



DISTRICT OF COLUMBIA COURT OF APPEALS

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Clerk of the Court

GROUP HOSPITALIZATION AND  
MEDICAL SERVICES, INC.,

Petitioner,

v.

D.C. DEPARTMENT OF INSURANCE,  
SECURITIES AND BANKING,

Respondent.

No. 16-AA-967

Agency Decision No. 14-MIE-19

**Consolidated with** No. 16-AA-895,  
*D.C. Appleseed Center for Law and  
Justice, Inc. v. D.C. Department of  
Insurance, Securities and Banking*

**GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.'S  
STATUS STATEMENT REGARDING PETITION FOR RECONSIDERATION  
AND MOTION TO APPROVE PROPOSED CONSENT ORDER  
PENDING BEFORE THE DISTRICT OF COLUMBIA  
DEPARTMENT OF INSURANCE, SECURITIES AND BANKING**

Pursuant to the Court's Order of June 23, 2017, petitioner Group Hospitalization and Medical Services, Inc., ("GHMSI") hereby submits a status statement regarding the Petition for Reconsideration and Motion to Stay Further Proceedings ("Petition for Reconsideration/Motion to Stay") that GHMSI filed in the District of Columbia Department of Insurance, Securities and Banking ("DISB") on September 22, 2016, as well as the Motion to Approve Proposed Consent Order that GHMSI filed with DISB on April 17, 2017.

On September 1, 2017, GHMSI notified DISB Commissioner Stephen C. Taylor that it was unable to accept the terms outlined in the Amended Proposed Consent Order that Commissioner Taylor issued on August 3, 2017 (DISB Order No. 14-MIE-26) and that it would continue to pursue its legal remedies with respect to the 2011 surplus review proceedings. *See*

Exhibit A. GHMSI's Petition for Reconsideration/Motion to Stay remains pending before the Commissioner.

In light of the continued pendency of GHMSI's Petition for Reconsideration/Motion to Stay, GHMSI respectfully requests that the Court maintain the administrative stay as to the Rebate Order that it issued on June 23, 2017, and continue to hold GHMSI's motion for a stay pending appeal in abeyance. As this Court has directed, GHMSI will transmit to the Court all further DISB orders relating to the pending Petition for Reconsideration/Motion to Stay.

Respectfully submitted,



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David Schertler (D.C. Bar No. 367203)  
Danny C. Onorato (D.C. Bar No. 480043)  
Lisa H. Schertler (D.C. Bar No. 430754)  
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202-628-4199  
202-628-4177 (Fax)

DATED: September 6, 2017

*Counsel for Petitioner Group  
Hospitalization and Medical Services, Inc.*

**CERTIFICATE OF SERVICE**

I hereby certify that on this 6th day of September, 2017, I caused a copy of the foregoing Status Statement Regarding Petition for Reconsideration and Motion to Approve Proposed Consent Order Pending Before the District of Columbia Department of Insurance, Securities and Banking to be filed through the District of Columbia Court of Appeals Electronic Filing System, and to be served electronically on the following:

James C. McKay, Jr.  
Senior Assistant Attorney General  
Office of the Solicitor General  
Office of the Attorney General for the District  
of Columbia  
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Marialuisa S. Gallozzi  
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Matthew R. McGuire  
Assistant Solicitor General of Virginia  
Office of the Attorney General  
202 North Ninth Street  
Richmond, VA 23219

By:

  
\_\_\_\_\_  
Lisa H. Schertler

# **EXHIBIT A**

**Chet Burrell**  
President and Chief Executive Officer

**CareFirst BlueCross BlueShield**  
1501 S. Clinton Street, 17<sup>th</sup> Floor  
Baltimore, MD 21224-5744  
Tel: 410-605-2558  
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September 1, 2017

Honorable Stephen C. Taylor  
Commissioner  
Department of Insurance, Securities and Banking  
810 First Street, NE, Suite 701  
Washington, DC 20002

Dear Commissioner Taylor:

GHMSI has reviewed and considered your August 3, 2017 Decision and Order. GHMSI is unable to accept the terms outlined and will continue to pursue its legal remedies regarding its 2011 surplus.

Sincerely,

A handwritten signature in black ink that reads "Chet Burrell".

Chet Burrell  
President & Chief Executive Officer