

**FORM A STATEMENT REGARDING THE ACQUISITION OF  
CONTROL OF OR MERGER WITH A  
DOMESTIC INSURER**

Filed with the Office of the Commissioner of Insurance, State of Wisconsin

Group Health Cooperative of Eau Claire

*(Name of Domestic Insurer)*

By

Priority Health, a majority owned subsidiary of Corewell Health

*(Name of Acquiring Person (Applicant))*

Filed with the Office of the Commissioner of Insurance, State of Wisconsin

*(State of Domicile of Insurer Being Acquired)*

Date: August 8, 2025

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

David Weader, SVP, General Counsel

Nick Gates, Interim President

1231 E Beltline Ave NE, MS 1340

1231 E Beltline Ave NE, MS 2305

Grand Rapids, MI 49525

Grand Rapids, MI 49525

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This Form A Statement Regarding the Acquisition of Control of or Merger with a Domestic Insurer (this “Form A”) is being submitted to the Commissioner of Insurance of the State of Wisconsin (the “Commissioner”) by Priority Health, a Michigan nonprofit corporation (the “Applicant”), proposes to acquire control of Group Health Cooperative of Eau Claire, a Wisconsin cooperative, (“GHC” or the “Domestic Insurer”) by becoming the sole Class A voting member of GHC (the “Proposed Substitution”). The Applications respectfully seek the Commissioner’s approval, pursuant to the requirements of Wis. Stat. § 611.72, with respect to the Applicants’ acquisition of control of the Domestic Insurers, as more fully described herein.

### **Confidentiality Legend**

This Form A, together with all attachments hereto and documents submitted in connection with this filing (the “Filings”) contain confidential and/or proprietary business information and strategies that are not otherwise available to the public that, if disclosed, could cause substantial injury to the competitive position of the Domestic Insurer and the Applicant (the “Confidential Information”). Because of the nature of the Confidential Information, the Applicant and the Domestic Insurer have not publicly released such Confidential Information. Accordingly, the parties to the transaction respectfully request that the Office of the Commissioner of Insurance of the State of Wisconsin (“OCI”) treat such information as confidential and except it from disclosure pursuant to all applicable provisions of law, including but not limited to, s. 19.36(5) and 601.465, Wis. Stats. The parties specifically request that each party be: (i) notified in advance of any proposed disclosure of such confidential materials by OCI and (ii) given reasonable opportunity to seek a protective order or to take other action to prevent or limit any such disclosure.

Specifically, the Applicant respectfully requests that Appendices B, D, E, and F constitute Confidential Information. All such Confidential Information is provided with the express understanding that the confidentiality of such information will be safeguarded.

In addition, the NAIC biographical affidavits, provided with the Form A as Appendix D and E, contain certain Confidential Information that is not otherwise available to the public, is subject to financial privacy and individual privacy protections, and should be afforded confidential treatment. All such NAIC biographical affidavits were provided with the express understanding that the Confidential Information contained therein will be safeguarded and the individuals submitting NAIC biographical affidavits protected from unwarranted invasions of personal privacy pursuant to all applicable provisions of law, including, but not

limited to, s. 19.36, Wis. Stats. and any other applicable statutory or regulatory authority available to the Commissioner.

For the reasons set forth above, the Applicant hereby requests confidential treatment and non-disclosure of the Confidential Information pursuant to Wisconsin and federal law. It is the Applicant's position that excluding the Confidential Information from the public disclosure is a reasonable means for continuing to protect the highly sensitive nature of the Confidential Information.

## FORM A

### ITEM 1. INSURER AND METHOD OF ACQUISITION

*State the name and address of the domestic insurer to which this application relates and briefly describe how control is to be acquired.*

*Name and Address:*

Group Health Cooperative of Eau Claire

2503 North Hillcrest Parkway

Altoona, WI 54720

NAIC# 95192

EIN# 39-6252984

*Brief Description of Control Acquisition:*

Pursuant to a Membership Substitution Agreement, dated July 22, 2025, Priority Health, a Michigan nonprofit corporation (“Priority Health”), proposes to acquire control of Group Health Cooperative of Eau Claire, a Wisconsin cooperative, (“GHC” or the “Domestic Insurer”) by becoming the sole Class A voting member of GHC (the “Proposed Substitution”). The Proposed Substitution will close immediately following that certain asset purchase transaction by GHC of substantially all of the assets of its management services organization, KMTSJ, Inc. a Wisconsin corporation (the “Business Sale”). The Business Sale terms are provided in that certain Transaction Agreement for Consolidation, dated July 22, 2025, (the “Transaction Agreement”) between GHC and KMTSJ that is the subject to the separately filed Form D Prior Notice of a Transaction. A copy of the Membership Substitution Agreement is attached as Appendix A, with Confidential Information redacted. An unredacted copy of the Membership Substitution Agreement is attached as Appendix B.

Priority Health’s proposed acquisition of control of GHC fulfills GHC’s obligation to pay off the balance of consideration to KMTSJ as described in the Transaction Agreement. After closing, Priority Health would take control of GHC as the sole voting member of GHC. Rebranding and further integration would follow in the longer term. At closing and following, Priority Health has committed to the items listed in Sections 1.3 and 1.4 of the Membership Substitution Agreement.

### ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

*(a) State the name and address of the applicant seeking to acquire control over the insurer.*

Priority Health  
1231 East Beltline NE  
Grand Rapids, MI 49525

Corewell Health  
100 Michigan Street NE  
Grand Rapids, MI 49503

*(b) If the applicant is not an individual, state the nature of its business operations for the past 5 years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.*

Priority Health is a Michigan nonprofit corporation and is exempt from federal taxation pursuant to Section 501(c)(4) of the Code. Priority Health is a nationally recognized nonprofit health benefits company focused on improving the health and lives of its over one million members. It is recognized as a leader for quality, customer service, transparency, and product innovation. It is a controlled affiliate of Corewell Health, a nonprofit integrated healthcare system and the largest healthcare system in Michigan.

Priority Health is a majority-owned subsidiary of Corewell Health. Corewell Health owns 94.44% of Priority Health, with the remaining 5.56% owned by Munson Healthcare. Corewell Health provides health care and coverage with a team of over 65,000 people—including more than 12,000 physicians and advanced practice providers and more than 15,500 nurses providing care and services in 21 hospitals, 300+ outpatient locations and several post-acute facilities all located in Michigan's Lower Peninsula.

There has been no acquisition or disposition of control by Corewell Health or Priority Health, nor has there been any subsequent material changes in the financial condition of Corewell Health or Priority Health. In February of 2022, Corewell Health, formerly Spectrum Health, entered into an integration transaction with Beaumont Health, which included becoming the sole member of Beaumont Health and which resulted in some board and management changes and eventual name change to Corewell Health. This transaction did not represent an acquisition or disposition of control of Corewell Health. Both Corewell Health and Priority Health make changes to their respective management and board of directors from time to time in the ordinary course of business.

None of Priority Health, Corewell Health or any of its current affiliates plan to do any additional business in the state of Wisconsin. Priority Health intends to maintain GHC as a subsidiary of Priority Health. Therefore, we foresee GHC continuing its current business, with hopes potentially in the future to increase its membership in its current markets and potentially expand its markets.

*(c) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing, indicate the type of organization (e.g., corporation, trust, partnership) and the state of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.*

An organizational chart with the required information for each of Priority Health and Corewell Health entities is provided as Appendix C.

### **ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT**

*On the biographical affidavit, include a third party background check and state the following with respect to (1) the applicant if the applicant is an individual or (2) all persons who are directors, executive officers or owners of 10% or more of the voting securities of the applicant if the applicant is not an individual.*

*(a) Name and business address;*

*(b) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;*

*(c) Material occupations, positions, offices or employment during the last 5 years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental*

*agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection with the license or registration whether pending or concluded.*

*(d) Whether or not such person has ever been convicted in a criminal proceeding (excluding traffic violations not involving death or injury) during the last 10 years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.*

Biographical affidavits for the Priority Health Board of Directors and Corewell Health Board of Directors are attached as Appendices D and E. All biographical affidavits for directors and officers are provided as Confidential Information.

#### **ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION**

*(a) Describe the nature, source and amount of funds or other considerations used, or to be used, in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.*

Priority Health is paying the consideration in cash from its cash reserves and those of its parent company, Corewell Health; therefore, no amounts will be borrowed.

*(b) Explain the criteria used in determining the nature and amount of such consideration.*

The nature and form of the consideration are described in Appendix 1, Section 1, of the Transaction Agreement and Article 1 of the Member Substitution Agreement. The nature of the consideration was arrived at after arms' length negotiations between the parties after each utilized independent, third-party external experts, as well as internal experts, to determine the value of GHC.

#### **ITEM 5. APPLICANT'S FUTURE PLANS FOR THE INSURER**

*Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate the insurer, to sell the insurer's assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.*

Priority Health and Corewell Health do not have any plans or proposals which would cause GHC either to declare an extraordinary dividend, to liquidate the company, to sell its assets or merge or consolidate it with any person. Planned changes in management include appointment of Nicholas Gates, Interim President of Priority Health, as President; appointment of Dave Weader, SVP and General Counsel of Priority Health, as Secretary; and appointment of new members of the Board of Directors. Priority Health plans to retain GHC's personnel. The current General Manager of GHC, Sarah North, will remain as the executive leader of GHC for at least 18 months after control is acquired by Priority Health. Other key executive leaders are also anticipated to remain with GHC for that same period

Over the years following the change of control, GHC will evaluate expansion opportunities, cost savings opportunities, additional product offerings, brand strategies, and network development in its existing market and potential new markets.

After the change of control, current employees of GHC may become employees of Corewell Health. When a Management Agreement is entered into in the future, it would be filed with the Wisconsin Office of the Commissioner of Insurance (OCI) through the filing of Form D.

## **ITEM 6. VOTING SECURITIES TO BE ACQUIRED**

*State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire; and the terms of the offer, request, invitation, agreement or acquisition; and a statement as to the method by which the fairness of the proposal was arrived at.*

In exchange for the closing consideration and the mutual covenants set forth, GHC shall cause its Articles of Incorporation and Bylaws to be amended and restated, effective as of the closing date of the Member Substitution Agreement, to designate Priority Health as the sole voting member of GHC. As a result of these actions, Priority Health will become the sole voting member of GHC. The terms of this change of control were arrived at through arms-length negotiations between the parties and as otherwise described in Item 1.

## **ITEM 7. OWNERSHIP OF VOTING SECURITIES**



*State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial by the applicant, its affiliates or any person listed in Item 3.*

None of Priority Health, Corewell Health, or their directors, officers, or employed leaders currently own any voting shares in GHC.

#### **ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER**

*Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom the contracts, arrangements or understandings have been entered into.*

Except as provided in the Membership Substitution Agreement, there are no existing contracts, arrangements, or understandings which meet this description.

#### **ITEM 9. RECENT PURCHASES OF VOTING SECURITIES**

*Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in the description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefor. State whether any shares so purchased are hypothecated.*

During the last twelve calendar months preceding the filing of this Statement, neither the acquiring parties, nor their affiliates, nor any person listed in Item 3 has purchased any voting securities of the company.

#### **ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE**

*Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or*

*at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.*

During the last twelve calendar months preceding the filing of this Statement, neither the acquiring parties, nor their affiliates, nor any person listed in Item 3, nor anyone based upon interviews or at the suggestion of the acquiring party has made any recommendations to purchase voting securities of the company.

#### **ITEM 11. AGREEMENTS WITH BROKER-DEALERS**

*Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.*

None of Priority Health, Corewell Health, or any of their affiliates has any agreements, contracts, or understandings made with any broker-dealer as to solicitation of voting securities of the company for tender with regard to this transaction.

#### **ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS**

*(a) Pursuant to s. 601.42, Stat., financial statements, exhibits, and three-year financial projections of the insurer(s) shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.*

All financial statements requested under this Item 12(a) are provided as confidential appendices below:

Please see Appendix F – Three-Year Projections.

*(b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding 5 fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if the information is available. The statements may be prepared either on an individual basis or, unless the commissioner otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business. The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such*

*statements present fairly the financial position of the applicant and the results of its operations for the person's last fiscal year, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the annual statement of the person filed with the insurance department of the person's state of domicile and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of the state.*

All financial statements requested under this Item 12(b) are provided below:

Please see Appendix G - Item 12(b) Statutory-Basis Financial Statements and Supplementary Information Years Ended December 31, 2020 and 2019 with Reports of Independent Auditors.

Please see Appendix H - Item 12(b) Statutory-Basis Financial Statements and Supplementary Information Years Ended December 31, 2021 and 2020 with Reports of Independent Auditors.

Please see Appendix I - Item 12(b) Statutory-Basis Financial Statements and Supplementary Information Years Ended December 31, 2022 and 2021 with Reports of Independent Auditors.

Please see Appendix J - Item 12(b) – Statutory-Basis Financial Statements and Supplementary Information Years Ended December 31, 2023 and 2022 with Reports of Independent Auditors.

Please see Appendix K - Item 12(b) Statutory-Basis Financial Statements and Supplementary Information Years Ended December 31, 2024 and 2023 with Reports of Independent Auditors.

*(c) File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last 2 fiscal years, and any additional documents or papers required by form A or ss. Ins 40.11 and 40.13, Wis. Adm. Code.*

There are no such offers as this change of control will be accomplished through a membership substitution via the executed restated Articles of Incorporation and Bylaws of GHC.

#### **ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT**

*Applicant agrees to provide, to the best of its knowledge and belief, the information required by form F within fifteen (15) days after the end of the month in which the acquisition of control occurs.*

Priority Health and Corewell Health acknowledge that they will provide a Form F within 15 days after the end of the month in which the change of control occurs.

## ITEM 14. SIGNATURE AND CERTIFICATION

### SIGNATURE

Pursuant to the requirements of Ch. Ins 40, Wis. Adm. Code, Priority Health has caused this application to be duly signed on its behalf in the City of Grand Rapids and State of Michigan on the day of August 8, 2025.

(SEAL)

Priority Health

(Name of Acquiring Party)


By:

  
Nicholas Gates  
Interim President of Priority Health & Treasurer

Corewell Health

(Name of Acquiring Party)

By:

  
Nicholas Gates  
SVP, Finance

### CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached application dated August 8, 2025, for and on behalf of Priority Health; that (s)he is the Secretary of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

By:



Name: David Weader

Title: SVP, General Counsel and  
Secretary