CLARIFICATION AND EXTENSION OF ORDER APPROVED BY THE DIRECTOR ON SEPTEMBER 20, 1988 REGARDING RATE FILING FORMULA AND DATA OF BLUE CROSS OF WASHINGTON AND ALASKA

The Director of Insurance does hereby find as follows:

In August, 1988, a hearing was held before David M. Roderick, Hearing Officer, to determine whether or not the request of Blue Cross of Washington and Alaska for an order of confidentiality pertaining to a new formula for ratemaking along with the data used in the formula should be granted. Based upon the information presented at the hearing, on September 12, 1988, the Hearing Officer issued Findings of Fact, Conclusions of Law and Recommended Order.

The order stated:

1

The Director of the Division of Insurance shall withhold from public inspection the formula and data filed by Blue Cross in the subject rate filing until such time as in the opinion of the Director the release of said information would not cause unwarranted injury to Blue Cross.

11

The Director of the Division of Insurance shall withhold from public inspection the premium and claims data pertaining to the Anchorage School District until such time as in the opinion of the Director the above [sic] of said information would not cause unwarranted injury to Blue Cross.

On September 20, 1988, the Director, Paul A. Roller, approved the order of the Hearing Officer.

Subsequent to the 1988 rate request filing, Blue Cross of Washington and Alaska has made additional rate filings to the Alaska Division of Insurance that are based upon the same rate filing formula that is the subject of the 1988 order. If these subsequent filings were made available to the public, the effect would be to invalidate the 1988 order of confidentiality. To avoid any misunderstanding as to confidentiality of the subsequent filings, this order is being issued.