

In the Matter of the Acquisition of Quartz
Health Plan Corporation, Quartz Health
Insurance Corporation, and Quartz
Health Benefit Plans Corporation by
Bellin Gundersen Health System, Inc.

PROPOSED DECISION

Petitioners.

Case No. 23-C45002

Case No. 23-C45003

Case No. 23-C45004

Amy J. Malm, Hearing Examiner, Presiding

APPEARANCES**For the Office of the
Commissioner of Insurance:**

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Other Appearances:

N/A

PRELIMINARY

Pursuant to a Notice of Hearing dated June 13, 2023, a hearing was held by teleconference on or about 11:00 a.m. on June 26, 2023, to determine whether the Petitioners' application for approval of the plan for acquisition of control should be granted. Based on the record, the Hearing Examiner makes the following:

PROPOSED FINDINGS OF FACT

- (1) Bellin Gundersen Health System, Inc., a not-for-profit corporation, located at 1900 South Avenue, La Crosse, WI 54601.
- (2) Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation, the Domestic Insurers, located at 2650 Novation Parkway, Fitchburg, WI 53713.
- (3) The Petitioner filed with the Office of the Commissioner of Insurance an application for approval of the acquisition of Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation
- (4) The Petitioners were served with a Notice of Hearing.
- (5) The Petitioners fulfilled the filing requirements of s. Ins 40.02, Wis. Adm. Code.
- (6) The plan will not violate the law or be contrary to the interests of the insureds of Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation
- (7) After the acquisition of control of Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation, will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.

(8) The effect of the acquisition of control will not be to create a monopoly or substantially to lessen competition in any type or line of insurance in Wisconsin.

(9) The financial condition of Bellin Gundersen Health System, Inc. is not likely to jeopardize the financial stability of Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation, or to prejudice the interests of its Wisconsin policyholders.

(10) There are no plans or proposals to liquidate the domestic insurers, Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation, to sell its assets (other than investment portfolio transactions in the ordinary course of business), or to consolidate or merge it with any person or make any other material change in its business or corporate structure other than as described in the plan.

(11) The competence and integrity of the persons who will control the operation of the domestic insurers, Quartz Health Plan Corporation, Quartz Health Insurance Corporation, and Quartz Health Benefit Plans Corporation, are such that it will be in the interest of the policyholders and the public to permit the acquisition of control.

PROPOSED CONCLUSION OF LAW

(12) The proposed findings of fact set forth above establish that the requirements of s. 611.72 and ch. 227 and 617, Wis. Stat., and ch. Ins 40, Wis. Adm. Code, have been satisfied and approval of the plan should be granted.

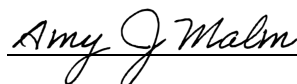
PROPOSED ORDER

NOW, THEREFORE, based upon the findings of fact and conclusion of law, I hereby recommend that:

(13) The Petitioner shall agree to, sign, and comply with the stipulations included in the Stipulation and Order dated June 26, 2023.

(14) The Petitioners' request for approval of the plan for acquisition of control should be approved.

Dated at Madison, Wisconsin, this 26th day of June, 2023.



Amy J. Malm
Hearing Examiner