
In the Matter of the Application for Conversion
of Blue Cross & Blue Shield United of Wisconsin,

Case No. 99-C26038

Petitioner.

NOTICE OF HEARINGS AND INVITATION FOR PUBLIC COMMENT

The Wisconsin Commissioner of Insurance will hold public hearings on Blue Cross & Blue Shield United of Wisconsin's proposed plan to convert to a stock insurance corporation.

PLEASE READ THIS NOTICE CAREFULLY

*** HEARING IS SCHEDULED

DATE: Class 1 Contested Case Administrative Hearing
November 29, 1999, at 10:00 a.m. to 12:00 p.m. (noon)
unless further continued by the Commissioner.

DATE: Public Hearing
November 29, 1999, 12:00 p.m. (noon) to 4:00 p.m.

PLACE: Italian Community Center
631 East Chicago Street
Milwaukee, Wisconsin

DATE: Public Hearing
November 30, 1999, at 10:00 a.m.

PLACE: Laird Room, University Center
1015 Reserve Street
U.W.Stevens Point
Stevens Point, Wisconsin

Class 1 Contested Case Administrative Hearing

A Class 1 contested case administrative hearing on the proposed plan of conversion under ch. 227 and ss. 611.76 and 613.75, Wis. Stat., will be conducted on November 29, 1999, between 10:00 a.m. and 12:00 p.m. (unless sooner concluded, continued, or extended at the direction of the Commissioner) before Commissioner of Insurance Connie L. O'Connell. All motions in the Class 1 hearing, other than motions that necessarily must be made at the hearing, shall be filed with the Commissioner not later than November 19, 1999. Only persons admitted as parties to the Class 1 proceeding may participate in this Class 1 administrative hearing. However, attendance by the public is encouraged and welcome. The information presented in the Class 1 hearing may be of value to interested members of the public.

Public Hearing

The Commissioner will conduct a public and informational hearing under ss. 601.41 (5), 611.76 (6), and 613.75, Wis. Stat., on November 29, 1999, at the above-designated location in Milwaukee, Wisconsin, commencing immediately after the Class 1 administrative hearing, approximately 12:00 p.m. (noon), unless such administrative hearing is continued or extended by the Commissioner. The Commissioner will reconvene the public and informational hearing on November 30, 1999, at the above-designated location in Stevens Point, Wisconsin at 10:00 a.m.

(1) The public is invited to testify at the public hearing. A time limit of five minutes for oral testimony will apply unless the Commissioner sets a shorter period to accommodate the number of speakers registered. Since time for oral testimony may be limited, the public is invited to submit written comment as well as, or in lieu of, oral testimony. The public is encouraged to submit written comments to the Commissioner by November 19, 1999, but written comments may be submitted at any time prior to or at the public hearing. Written comments may be directed to Attention: Blue Cross Conversion Comments, Office of the Commissioner of Insurance, P. O. Box 7873, Madison, Wisconsin 53707-7873.

(2) The Commissioner will accept written comments after the November 30, 1999, conclusion of the public hearing until December 13, 1999.

Issues

The issues to be considered at the Class 1 contested case administrative hearing, and with respect to which the public is invited to comment in the informational hearing, are as follows:

(1) Conversion of Blue Cross & Blue Shield United of Wisconsin from a nonprofit service insurance corporation to a stock insurance corporation.

(2) Whether or not, under ss. 611.76 and 613.75, Wis. Stat., the Plan of Conversion violates the law or is contrary to the interests of the policyholders of Blue Cross & Blue Shield United of Wisconsin or the public. In determining the interests of the policyholders and the public, the Commissioner will consider whether:

- (a) The conversion would be detrimental to the safety and soundness of the insurer.
- (b) The conversion would be detrimental to the contractual rights and reasonable expectations of the persons who are policyholders on or before the effective date of the conversion.

How to Obtain Information

A copy of the summary of the plan of conversion and the document "Advancing the Health of Wisconsin's Population" (the proposed plan regarding the ultimate disposition of conversion proceeds), may be obtained from Blue Cross & Blue Shield United of Wisconsin by visiting its web site at www.bcbsuw.org or by request directed to Attention: Corporate Communications, Blue Cross & Blue Shield United of Wisconsin, P. O. Box 2025, Milwaukee, WI 53201, or telephone (414) 226-5754. The public may inspect a copy of the 1,000 page plan of conversion by visiting the offices of Blue Cross & Blue Shield United of Wisconsin at 401 West Michigan Street, Milwaukee, Wisconsin, or the Office of the Commissioner of Insurance, 121 East Wilson Street, Madison, Wisconsin. Any one wishing to obtain a copy of the Application for Conversion is encouraged to download it from the Blue Cross & Blue Shield United of Wisconsin web site. However, a copy may be obtained for the cost of reproduction [estimated at \$151.25] by request directed to either Blue Cross & Blue Shield United of Wisconsin or to the Office of the Commissioner of Insurance.

Dated at Madison, Wisconsin, this 3rd day of November 1999.

Connie L. O'Connell
Commissioner of Insurance