

In the Matter of the Acquisition of Control of  
Network Health Plan and Network Health Insurance Corporation

NOTICE OF HEARING

by Froedtert Health, Inc.

Petitioner.

Case No. 14-C40237

\*\*\* PREHEARING CONFERENCE DATE: October 29, 2014, at 9:00 a.m. (C.D.S.T.)  
IS SCHEDULED

PLACE: Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, Wisconsin 53703

\*\*\* HEARING IS SCHEDULED DATE: October 29, 2014, at 9:05 a.m. (C.D.S.T.)

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125 South Webster Street  
Madison, Wisconsin 53703

\*\*\*PLEASE READ CAREFULLY\*\*\*

A class 1 hearing under s. 611.72 and chs. 227 and 617, Wis. Stat., will be held before Rebecca L. Easland, duly appointed hearing examiner, at the time and place stated above, to be continued at any time and place the hearing examiner considers necessary, to consider the matters set forth in this Notice of Hearing.

The issues to be considered are as follows:

(1) The plan for the acquisition of control of Network Health Plan and Network Health Insurance Corporation by Froedtert Health, Inc. (the "Petitioner").

(2) The names, addresses, and interrelationships of all affiliates and principals of the Petitioners at the time of the filing and after the request is granted if the plan is approved.

(3) Whether or not, under s. 611.72 and ch. 617, Wis. Stat.

- (a) The plan would violate the law or be contrary to the interests of the insureds of Network Health Plan or Network Health Insurance Corporation, participating domestic corporations, or of the Wisconsin insureds of any participating nondomestic corporation.
- (b) After the acquisition of control, the Network Health Plan and Network Health Insurance Corporation will be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which each is presently licensed.

- (c) The effect of the proposed transaction would be to create a monopoly or substantially to lessen competition in insurance in Wisconsin.
- (d) The proposed transaction is likely to jeopardize the financial stability of the Network Health Plan or Network Health Insurance Corporation, or to prejudice the interests of their Wisconsin policyholders.
- (e) Any plans or proposals which the acquiring party has to liquidate the Network Health Plan or Network Health Insurance Corporation or their parent corporation, sell their assets, or consolidate or merge them with any person, or make any other material change in their business or corporate structure or management are fair and reasonable to policyholders of the domestic stock insurance corporations or in the public interest.
- (f) The competence and integrity of the persons who would control the operations of Network Health Plan, Network Health Insurance Corporation or their parent corporation are such that it would be in the interest of the policyholders of Network Health Plan and Network Health Insurance Corporation and of the public to permit the acquisition of control.

(4) Whether the Petitioners have complied with the filing requirements of s. Ins 40.02, Wis. Adm. Code.

Dated at Madison, Wisconsin, this 13<sup>th</sup> day of October, 2014.



Rebecca L. Easland  
Hearing Examiner