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In the Matter of the Acquisition of Control  
of Quartz Health Insurance Company and  
Quartz Health Benefit Plans Corporation  
by Advocate Aurora Health, Inc. and  
Aurora Health Care, Inc.

PROPOSED DECISION

Petitioners.

Case No. 21-C44213  
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Amy J. Malm, Hearing Examiner, Presiding

APPEARANCESFor the Office of the  
Commissioner of Insurance:

Christopher Martin, Domestic Licensing Specialist  
Division of Financial Regulation  
125 South Webster Street  
Madison, Wisconsin 53703

For the Petitioners:

Jennifer Atkins  
Senior Vice President, Managed Care Strategy  
Advocate Aurora Health  
3075 Highland Parkway  
Downers Grove, IL 60515

Daniel Brzozowski  
Associate General Counsel  
Advocate Aurora Health  
750 West Virginia Street  
Milwaukee, WI 53204

Morgan Tilleman  
Partner  
Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202

Other appearances:

Christine Senty  
Vice President and General Counsel  
Quartz  
840 Carolina Street, Sauk City, WI 53583

PRELIMINARY

Pursuant to a Notice of Hearing dated January 18, 2022, a hearing was held by teleconference on or about 1:00 p.m. on January 28, 2022, 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) Advocate Aurora Health, Inc. and Aurora Health Care, Inc., the Petitioners, 750 West Virginia Street, Milwaukee, Wisconsin 53204, a Delaware nonprofit corporation and Wisconsin nonstock corporation, respectively.

(2) Quartz Health Insurance Company and Quartz Health Benefit Plans Corporation, the Domestic Insurers, 840 Carolina Street, Sauk City, WI 53583, Wisconsin stock insurance corporations.

(3) The Petitioner filed with the Office of the Commissioner of Insurance an application for approval of the acquisition of Quartz Health Insurance Company 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 Insurance Company and Quartz Health Benefit Plans Corporation.

(7) After the acquisition of control, Quartz Health Insurance Company 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 Advocate Aurora Health, Inc. and Aurora Health Care, Inc., are not likely to jeopardize the financial stability of Quartz Health Insurance Company 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 Insurance Company 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 Insurance Company 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 Petitioners' request for approval of the plan for acquisition of control should be approved.

Dated at Madison, Wisconsin, this 28th day of January, 2022.

*Amy J Malm*

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Amy J. Malm  
Hearing Examiner