 159:22 160:15 161:8,25 162:21 169:7 see 62:4 65:2 80:6 92:22 104:18 122:4 122:7 124:2 127:20 128:15 129:5 130:2,9 130:11,18,19 130:23 131:7 132:16 142:21 166:19 167:3 167:14,17,18 168:2,9 173:17,19 174:3 179:3 188:1 189:24 192:10,11,21 195:9,15,18,20 195:24 198:2 198:21 225:16 226:18,24 227:9,18 231:3 232:23 234:14 240:22 249:5,9,12 seeing 172:9 187:18 196:9 seen 56:14,15 56:17,19 73:3 96:16 195:4 196:1,10 segment 212:6,8 212:10 215:10 segmentation 71:25 | segmenting 70:1 segments 222:13 selecting 70:9 71:16 72:17 selection 6:18 6:24 242:4 senior 68:18 seniors 68:9 sent 3:17 20:5 97:18,25 98:5 sentence 234:19 separate 139:15 140:12 193:25 199:21 separated 39:23 136:17,23 separately 211:19 separating 144:19 September 163:20 166:10 sequence 146:13 SERFF 3:6,8 SERRF 49:16 49:17,18 50:1 50:4,11,12,14 50:18 51:5,8 51:14 54:5 91:21 serve 47:8 served 83:15 service 3:3,4 43:24 45:4,20 46:9,11,18,21 65:11 66:1 74:18,22 75:10,12 80:2 83:18,22 119:14 218:21 219:8 220:11 241:5 services 10:9 59:13,20 |
| right-hand 189:23 192:9 right-most 124:12,13 Risk 242:4,5 risk-adjustme... 6:17 Robert 247:1 role 228:20 room 8:12 11:8 11:11 237:13 238:4,18 roughly 51:9 195:17 routinely 33:24 33:24 row 65:1,2,5,5 67:21 68:21 69:12 91:10 | S s 6:9,20 9:1,18 11:9 109:3,9 113:8,12 safety 26:10,13 sales 44:17,19 Saline 47:8 sat 238:3 save 213:24 Savers 3:7 54:6 54:14,20,23 55:13,15 78:1 savings 7:12,15 65:12 220:10 saw 219:6 232:25 238:7 saying 25:24 135:6 189:3 233:5 245:7 says 35:12 136:6 216:14 240:19 | | | |

| | | | | |
|-------------------------|------------------------|-------------------------|-------------------------|-------------------------|
| 60:25 61:19 | 132:17,21,24 | shopping 6:14 | 235:3 237:20 | 210:16 |
| 62:5,10 64:7 | 133:8 134:9 | 214:13,23 | sit 175:17 176:3 | solely 63:18 |
| 66:12 68:13 | 145:9,12 | short 213:22 | 176:8,15 | solvency 86:25 |
| 68:16,19 | 147:19 148:2 | shorthand | 178:14 192:1 | 88:2 |
| 73:14 170:17 | 148:3,8 | 212:4 251:8 | 237:16 240:23 | somewhat |
| 170:20 251:9 | 149:18,22 | shortly 224:1 | sitting 184:12 | 214:13 |
| servicing 47:1 | 150:12,15,18 | 227:15 | 237:8,12 | soon 13:7 |
| set 48:15 53:24 | 152:10 153:3 | shot 89:24 | 238:18 | sorry 67:7 79:16 |
| 55:21 73:1 | 153:6 155:24 | show 25:23 31:6 | situation 212:6 | 130:19 134:1 |
| 82:25 83:2 | 157:10 165:8 | 175:22 184:15 | 217:21,22 | 134:10 135:5 |
| 94:23 96:12 | 186:9 187:7 | 216:3 219:11 | 218:7 | 152:21 153:20 |
| 97:10 98:8 | 192:10 195:5 | showed 223:12 | six 66:23 182:25 | 154:14 200:25 |
| 99:14 100:9 | 201:20 202:16 | showing 24:2 | 183:7 243:6 | 231:15 |
| 104:22 116:22 | 202:24 203:1 | 72:1 90:5 | sixth 132:23 | sort 180:20 |
| 126:7 135:12 | 205:7,9,19,21 | shown 51:1 | 133:25 134:1 | 210:1 220:1 |
| 138:14 146:12 | 206:7,10 | 54:17 101:9 | size 127:11 | sorts 78:7 |
| 156:2 157:17 | 245:16,17 | 109:14 110:1 | sizing 115:17 | sound 210:24 |
| 159:3 160:6 | shared 7:12,15 | shows 80:9 83:4 | SKADDEN | 240:14 241:13 |
| 160:24 161:17 | 48:9 248:9 | 177:2 215:1 | 10:3 | 247:7 |
| 162:9 163:14 | shares 23:2,5,7 | 216:21 220:12 | SKALET 9:9 | sounds 241:14 |
| 168:24 169:19 | 23:10,15,22 | sick 215:14 | skilled 61:10 | 246:8 |
| 170:10 172:5 | 25:5 108:10 | side 19:22 57:13 | skipping 136:12 | source 44:1 |
| 181:18 188:4 | 112:8,14 | 103:15 185:3 | 136:22 | 45:23 64:4 |
| 223:23 229:23 | 113:22 114:1 | 185:15,20 | slash 69:1 136:6 | 73:11 102:20 |
| 230:4 243:6 | 114:9,13 | 189:24 192:10 | 136:6,7 | 105:16 119:10 |
| 243:16 251:11 | 116:7,11,15 | 195:23,23 | SLATE 10:3 | 141:11 |
| sets 23:20 68:5 | 142:3 150:17 | significant | Slava 6:9 | South 9:20 |
| 139:15 145:4 | 153:12 186:16 | 23:16 58:10 | slide 184:2,15 | spanning |
| 195:22 | 193:22 194:21 | 219:18 | 192:8 | 246:20 |
| setting 68:18,20 | 195:22 196:4 | similar 160:11 | slides 183:22 | spans 247:19 |
| 94:4,10 | 199:24 | similarities | small 23:2 | speak 18:14 |
| seven 198:5 | sharing 213:2 | 197:3 | 122:21,25 | 152:22 153:18 |
| 200:10 | sheet 251:12 | simple 156:11 | 123:14 125:4 | 154:14 183:2 |
| share 23:20 | Sheet22 7:6 | sir 22:21 111:19 | 125:25 128:12 | 204:18 |
| 100:19,20,22 | Shield 42:16,23 | 154:14 156:18 | 128:25 133:20 | speaking 89:11 |
| 108:6 109:4 | 43:1,12,24 | 173:20 174:8 | 134:3,11 | 175:16 |
| 109:10,21 | 44:6 45:21 | 175:4 177:1 | 168:7,15 | speaks 164:5 |
| 110:5 112:3 | 46:9,12,18 | 179:2,3 180:1 | 219:14,17 | special 69:18 |
| 112:12,17 | 47:19 48:4,8 | 180:15 181:1 | 221:15,17 | 70:16,19,21,22 |
| 113:9,13,17 | 132:11 133:6 | 182:7,14 | 224:14 | 70:24,25 71:6 |
| 114:18 115:17 | 133:23 134:6 | 184:8 186:6 | SNL 119:12,13 | 71:7,12,13,18 |
| 115:22 116:2 | 134:13,23 | 187:5,14 | 119:14,17 | 138:9,9,16,24 |
| 116:20 118:4 | 135:3 162:16 | 188:7,23 | 120:5,7 | 139:17 144:12 |
| 118:20 124:19 | 163:3,11 | 191:24 194:17 | social 209:13,16 | specialist 37:20 |
| 124:20,22 | 167:6,9 | 227:21 229:10 | society 38:14 | specialists 61:9 |
| 125:1,4,9,14 | shift 177:4 | 230:19,22 | 86:18,20 | 63:15 |
| 125:16 131:24 | shock 224:9 | 231:13 234:19 | 208:24 210:10 | specialized |

| | | | | |
|--|---|--|---|--|
| 27:21 29:4 32:13 68:3 specific 16:16 23:17 30:6 31:5 33:12 34:15 58:8 229:19,24 230:7,11 238:12 240:1 specifically 18:1 33:10 56:11 71:2 178:10 204:21 211:13 specifics 235:9 235:10 spell 84:25 spend 239:11 spreadsheet 105:3 119:3 square 10:3 149:4 ss 251:4 SSNIPs 71:6 St 9:5 35:21 36:5,12 42:12 43:10 47:8 141:9 147:16 147:21 155:12 155:19 167:22 staff 40:20 57:3 106:7 120:3,7 169:10,15 188:19 193:12 stage 141:3 142:17 stamp 97:4 99:5 103:14 stamped 96:24 98:11,25 197:22 stand 59:11 82:24 90:11 106:3 193:14 standard 74:10 183:18 188:5 202:21 standards 65:20 | 188:4 202:24 203:3 standpoint 173:22 188:18 stands 59:12 start 77:19 173:3 212:17 230:21 started 227:15 starting 57:25 173:15 188:8 188:8 state 1:2 8:2 11:9 23:14 36:10 38:20 39:23 40:7 42:2,8,14,21 43:3,7,18,25 48:10,23 49:5 49:8,20 50:13 56:7 57:25 59:7,14 75:19 81:11 84:3 89:17,20 92:6 95:19 101:2,3 101:4,6,7,9,10 101:11 102:1 103:20 105:5 105:14 107:8 107:12,23 108:2,11 109:5 110:7,7 110:12 113:5 113:15 115:9 115:13,20,25 116:24 117:7 136:7,10,10 137:1 154:19 176:7 182:15 182:21 183:8 183:15 191:13 198:9 199:8 203:17 207:1 227:5 229:20 236:14 248:4 248:9 251:3 251:18 | stated 21:24 22:9 51:23 83:25 118:9 178:12 statement 3:21 4:11,13 5:4 22:18 27:5 32:15 84:4,8 101:1,5,15,17 101:19,23 102:1,2,3,9,10 102:14,17 103:4,21,24 104:1 105:14 106:1 107:9 107:23 108:1 108:12 109:5 109:11,23 110:11 113:5 113:10,14 115:8,12,19,24 116:24 117:8 117:12 118:14 118:17 119:6 119:24 121:14 132:3 162:15 163:19 164:13 165:19,20,21 166:1,1,2 195:21 196:18 198:16 199:9 232:12 233:20 234:23 statements 12:8 12:10 14:5 103:8 105:21 123:17 163:6 166:4,5 200:10,13 states 14:12 23:13 26:4,6 28:2,10 59:2 67:21 101:9 101:12 136:11 224:4 249:3 249:12 statewide 3:23 | 3:25 148:3,8 148:16 149:23 151:16 155:4 157:11 state-based 90:11 statistical 139:3 statistics 40:4 57:6 status 50:8 56:5 73:9 78:9 statute 19:16,18 23:17,20,23,25 24:13,25 25:1 25:2 110:3 187:22 189:8 189:8 202:20 205:23 statutes 11:24 14:23 16:16 17:6 20:5 21:8 27:24 28:7 83:17 174:5 175:11 176:19 statutory 25:5 162:14 189:4 190:6,14 stayed 225:8 Stenotype 251:13,15 step 82:22 174:8 192:24 206:16 223:11 Steven 9:17 13:18 sticker 156:5,14 Stinson 9:14 13:22 stipulate 14:15 15:13,25 stipulated 15:21 16:7 18:20 19:4 96:16 97:14 stipulates 18:11 stipulation 14:8 14:12 15:1,4,7 | 16:4 19:9 21:15 178:18 stipulations 14:5 15:8,17 stop 14:17 178:22 stopped 66:22 192:23 stored 90:19 straightforwa... 187:2 Street 8:12 9:14 9:14 13:22 strengthen 24:12 25:8 strike 54:9 130:10 141:20 structured 66:9 structures 87:19 studied 222:25 studies 222:1,6 222:7,8,11,17 223:6,12,16 230:2,3,5 239:10,13 249:1,2,5 study 209:20 220:12 221:2 222:19,20 223:9,10 243:13,15,17 243:19 244:25 244:25 245:2 245:8,9 studying 245:10 sub 16:17,20,24 16:25,25,25 17:11,23,23,23 17:24 18:3 19:17 20:1 27:15,15 83:16 subject 21:23 22:8 30:16 35:10 55:16 141:25 170:5 |
|--|---|--|---|--|

| | | | | |
|--|---|--|--|--|
| 171:22 submission 14:19 49:23 50:22 246:3 submit 12:23,24 33:24 50:17 74:20 76:5 submitted 49:15 50:7 51:18 52:11 54:6 55:8 74:8,9 180:17 181:8 227:13 228:5 228:8 235:13 237:5 245:6 submitting 54:19 subscribe 119:14 subsection 52:20,21 subset 19:21 70:18 subsidiaries 45:5 88:10,14 94:12 96:6,22 108:24 166:13 166:20 167:5 167:16 168:3 subsidiary 42:5 42:7,24 43:2 49:1,4 52:2 54:15 subsidiaries 232:8 subsidized 68:15 substantially 14:20 22:24 26:24 56:18 81:10 234:6,9 234:20 substantively 156:6 subtotal 65:15 66:22 67:7,22 68:22 sub-exhibits | 3:12 Successful 6:20 suddenly 224:12 sufficient 197:9 205:22 suggests 214:21 215:9,11 221:19 225:6 Suite 9:10 10:9 summary 3:9 50:3 63:25 69:12,24 Sunshine 16:17 supervise 40:20 super-compet... 25:17 26:9 supplement 5:16 59:3 121:9 132:2 177:16 supplemental 117:16,17,24 118:10,12,21 119:5 121:12 123:16 124:23 125:6,13,22 132:2 199:13 199:20 200:19 support 108:9 212:12 214:9 215:6,20 217:1 219:23 supports 214:12 218:16 suppose 128:23 sure 34:8 79:17 101:22 145:23 153:19 184:3 187:5 193:19 203:18 208:9 209:7 210:22 212:18 216:13 220:17 234:11 242:19 surplus 87:6 220:13,16,17 | 220:22 221:1 221:2 swhitmer@lo... 9:22 sworn 36:16,17 84:18 206:22 system 6:17 48:14 49:16 49:17,18,20,21 50:1,5,11,18 67:4 90:8 166:24 systems 90:12 166:23 <hr/> T T 6:23 9:17 251:1,1 table 240:19 take 28:1,14,22 29:8,25 30:1 30:23 31:3,21 32:9 34:23 35:8,19 36:9 79:24 83:4 149:3 172:13 174:7,8 184:20 190:23 191:23 192:7 194:19 195:8 195:12 196:8 211:18 223:11 227:18 231:12 234:13 244:16 249:22 taken 27:18,19 27:23 28:9,12 28:19 32:3 34:11 35:23 36:11 83:7 143:15 172:21 250:16 talk 173:14 182:3 185:19 228:11 233:10 233:21,22 237:18 239:10 239:12 | talked 80:15,16 183:12 189:25 196:19 talking 81:5,9 101:14,15,16 101:16,18 174:13 175:17 178:8 179:7 183:23 184:17 184:25 188:24 189:4,5,9 192:13 232:15 236:16 238:11 239:3 244:25 tank 210:2 targeted 68:4,8 71:2 taught 207:6 taxes 176:7 198:9 technical 27:20 29:3 32:13 telephone 44:16 44:18,20 tell 50:2 91:11 130:6,15 131:1 138:24 150:23 151:2 151:6,10,14 158:25 160:3 160:21 161:14 163:10 182:19 183:6 185:4 238:19 245:1 ten 76:6 95:17 95:18 138:15 138:22 145:3 182:11,13,14 183:12 247:17 tend 14:21 22:24 26:24 81:11 tenders 210:18 tense 175:16 tenth 247:18 tenured 207:17 ten-minute 83:5 | term 212:2,5 233:18,19 239:7 termination 39:5 terminology 92:8 terms 44:13 48:8 58:4,6 71:25 224:6 test 39:10 174:3 237:21 testified 36:17 46:16 54:12 55:18 80:3 84:18 100:10 111:6 138:2 173:6 182:4 186:21 203:2 203:22 206:22 226:21 testify 156:10 210:25 testifying 77:14 111:2 testimony 37:4 40:23 79:4 85:7,16 88:23 101:25 179:16 180:12 181:22 182:1,5 183:12 197:5 199:12 200:6 201:23 236:20 238:8 tests 39:8 110:2 text 136:17,24 thank 14:3 15:6 18:9 20:12 21:12,14 22:16 27:3,7 27:11 28:8,11 28:18 31:9,10 35:16 36:8,13 36:14 48:15 53:24 55:21 67:8 73:1 |
|--|---|--|--|--|

| | | | | |
|---|--|---|---|---|
| 76:19 81:17 82:4,16,21 83:22 84:15 111:18 114:23 156:15,17,19 159:3 165:15 172:20 184:6 197:14 206:5 206:15,21 211:2 225:10 231:18,21,22 248:13 249:17 249:19 250:12 theoretical 217:5 therapies 61:9 63:16 thereof 251:12 they'd 101:11 109:19 thing 233:12 things 61:8 62:9 78:7,11 188:12,15 190:16 226:1 238:25 239:1 think 34:22 36:1 36:2,2 59:23 84:8,11 108:23 117:12 117:13 129:11 139:18 172:12 183:25 184:1 184:11 187:1 203:21 205:15 210:2 212:25 214:2 220:6 220:21 221:10 227:16 233:13 243:1,19 247:13,17,19 third 69:19 121:21 132:5 132:6 179:13 192:15 218:14 218:15,18,20 219:14,17 | 220:12 223:17 241:4 Thomas 5:10,12 6:20,24 180:16 thousands 122:14 124:1 three 39:20 40:19 68:23 69:5,8,13 70:14 71:21 92:3,12 110:10,15 111:8,10,21 112:4,8,13,18 114:1,5,8,13 114:17 116:23 117:1,2 123:11,14 130:2 131:7 132:7,10 147:14 149:7 150:14 151:24 152:15 153:8 153:9 154:24 157:8 174:9 174:14,25 179:5,6,15 184:24 189:21 192:15 198:19 198:25 199:4 199:21 249:25 249:25 250:1 threshold 187:20 188:24 189:3 190:7 thresholds 23:21,23 25:5 188:9,25 189:5,6 190:15 192:22 202:16,19 203:6 Thursday 13:1 till 250:13 Tim 13:19 time 13:9 14:9 | 15:1,9,10,18 18:19 26:18 27:5,10 30:23 31:8 33:13 34:22,24 35:15 58:2 74:10,12,14 75:2 78:6 80:3 81:18 83:4,24 90:25 96:13 106:21 109:19 120:19 132:19 173:9 184:20 185:10 193:19 206:16 210:17 213:24 237:9 238:23 239:11 249:19 250:9 251:11,16 timeline 74:15 Times 10:3 TIMOTHY 9:18 title 28:2,9,15 28:19 103:17 115:6,7,18,23 117:23 136:4 150:22 176:6 177:19 179:13 192:14 193:17 198:8,21 titled 68:22 91:18,25 92:16 114:18 121:3,21 123:4 148:13 151:1,5,9,13 178:21 231:9 241:5 246:1 titles 65:2 67:20 69:11,14 104:5 TM 213:21,22 214:1,4,10 215:6,6 217:1 218:17 219:16 219:20 228:17 | 230:22 232:21 233:25 235:22 237:22 238:13 today 14:6 16:6 25:10 28:7 30:5 74:25 75:9,23 76:5,7 76:10,14 77:5 77:8,14 79:15 81:5,9 82:13 97:15 100:2,5 145:19 165:11 172:15 174:1 174:10,17 175:12,17 176:3,9,15 178:4,14 179:7 180:11 180:20 181:4 181:12,21 183:2 185:12 188:24 189:5 192:1 193:14 196:13 197:5 202:8,11 203:2,24 210:25 217:6 225:16 232:6 233:22 235:18 238:18 239:3 240:23 248:10 toll-free 44:16 top 91:8 110:15 111:10,13,16 112:4,18 125:20,24 131:25 132:7 132:10 133:14 133:15,19 135:7 175:7 200:17 topics 211:19 total 56:17 65:3 65:8 68:24 69:24 70:20 70:20 72:2 78:4 101:12 | 104:7 110:4,9 110:21 112:13 113:21 114:1 114:12 116:6 116:14 122:16 122:18 124:13 125:19 127:5 127:9 145:11 145:13,14 148:5,7,13 149:16 158:25 160:3,21 161:14 162:6 163:10 166:9 182:9 186:4 221:15,18 totaled 123:2,8 totals 123:11 148:15,18 towerish 226:1 Town 247:1,2 Tracer 5:17 tracking 50:6 trade 17:10 18:2 19:20 57:2 traded 158:8 traditional 61:13 80:16 80:21 193:2,7 193:15,23 194:19 195:6 195:16,23 196:5 197:4,9 211:15,21,25 212:14,21 213:1,6,9,13 213:22 215:3 219:12 220:10 221:7,11 232:10,11 248:21 training 180:3,5 transaction 81:4,8,10 88:5 88:8,11,12,18 173:22 180:23 192:3 194:4 |
|---|--|---|---|---|

| | | | | |
|------------------------|------------------------|------------------------|------------------------|-------------------------|
| 204:22 205:24 | 123:21 124:16 | 121:7 127:2 | underneath | 135:2 136:11 |
| 228:14 230:12 | 127:15 149:6 | 131:3 137:13 | 186:10 197:24 | 160:9,22 |
| 230:16,18 | 157:25 158:2 | 143:19 144:3 | 198:5 | 168:21 223:20 |
| 238:12 240:4 | 158:23 159:25 | 159:9 163:24 | underscore | 224:2,10,11,13 |
| 241:2,25 | 160:18 161:11 | 180:7,9 | 136:14 137:7 | 224:17,19,24 |
| 242:16 243:4 | 162:3 163:9 | 194:25 | understand | UnitedHealth |
| 245:24 246:12 | 173:12 183:25 | types 33:4 63:6 | 37:5 55:12 | 5:18 |
| 246:24 247:11 | 184:9 189:15 | 66:17 67:8,12 | 85:8,16 88:23 | units 40:19 |
| 247:23 248:4 | 231:9 | 67:16 69:4,7 | 89:2 139:14 | universe 69:24 |
| 248:8 | Turning 197:21 | 78:11 90:21 | 145:19 165:1 | 70:20 72:2 |
| transcript 13:7 | turns 26:8 | 92:20 95:24 | 183:14 188:23 | University 38:7 |
| 250:17 251:15 | twelve-fold | 103:7,24 | 189:10 193:18 | 208:1 |
| transmitted | 221:4,5 | 137:17,25 | 234:3 236:1 | unknown 82:13 |
| 50:20 | twice 93:21 | 138:1,4 | understanding | updated 91:1 |
| travels 249:20 | 127:10 | 143:20 144:5 | 15:13 18:11 | upload 50:17 |
| treatment 16:14 | two 18:24 20:5 | 144:18 226:11 | 19:8 34:9 | use 22:21 50:12 |
| 20:17 | 22:12 25:9 | typical 75:19 | 43:16 45:4 | 139:3 206:20 |
| trend 200:1 | 39:21,24 | 221:11 | 46:11 47:18 | 212:2 213:21 |
| 201:4 | 43:17 47:25 | typically 61:23 | 48:6 60:11,20 | 224:6 232:10 |
| trending 110:3 | 48:1 57:20,24 | 61:25 146:24 | 61:2,14 62:20 | 235:1,25 |
| trends 142:5 | 58:9 70:1 | 169:14 170:25 | 68:1 88:7 | usually 230:2 |
| tried 223:19 | 77:25 78:13 | 214:5 | 204:6 226:7,9 | utility 220:20 |
| triggered | 79:6,8 80:25 | | 226:13 | utilization |
| 106:12 120:10 | 85:22 94:6 | U | understood | 103:19 |
| troubling 154:3 | 99:17 109:16 | U 7:2 | 33:22 156:15 | utilize 50:10 |
| true 44:24 46:4 | 112:24 131:10 | UHC 153:22 | 188:7 | U.S 59:19 |
| 51:20 64:21 | 135:10,12 | 154:11,18,23 | underwriting | |
| 73:23 90:3 | 136:12 137:3 | 155:4 | 44:10,11 79:8 | V |
| 96:19 97:17 | 137:14,18 | Uh-huh 80:17 | uniformly 222:8 | V 7:4 |
| 98:14 105:2 | 139:5,10 | 88:25 89:4 | union 68:12 | valid 76:3 |
| 119:2 135:16 | 148:10 187:14 | 104:17 185:23 | 69:1 | value 136:17,23 |
| 135:24 141:2 | 187:17 190:5 | 231:11 234:17 | union-based | 220:23 |
| 251:14 | 192:21 204:21 | 239:20 244:18 | 72:5 | values 138:13 |
| Truman 10:9 | 204:23 208:13 | unaudited | United 3:5 4:8 | valve 26:10,13 |
| 11:9 | 208:15 211:18 | 165:19 166:1 | 25:18,23 28:2 | variation 244:2 |
| try 78:10 185:8 | 212:18,25 | 166:5 | 28:9 48:17,25 | varied 221:2,4,4 |
| 188:16 201:17 | 215:21,22 | uncontroverted | 49:3 51:21 | variety 68:19 |
| 206:4 233:13 | 220:1 228:13 | 23:1,5,7,9 | 52:1,2,12 | 222:17 |
| trying 154:16 | 229:2 | undercut 24:3,5 | 53:12,18 | various 47:23 |
| 185:17 188:14 | type 50:7 64:16 | 24:9 | 54:15 55:18 | 56:8 57:9 |
| 191:25 193:24 | 66:1 67:4 | undercuts 24:7 | 77:23 78:1,2,5 | 104:8 106:9 |
| 217:13 223:10 | 71:13,17 | underestimat... | 78:19,20,22 | 110:2 137:8 |
| turn 16:12 52:5 | 72:18 73:18 | 112:1 | 79:11,18 | verified 44:19 |
| 55:3 74:3 | 75:17 92:17 | undergoing | 81:25 82:8 | Vernon 47:8 |
| 77:20 103:13 | 92:18 95:3 | 146:25 | 132:12 133:4 | versus 11:6 |
| 107:15 112:20 | 101:5 102:16 | undergraduate | 133:23 134:5 | 70:22 72:5 |
| 114:23 117:21 | 113:6 117:5 | 207:20 | 134:12,24 | 145:13 |
| | | underlying 59:5 | | view 44:21 |

| | | | | |
|--|---|--|---|--|
| 160:14 180:25 viewed 44:25 46:2,5 64:13 64:22 73:15 73:24 135:22 135:25 159:18 159:21 161:7 161:24 163:21 170:2 171:11 171:25 viewpoint 186:8 186:9 233:8 Vilsa 6:3 violate 203:2 violated 202:24 violations 202:20 virtue 71:12 vision 62:4,10 177:23 visit 57:3 visits 61:9 63:15 visual 154:1 visually 152:11 Vitae 22 5:12 6:1 Vol 6:21 volatility 142:3 191:1 192:4 199:24 200:21 volume 1:15 8:10 56:17 250:18 voluntary 62:23 vs 1:6 8:6 | 9:10 wasn't 143:6 178:25 233:8 241:22 247:22 way 48:5 84:8 164:7 185:8 203:20 210:5 210:13 221:11 247:19,19,20 ways 57:1 212:24,25 weaken 25:7 webpage 13:3,6 13:7 website 35:4 45:17 46:2,6 64:6,14,23 73:13,16,25 135:17,19,22 136:1 137:4 139:7,11 143:16 159:19 159:23 160:16 161:9 162:1 164:17,20 week 227:16 weeks 25:22 248:1 welfare 28:3 221:19 247:2 wellness 62:7,10 well-known 59:23 went 190:5 200:23 219:5 219:9 243:10 weren't 203:23 236:15 West 8:12 9:5 10:9 western 43:7 We'll 179:19 230:5,20 we're 15:17 33:6 81:4,9 110:16 175:25 178:8 179:5,7 | 184:14 188:24 189:5 193:21 214:15 219:21 227:12 233:24 239:2 244:13 245:10 246:15 247:13 250:14 we've 17:18,22 21:12 56:14 56:15,16,19 145:18 152:5 228:17 232:7 whatsoever 81:14 82:8 181:17 white 6:12 237:5 Whitmer 2:4,5 2:7,8,11 9:17 13:17,18 14:7 14:11,12 15:10,16 16:3 16:11 18:5,7 18:10,18 19:20 20:7,18 21:10 22:15 27:4,6 28:6,17 29:12,16,19,23 30:3 31:8,9,17 32:5 33:2,3,21 34:4,8,18 35:25 36:1,6 36:13 76:23 76:24 81:17 82:6,16 84:7 84:14 142:11 152:4 153:24 172:9,11,24 173:1 183:24 184:5,7 187:4 197:14,21,23 198:18 201:16 202:14 203:7 204:9 205:2 205:12,25 206:13 210:20 225:13,14 | 231:18,22,24 244:19,21 248:12 249:17 249:21 250:2 Whitmer's 32:2 32:22 William 38:7 willing 215:15 willingness 220:20 wish 12:22 14:6 15:8 22:17 29:7 50:16 wishes 19:11 wishing 74:16 withdrawal 3:6 3:8 79:12 withdrawals 53:1 57:21 58:10 withdrawing 25:24 53:7 withdraws 53:10 witness 31:7 36:16 76:21 82:24 101:16 111:13,17 152:23 154:3 154:15 158:3 164:7,19 165:5,9,12 172:7,18 204:16 205:15 210:19 243:12 witnesses 12:19 30:5,17 33:10 33:11 Woods 38:7 word 69:14 99:16 230:20 234:9 235:24 235:25 240:17 240:23 words 234:12 234:19 work 6:5 40:19 | 48:7 72:21 139:2 146:21 146:25 worked 38:1 86:4 225:20 workers 37:20 working 57:9,12 226:1 Worksheet 3:22 world 180:4 worth 47:8 154:11 233:8 wouldn't 178:2 180:9 182:18 193:3 203:21 249:6 write 42:8,11 43:3,6 49:4 74:21,24 75:1 75:6,22 76:4,5 76:9 87:11,20 89:16,20 93:2 93:4,7,10,13 93:17 94:1,20 102:18,23 103:4 117:5 166:13 182:15 182:20 183:1 183:7 writes 121:7 writing 101:8 127:2 131:3,5 written 12:5,23 12:25 13:5 15:1,16 56:17 77:22 81:25 104:12,13 108:14,14 117:7 122:13 145:14,16 146:3,10 180:21 208:4 208:6,8 231:1 232:20 247:22 wrong 154:12 245:1 wrote 211:8 |
| W | | | | |
| W 7:7 9:13,14 Wacker 9:20 want 58:21 84:9 172:10 185:14 185:16,21 186:7 213:7 244:17 250:7 wanted 75:1,10 75:23 76:10 164:22 Warning 5:17 Washington | | | | |

| | | | | |
|-------------------------------|----------------------------------|--------------------------------------|------------------------|-------------------------|
| www.blueKC... 45:24 | Zachary 5:17 | 138:13,18,21 | 94:5,7,11 98:9 | 126:12,17,21 |
| www.insuran... 13:4 | Zayats 6:9 | 139:15 182:1 | 98:10,23,25 | 127:17,20 |
| Wyandotte 47:9 | zero 218:2,9,11 218:12 | 182:2,8 | 99:7,9,14,15 | 130:1,12,21 |
| Wyman 4:19 | zeros 153:10 | 10th 228:6,9 | 99:17,19 | 131:14,21 |
| <hr/> X <hr/> | Zmijewski 6:11 | 10-K 4:6,7,8,9 4:10 157:22 | 13th 98:2,16 | 132:6 166:16 |
| X 2:1 7:8 | <hr/> \$ <hr/> | 157:23 158:3 | 14 3:19 5:6 | 166:18 167:4 |
| XVIII 115:6,7 | \$1 183:7 | 158:6,11,12 | 16:17,24 | 167:15 168:3 |
| 115:18,23 | <hr/> 0 <hr/> | 159:6 160:9 | 17:23 19:17 | 17th 74:10,23 |
| 176:6 179:13 | 0.85 125:18 | 161:5,22 | 20:1 99:22 | 173 2:7 |
| 192:14 193:17 | <hr/> 1 <hr/> | 10-2.400 16:25 17:23 | 100:4 227:25 | 18 3:25 126:9,11 |
| 198:8,21 | 1 3:3 18:22 19:8 | 17:23 | 244:17,20,24 | 126:15,19,20 |
| <hr/> Y <hr/> | 21:15,17 | 10.8 157:15 | 14.13 125:15 | 126:23 127:18 |
| Y 7:9 | 43:20 44:24 | 10/15/2015 3:16 | 142 4:22 | 127:19 130:1 |
| yeah 91:12 | 45:8,10 47:14 | 10:45 83:4 | 147.106 52:20 | 130:4,10,13,20 |
| 114:15 165:12 | 47:22 48:16 | 100 208:9 | 148.122 52:21 | 131:7,19,20 |
| 176:16 182:23 | 65:5 79:25 | 10036 10:4 | 15 3:21 5:14 | 132:6 |
| 184:13 193:4 | 91:12,14 | 11 3:16 6:15 | 97:20 102:6 | 18.77 157:13 |
| 211:7 212:4 | 104:4,6 108:5 | 19:24 21:21 | 102:20,25 | 180 53:2 |
| 213:11 216:10 | 108:6,16,17 | 67:9,13,17,21 | 103:2,14 | 1833 67:1 68:11 |
| 218:18 225:5 | 111:14 112:12 | 67:23 68:2 | 104:22 107:6 | 137:24 |
| 225:18,25 | 122:2 123:10 | 96:14,14,24 | 107:6,9,12 | 1876 66:25 |
| 226:6,15 | 124:13 137:17 | 97:6,7,10 | 117:18,20 | 68:11 137:23 |
| 227:11,20,24 | 138:10 156:4 | 173:3,5 | 130:25 | 143:19 |
| 228:3 232:2 | 168:19 182:8 | 195:10 197:20 | 15th 96:25 97:9 | 19 4:2 13:1 |
| 235:9 236:11 | 234:16 | 197:22 225:9 | 15,231 129:3 | 135:14,16,24 |
| 236:11,17 | 1st 52:18 53:15 | 11/13/2015 3:17 | 16 1:17 3:22 | 136:3 137:17 |
| 237:1,10 | 53:23 57:25 | 111 9:20 | 8:13 11:4 75:9 | 139:11 143:8 |
| 240:8 242:9 | 75:5,13,14 | 111.38 160:23 | 75:23 104:24 | 143:21 147:5 |
| year 51:9 75:14 | 1's 104:7 | 114 35:20 36:11 | 105:2,9,17 | 177:19 |
| 80:4,5 102:13 | 1(1) 7:1 | 147:15 | 106:6,11,21 | 197 2:8 117:21 |
| 136:25 139:9 | 1,374 151:19 | 115 36:3,4 | 107:3,5,13,16 | 118:12 |
| 139:10 241:12 | 1,406,615,726 122:19 | 119 95:13 122:9 | 107:19 110:22 | 1990 241:11 |
| 243:21 245:3 | 1-26(2015) 7:1 | 168:16 | 112:21 114:24 | 1992 207:8 |
| yearly 64:8 | 1.1 163:13 | 12 3:17 20:4,13 | 116:22 117:9 | 1993 247:6 |
| years 56:13 | 1.5 166:11 | 21:4,6,6,7,22 | 183:25 189:16 | 1994 241:11 |
| 85:22 86:6 | 1.93 125:2 | 74:3 83:16 | 192:9 195:13 | 242:11 |
| 142:25 191:2 | 1/28/2016 4:16 | 97:12,12,13 | 195:15 | 1997 242:24 |
| 191:13 208:15 | 1:30 172:16 | 98:7 104:11 | 16th 74:25 | <hr/> 2 <hr/> |
| Yep 244:23 | 10 3:15 6:10 | 178:21 | 76:10 | 2 3:4 6:22 16:25 |
| yesterday 80:11 | 94:24 95:7,10 | 12,000 51:10 | 160325191C 1:6 | 17:24 45:12 |
| York 10:4 | 95:12,16,25 | 12.14 125:7 | 8:6 11:7 | 46:4,10,14 |
| <hr/> Z <hr/> | 96:3,6,10,12 | 12/31/2015 161:23 | 17 3:23 114:25 | 47:22 48:16 |
| Z 7:10 | 104:5,6,8 | 1203 167:1 | 118:25 119:2 | 66:17 104:8 |
| | | 1250 9:10 | 119:11,24 | 109:13,14,15 |
| | | 13 3:18 86:6 | 120:9,19 | 117:25 118:13 |
| | | | 121:1,2,4 | 118:22 119:6 |
| | | | 123:10 124:18 | 121:13 123:17 |

| | | | | |
|------------------------|-------------------------|------------------------|--------------------------|-----------------------|
| 123:21,23 | 112:18 114:14 | 113:8,12,18,23 | 206 2:10 | 113:2 114:6 |
| 124:3,23 | 114:18 139:12 | 114:2,10 | 207 10:9 | 115:1 160:25 |
| 125:13 127:15 | 143:2 145:4 | 115:10,18,23 | 21 3:3,4,6,8,9,10 | 161:4,12 |
| 132:3 137:21 | 146:19 147:16 | 116:4,8,12 | 3:12,13,14,15 | 187:13 189:16 |
| 138:24 139:17 | 185:10 202:2 | 119:8 121:14 | 3:16,17,18,20 | 25th 100:8 |
| 149:14 151:23 | 202:5,11 | 124:23 125:14 | 3:22,24,25 4:2 | 26 4:10 5:9 |
| 163:9 199:13 | 246:6,20 | 127:9,10,13 | 4:3,4,5,6,7,8,9 | 112:1,21 |
| 199:21 200:19 | 2007-2016 4:3,4 | 128:5,6,7,19 | 4:10,11,13,14 | 113:2 115:1 |
| 250:18 | 4:21 | 129:5,9,20,23 | 4:16,17,18,19 | 161:18 162:4 |
| 2nd 16:15 17:3 | 2008 80:9 | 130:12,19,21 | 4:20 156:17 | 162:18,22 |
| 17:9,25 99:1,9 | 116:16,20 | 131:3,14,17,22 | 156:22,25 | 189:16 |
| 2,079 129:10,21 | 126:13 219:2 | 133:1,16 | 157:5,16 | 26th 99:13 |
| 2.20 155:16 | 2009 7:19 | 134:2,16,25 | 212/735-2099 | 26.26 111:23 |
| 2.37 113:16 | 240:14 | 135:8 157:23 | 10:4 | 27 4:11 162:10 |
| 189:25 191:24 | 200905 7:18 | 159:1,6 160:4 | 22 4:6 5:6,9,11 | 162:17 163:14 |
| 192:2 | 2010 3:25 | 160:22 161:15 | 5:14,16,18,20 | 27.56 113:11 |
| 2.87 155:9 | 126:12 127:2 | 162:7,15 | 5:21,22,25 6:6 | 28 4:12 163:15 |
| 20 4:3 16:25 | 127:6,12 | 163:12 201:13 | 6:8,10,13,15 | 165:25 166:7 |
| 17:23 23:3,4,6 | 128:3 130:8 | 201:14,20 | 6:19,22 7:1,2 | 29 4:14 5:25 |
| 27:15 112:1 | 130:10,13,20 | 202:1 240:9 | 7:7,8,9,10,11 | 6:13 114:24 |
| 130:25 146:14 | 131:12,17,22 | 2016 1:17 3:9 | 7:12,14,19 | 114:24 115:5 |
| 147:11,15,18 | 132:9,10 | 4:2 5:9,14,18 | 157:18 158:22 | 115:15 168:25 |
| 147:23 149:7 | 133:12,15,19 | 5:25 6:10,13 | 159:9,22 | 169:6,18 |
| 150:3,7 152:8 | 134:16,22 | 6:15 8:13 11:4 | 160:12 161:4 | |
| 152:13,14 | 135:8 201:12 | 13:1 16:16 | 162:18,21 | 3 |
| 153:1,12,14,21 | 201:14,19 | 17:3,9,25 64:3 | 22nd 227:10 | 3 3:5 16:20,25 |
| 154:9,25 | 202:1 | 74:11,23 75:1 | 248:1 | 17:23 49:10 |
| 155:2,23 | 2011 239:16 | 75:9,23 76:10 | 22.27 116:1 | 49:25 51:2,20 |
| 156:2,4 157:1 | 245:14,16,18 | 83:16 99:1,10 | 192:11 | 51:25 52:6,8 |
| 157:6 187:11 | 246:7 | 100:8 108:7 | 225 2:11 | 53:25 54:12 |
| 219:10 | 2012 6:19 37:15 | 139:13 143:3 | 23 4:7 107:15,19 | 55:10 77:20 |
| 20.34 109:6 | 246:20 | 145:4 146:19 | 108:4 111:9 | 109:25 124:16 |
| 111:24 185:22 | 2014 4:13 5:16 | 149:20,24 | 111:13 113:3 | 124:17 131:19 |
| 20.94 150:2 | 6:22 163:20 | 150:12,19 | 115:1 127:21 | 131:20,21 |
| 2000 247:6 | 166:10 223:20 | 152:3 153:7 | 159:4,8,11,18 | 3,846.6 151:22 |
| 2002 38:2 | 245:13,15 | 157:12 248:1 | 160:1,12 | 3/2/2016 3:18 |
| 2003 218:22 | 246:1 | 2017 25:25 | 184:9 | 3/25/2016 3:20 |
| 242:25 | 2015 3:21,23 4:6 | 52:18,23 | 230 9:14 | 3:15 250:1,13 |
| 20036 9:10 | 4:7,8,9,10,11 | 53:15 57:25 | 24 4:8 107:16,19 | 30 4:15 43:6 |
| 2004 241:4 | 5:6 6:6 11:24 | 74:22 82:2 | 113:3 115:1 | 114:24,24 |
| 2005 239:22 | 96:25 97:9,20 | 2018 75:5,13,14 | 160:7,11,19 | 115:5,15 |
| 2006 108:7 | 98:2,16 | 82:9 | 161:4 184:9 | 149:7,9 |
| 143:5 208:17 | 102:15 107:21 | 202)822-5100 | 186:4 | 154:22 155:23 |
| 239:23 240:13 | 108:8 109:3,9 | 9:11 | 24.16 159:2 | 163:20 169:21 |
| 242:11 | 109:21 110:7 | 2022 53:23 | 24.51 109:24 | 170:9 186:10 |
| 2006-2015 3:22 | 110:16,17 | 204 2:8 | 248 2:11 | 186:17 187:8 |
| 2007 112:11,14 | 112:6,9,25 | 205 2:9 | 25 4:9 112:20 | 192:9 |
| | | | | 30th 166:10 |

| | | | |
|-------------------------|-------------------------|--------------------------|------------------------|
| 300 9:10 | 23:18 199:24 | 53.76 150:13 | 71439 129:17 |
| 301 8:12 9:5 | 382.095.3 17:1 | 536.070 83:16 | 74 114:22 |
| 31 4:17 159:1 | 19:17 20:2 | 537 167:12 | 195:17 |
| 170:12,22 | | 54.63 116:5 | 75 219:5 |
| 171:4 | 4 | 55 23:10 | 76 2:4 |
| 31st 160:4,22 | 4 3:7 10:3 17:11 | 57.1 162:8 | 8 |
| 161:15 162:7 | 18:3 54:1,8,11 | 573)636-6827 | 8 3:13 19:14 |
| 162:15 163:11 | 54:18 55:1,4,6 | 9:15 | 21:21 74:10 |
| 312)443-0694 | 55:9,12,22 | 573)636-7551 | 83:25 149:14 |
| 9:21 | 187:12 | 10:10 | 151:23 175:7 |
| 32 4:18 149:7,10 | 4.17 109:12 | 573)751-2619 | 197:22,22 |
| 154:22 155:6 | 185:24 | 9:6 | 246:15 |
| 155:23 158:23 | 4.7 160:5 | 6 | 8K 169:5 |
| 171:6,17,22 | 40 23:8 208:18 | 6 3:10 27:15 | 80 112:18 |
| 32-county 47:1 | 208:22 | 73:3,23 74:2,4 | 800-1.100 27:15 |
| 32.11 115:21 | 417.45 17:11 | 83:16 166:7 | 81 2:5,5 |
| 192:10 | 417.453 17:1,24 | 227:23 234:14 | 82 161:11 |
| 32.82 149:25 | 18:3 | 234:15 | 83.5 132:4 |
| 33 4:19 171:18 | 42 28:2,9,15,19 | 6th 228:9 | 838 10:8 |
| 171:25 172:2 | 44 112:1 | 60 152:19,24 | 84 2:7 42:12 |
| 172:6 | 44.72 111:23 | 60606 9:20 | 85 159:25 |
| 34 4:20 18:22 | 45 52:20 | 61.7 161:16 | 86 116:17 |
| 19:8 21:16,18 | 47,142 128:20 | 610.021 16:17 | 87 114:15,15,21 |
| 157:9 211:5 | 47.56 189:24 | 17:23 19:16 | 88.49 126:2 |
| 224:4 226:17 | 48 160:18 | 20:1 | 9 |
| 226:18 227:13 | 4826 129:4,5,9 | 610.21 16:24 | 9 3:14 52:5,8 |
| 227:18 231:8 | 49.9 113:20 | 62 231:13,16,17 | 55:10 77:20 |
| 243:7 | 490.080 27:23 | 231:19 232:1 | 89:24,25 91:7 |
| 343 4:23 | 5 | 232:24 243:11 | 91:9 94:8,11 |
| 3432 10:9 | 5 3:9 5:18 63:21 | 65 72:13 162:3 | 94:16,23 95:3 |
| 35 4:21 19:1 | 64:21,25 | 65101-1553 | 95:8,25 178:8 |
| 140:23,25 | 66:18 67:23 | 9:15 | 192:9 |
| 141:2,6,12,15 | 73:2 138:2 | 65109 9:6 10:10 | 9:20 11:2 |
| 142:10,13,14 | 242:18 | 661 128:16 | 90 112:2 |
| 142:17,23 | 5.4 225:1 | 129:2 | 901 167:19,25 |
| 143:1,7,11,14 | 5.99 125:10 | 671 168:8,12 | 91 110:20 |
| 143:18 146:2 | 5/6 227:22 | 7 | 91.02 125:23 |
| 146:12 147:8 | 5/6/2016 3:12 | 7 3:11 55:3,6,7,9 | 92 6:21 |
| 36 2:4 4:23 19:1 | 50 101:9,12 | 55:12 67:9,13 | 93 114:3 |
| 157:9 | 103:13,14,17 | 67:17,20,22 | 94.27 126:6 |
| 36.88 124:24 | 104:19 218:3 | 68:2 83:12 | 94.74 114:20,21 |
| 376 31:13,23 | 218:13 | 114:15,20,21 | 95.65 110:8 |
| 32:5 | 520A 11:11 | 173:13,16 | 97.1 113:24 |
| 379 31:15,23 | 520B 8:12 11:9 | 70 221:12 | 98.52 116:9 |
| 32:5 | 525,596 127:7 | 707 168:22 | 99 247:19 |
| 382.095 11:23 | 525,596,708 | 71 112:15 | |
| 14:22 16:19 | 127:7 | | |