

***Insurance Times:*** Maine Blues' valuation upheld

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PORTLAND (AP) — Maine's chief insurance regulator said he is pleased with a state Supreme Judicial Court ruling that upholds a judge's ruling in a case involving the sale of Blue Cross-Blue Shield of Maine.

"I am incredibly gratified," Insurance Superintendent Alessandro Iuppa said after the decision that he correctly calculated the value of Blue Cross-Blue Shield before it was sold to Anthem Insurance Cos. of Indiana.

"I feel vindicated that we were affirmed at all levels of review," Iuppa said.

The unanimous ruling rejected an appeal by Consumers for Affordable Health Care, which contended that Iuppa erred. Iuppa lowered the value from \$102.5 million to \$81.7 million during the transaction process between Anthem and Blue Cross-Blue Shield. The valuation lowered the amount put into a charitable health-care trust for uninsured Mainers.

Consumers for Affordable Health Care filed suit and was later joined by the state Attorney General's office in the suit.

A Superior Court decision in Kennebec County upheld Iuppa's valuation of Blue Cross, and Consumers for Affordable Health Care appealed to Maine's highest court. The court ruled that Iuppa did not err in adjusting the fair market value. The adjustment came about because Blue Cross sustained losses of \$18.1 million in 1999, when it had projected it would earn \$4.6 million.