

In the Matter of the Plan for the Acquisition of Control of
Health Tradition Health Plan by WEA Insurance Corporation

NOTICE OF HEARING
Case No. 18-C42753

Petitioner.

*** PRE-HEARING CONFERENCE DATE: August 15, 2018, at 12:00 p.m. (C.D.S.T)
IS SCHEDULED

*** HEARING IS SCHEDULED DATE: August 15, 2018, at 12:15 p.m. (C.D.S.T.)

PLACE: Office of the Commissioner of Insurance
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 Amy J. Malm, 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.

A pre-hearing conference will be held on August 15, 2018 to consider any prehearing and procedural matters pursuant to s. Ins 5.33, Wis. Adm. Code. The failure to raise pre-hearing matters at the pre-hearing conference may act as a waiver of those rights at the class 1 hearing.

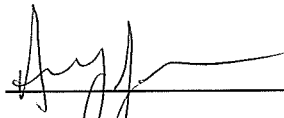
The issues to be considered are as follows:

- (1) The plan for the acquisition of control of Health Traditions Health Plan by the Petitioner (the "plan").
- (2) The names, addresses, and interrelationships of all affiliates and principals of the Petitioner 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, Wis. Stat., and s. Ins 40.02, Wis. Adm. Code:
 - (a) The plan would violate the law or be contrary to the interests of the insureds of Health Traditions Health Plan, a participating domestic corporation, or of the Wisconsin insureds of any participating nondomestic corporation.
 - (b) After the acquisition of control, the domestic stock insurance corporation would be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed.
 - (c) The effect of the acquisition of control would be to create a monopoly or substantially to lessen competition in insurance in Wisconsin.

- (d) The financial condition of any acquiring party is likely to jeopardize the financial stability of the domestic stock insurance corporation or its parent insurance holding corporation, or to prejudice the interests of its Wisconsin policyholders.
- (e) Any plans or proposals which the acquiring party has to liquidate the domestic stock insurance corporation or its parent insurance holding 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 corporation or in the public interest.
- (f) The competence and integrity of the persons who would control the operation of the domestic stock insurance corporation or their parent insurance holding corporation are such that it would be in the interest of the policyholders of the domestic stock insurance corporation and of the public to permit the acquisition of control.

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

Dated at Madison, Wisconsin, this 30th day of July, 2018.



Amy J. Malm
Hearing Examiner