

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR**

**IN THE MATTER OF THE
CONVERSION OF BLUE CROSS AND
BLUE SHIELD OF MONTANA, INC.,
AND ALLIANCE WITH HEALTH
CARE SERVICE CORPORATION,**

Applicants.

)
) **Case No.: INS-2012-238**
)
) **ORDER ON MOTION TO**
) **DETERMINE CONFIDENTIALITY**
) **AND UNSEAL RECORD**
)
)
)

The Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), has filed a motion to “Determine Confidentiality and Unseal Record.” Specifically, the CSI seeks a determination that Exhibit D and portion 59:10-71:1 of the Confidential Transcript of March 13, 2013, are not confidential and are both subject to public disclosure.

Health Care Service Corporation (HCSC) initially filed a brief in opposition to the above motion. However, on April 9, 2013, HCSC filed a “Notice of Withdrawal of Opposition to CSI’s Motion to Determine Confidentiality and Unseal Record” (Withdrawal). HCSC withdrew its opposition in light of the fact that the Great Falls Tribune published the 2012 Supplemental Compensation Exhibit filed by HCSC with the Illinois Department of Insurance. This publication thus rendered moot the question of whether the compensation of the individuals listed on CSI’s Hearing Exhibit D should remain confidential.

In filing the above Withdrawal, HCSC posed the following concern:

However, to the extent portions of the transcript attached as Exhibit 2 to CSI’s Brief in Support of its Motion to Determine Confidentiality contain confidential information unrelated to the executive compensation issue that was the basis of CSI’s Motion to Unseal, HCSC and CSI should have the opportunity to confer concerning the confidential nature of those portions of the transcript. Specifically, HCSC believes the following portions of the transcript should remain sealed: 63:6-18; 64:23-65:1, which discuss the 2011 projected net income of HCSC.

As of April 10, 2013, HCSC and the CSI have stipulated that the following sections of the Designated Transcript of the testimony of Ms. Reitan, for which the CSI has sought disclosure, may be disclosed and not kept under seal: Confidential Tr. 59:10-63:5; 63:19-64:22; 65:2-71:1 (March 13, 2013); and that the following portions of the Designated Transcript for

which the CSI sought disclosure shall remain confidential and sealed: Confidential Tr. 63:6-18; 64:23-65:1 (March 13, 2013).

HCSC and the CSI have further stipulated that the same stipulations as entered into at the hearing regarding the confidential nature of other documents and transcript designated as confidential and kept under seal shall remain in full force and effect.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. CSI's Exhibit D is no longer under seal;
2. The following sections of the Designated Transcript of the testimony of Ms. Reitan for which the CSI has sought disclosure may be disclosed and not kept under seal: Confidential Tr. 59:10-63:5; 63:19-64:22; 65:2-71:1 (March 13, 2013);
3. The following portions of the Designated Transcript for which the CSI sought disclosure shall remain confidential and sealed: Confidential Tr. 63:6-18; 64:23-65:1 (March 13, 2013).
4. The same stipulations as entered into at the hearing regarding the confidential nature of other documents and transcript designated as confidential and kept under seal shall remain in full force and effect.

DATED this 11th day of April, 2013.

/s/ W. William Leaphart
W. William Leaphart
Hearing Examiner

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