

Junior, Steve

From: Gomez, Jorge
Sent: Wednesday, December 15, 2004 1:06 PM
To: 'Tim Size'
Cc: Nepple, Fred; Blumer, Randy; Junior, Steve; Peterson, Roger
Subject: RE: Comments Re Hearing On UW Reacquiring of Unity Health Plan

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Dear Tim,
I will make these comments a part of the record.
Jorge Gomez

16DEC.2004

04-C29300

-----Original Message-----

From: Tim Size [mailto:timsize@rwhc.com]
Sent: Wednesday, December 15, 2004 11:12 AM
To: Jorge Gomez
Cc: Jane Barnett
Subject: Comments Re Hearing On UW Reacquiring of Unity Health Plan

Dear Commissioner Gomez:

Please accept the following comments as you consider the UW proposal to reacquire Unity Health Plans.

- I have been involved with Unity, and before it HMO of Wisconsin since its beginnings in the early '80s. First as a founder, then as its CEO and in later years as a Board advisor and representative of rural hospital and physician interests in the Joint Venture.
- Everything I know and have seen leads me to totally support the UW's exercising of its contractual right to repurchase Unity.
- No partnership can prosper when it is based on coercion; the efforts of WellPoint to strong arm the UW to stay in a partnership makes public an impression of the corporate values and behavior that I believe have led the UW to take this action. It appears that WellPoint is trying to achieve through political muscle what it could not achieve as a business partner.
- The very foundation of the UW-WellPoint relationship was to allow either party, at five year intervals, to end the joint venture. For the UW that has always meant the contractually guaranteed right to buy back the company on the previously mutually agreed to terms.
- Having worked with BX, then Cobalt, then WellPoint during most all of the Joint Venture up until earlier this year, the right of the UW to buy back the company was never questioned and not infrequently referenced by all parties.
- It is puzzling that BX frequently called their transfer of BX stock to the University and MCW a "Gift" (when they sought approval for their conversion to for-profit status) but now is talking as if it was some sort of unwritten amendment to the Joint Venture that should prohibit the UW exercising its right to buy back the company.
- I believe that Unity, under UW management, is more likely to retain jobs in Sauk City, which are an important part of our local economy. I believe it is more likely in all of its dealings to work in a manner that is more responsive to the local communities in Wisconsin.

Thanks.

12/15/2004

Tim

Tim Size, Executive Director
Rural Wisconsin Health Cooperative

880 Independence Lane
P. O. Box 490
Sauk City
Wisconsin 53583

(v) 608-643-2343 (f) 608-643-4936

<<http://www.rwhc.com>>