

July 6, 2020

**VIA EMAIL ONLY**

Steven J. Junior  
Insurance Program Manager  
Division of Financial Regulation  
State of Wisconsin  
Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, Wisconsin 53703

Re: Form A Regarding the Proposed Acquisition of Control of Quartz Health Plan Corporation by Advocate Aurora Health, Inc. and Aurora Health Care, Inc.  
***Supplemental Responses and Filing of Confidential Information***

Dear Mr. Junior:

Reference is made to your email regarding the above-captioned matter, dated June 28, 2020. Please find below the requests made in that letter (in bold type) and a response to each request from Advocate Aurora Health, Inc. and Aurora Health Care, Inc. (collectively, "AAH").

Exhibits 1, 3, 4, 5, 9, 10 and 11 contain confidential information that could put AAH at a competitive disadvantage if it were to become known by the public. AAH takes reasonable efforts to keep this information confidential. Accordingly, the information constitutes a "trade secret" under Section 134.90(1)(c), because it "derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use" and because the information "is the subject of efforts to maintain its secrecy" that are exempt from the public records law under Section 19.36(5), Wis. Stat. and Wis. Admin. Code § Ins 6.13(2). Additionally, the Wisconsin Office of the Commissioner of Insurance ("OCI") may withhold this information from disclosure under Section 601.465(1m)(a), Wis. Stat. and Wis. Admin. Code § Ins 40.05. Accordingly, we request that you do not release Exhibits 1, 3, 4, 5, 9, 10 and 11 to the public. Additionally, the information enclosed with this letter as Exhibit 10 is submitted subject to a request for confidential treatment under Section 601.465, Wis. Stat.



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**1. The Disclosure Schedules to the Exchange Agreement dated May 1, 2020, by and among Gundersen Lutheran Health System, Inc.; University Health Care, Inc., Iowa Health System, Aurora Health Care, Inc., Quartz Holding Company, and Quartz Health Plan Corporation, including any subsequent supplement and amendment to a Disclosure Schedule. The Disclosure Schedules will be accorded confidential treatment pursuant to s. 601.465, Wis. Stat. If, after review, in the unlikely event this Office believes that one or more specific disclosure schedules should not be kept confidential, we will discuss the matter with you.**

AAH's Disclosure Schedules, which have not as of this time been amended, are attached as Exhibit 1. If AAH's Disclosure Schedules are amended before the Closing, we will provide a copy to OCI promptly. The remaining Disclosure Schedules have been provided under separate cover by Quartz Health Plan Corporation.

**2. Please file the biographical affidavits of the directors and officers of Advocate Aurora Health, Inc. and Aurora Health Care, Inc.**

The biographical affidavits of the directors and officers of AAH are being sent to your attention under separate cover.

**3. Implementation Agreement by and between Advocate Aurora Health, Inc. and Quartz Health Solutions, Inc, dated January 15, 2020**

An unredacted copy of the Implementation Agreement is enclosed with this letter as Exhibit 3, and is being submitted pursuant to a request for confidential treatment. A *redacted* copy of the Implementation Agreement is also enclosed with this letter, and we request that only the *redacted* copy be made publicly available.

**4. Risk Based Capital Agreement by and between Advocate Aurora Health, Inc. and Quartz Health Plan Corporation dated January 15, 2020**

An unredacted copy of the Risk Based Capital Agreement is enclosed with this letter as Exhibit 4, and is being submitted pursuant to a request for confidential treatment. A *redacted* copy of the Risk Based Capital Agreement is also enclosed with this letter, and we request that only the *redacted* copy be made publicly available.

**5. Non-Disclosure Agreement by and among Gundersen Lutheran Health System, Inc., University Health Care, Inc., Iowa Health System and Advocate Aurora Health, Inc., dated March 12, 2019, and also as this Non-Disclosure Agreement was amended on May 16, 2019**

A copy of the Non-Disclosure Agreement, as amended, is enclosed with this letter as Exhibit 5, and is being submitted pursuant to a request for confidential treatment *in its entirety*.



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**6. Exchange Agreement by and between Gundersen Lutheran Health System, Inc. and University Health Care, Inc. dated December 18, 2015, also known as the Initial Exchange Agreement in the context of this transaction**

The Exchange Agreement has been provided under separate cover by Quartz Health Plan Corporation.

**7. Exchange Agreement by and among Gundersen Lutheran Health System, Inc. University Health Care, Inc., and Iowa Health System dated April 6, 2017, also known as the Second Exchange Agreement in the context of this transaction**

The Second Exchange Agreement has been provided under separate cover by Quartz Health Plan Corporation.

**8. Stockholders Agreement of Quartz Holding Company**

The Stockholders Agreement has been provided under separate cover by Quartz Health Plan Corporation.

**9. Participating Provider Agreement by and between Aurora Health Care, Inc. and Quartz Health Solutions, Inc. with an effective date of January 1, 2020 and related addenda. The Participating Provider Agreement and related addenda will be accorded confidential treatment pursuant to s. 601.465, Wis. Stat.**

The Participating Provider Agreement is enclosed with this letter as Exhibit 9.

**10. From 2021 to 2023 inclusive, what additional number of new enrollees and amount of direct premium written are anticipated to be generated by Quartz Health Plan Corporation from the Advocate Aurora Quartz Commercial Products and the Advocate Aurora Quartz Medicare Advantage Products, respectively? The exhibit sent in response to this question will be accorded confidential treatment pursuant to s. 601.465, Wis. Stat.**

This information is enclosed with this letter as Exhibit 10.

**11. What, if anything, does Aurora plan to do or change with respect to its investment in Wisconsin Collaborative Insurance Company in view of the proposed acquisition of control of Quartz Health Plan Corporation by Advocate Aurora Health, Inc. and Aurora Health Care, Inc.?**

This information is enclosed with this letter as Exhibit 11, and is being submitted pursuant to a request for confidential treatment.



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Should you require additional information, or have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Morgan J. Tilleman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Morgan J. Tilleman

MJT/ms

cc: Ruhee Divgi, Esq.