

FORM A

**STATEMENT REGARDING THE ACQUISITION OF CONTROL OF OR MERGER
WITH A DOMESTIC INSURER**

Filed with the Office of the Commissioner of Insurance,
State of Wisconsin

ASPIRUS HEALTH PLAN, INC.

by

ST. LUKE'S HOSPITAL OF DULUTH

Dated November 7, 2023

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

Katherine Becker
Vice President of Corporate Compliance
St. Luke's Hospital of Duluth
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With a copy to

Elizabeth A. Elias
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ITEM 1. INSURER AND METHOD OF ACQUISITION

The name of the domestic insurer to which this application (this “**Form A**”) relates is Aspirus Health Plan, Inc. (“**AHP**” or the “**Domestic Insurer**”). The address of the Domestic Insurer is 3000 Westhill Drive, Suite 303, Wausau, WI 54401. AHP is organized under Chapters 611 and 180 of the Wisconsin Statutes and is 100% directly owned by Aspirus Health Ventures, Inc. (“**AHV**”), a wholly owned subsidiary of Aspirus, Inc. (“**Aspirus**”), a Wisconsin non-profit corporation organized under Chapter 181 of the Wisconsin Statutes.

Aspirus is the ultimate parent entity of an integrated healthcare delivery system that provides the full continuum of healthcare services to communities in Wisconsin. Aspirus’ charitable healthcare mission, carried out through AHP and its affiliates, is to promote and improve the quality and expand the scope and accessibility of affordable healthcare and healthcare-related services for the communities Aspirus services. AHP was formed in 2016 as a Wisconsin-domiciled health maintenance organization to further Aspirus’s charitable healthcare mission.

St. Luke’s Hospital of Duluth (“**SLH**” or the “**Applicant**”) is a Minnesota non-profit corporation organized under Chapter 304A of the Minnesota Statutes and shares this charitable healthcare mission.

SLH and Aspirus have agreed, subject to among other things, the receipt of all required regulatory approvals, including the approval of this Form A by the Wisconsin Office of the Commissioner of Insurance (the “**Commissioner**”), that SLH and its subsidiaries (the “**SLH System**”) will affiliate and integrate with Aspirus and its subsidiaries, including AHP (the “**Aspirus System**”), pursuant to the terms of that certain Affiliation Agreement, by and between Aspirus and SLH, dated October 16, 2023 (the “**Affiliation Agreement**”), whereby Aspirus will become SLH’s sole corporate member (the “**Proposed Affiliation**”). True and correct copies of the Affiliation Agreement and the Disclosure Schedules to the Affiliation Agreement are attached hereto as Exhibit 1.1 and Exhibit 1.2, respectively, and are submitted under request for confidential treatment. Terms not defined in this Form A shall have the meanings ascribed to them in the Affiliation Agreement.

In connection with, and as a result of, the Proposed Affiliation, SLH will acquire the power to identify and nominate two individuals to serve on Aspirus’ Board of Directors (the “**Aspirus Board**”) until the Satisfaction of the Capital Commitment (as defined in the Affiliation Agreement and discussed in more detail below). The Aspirus Board has the power to cause the direction of the management and policies of AHP, the Domestic Insurer, through its wholly owned subsidiary AHV, the direct owner of AHP.

A summary of the steps to be taken to effectuate the Proposed Affiliation are provided below:

- i. Aspirus will amend and restate its Bylaws to permit SLH’s Board of Directors (the “**SLH Board**”) to identify and nominate, for appointment by Aspirus, two

individuals (the “**SLH Nominees**”) to serve on the Aspirus Board. Such nomination right will continue until the Satisfaction of the Capital Commitment unless such period is extended by Aspirus. The SLH Board has the exclusive right to identify and nominate successors and replacements for the SLH Nominees during such period. Aspirus’ Amended and Restated Bylaws will be substantially in the form of Exhibit 1.3 attached hereto.

- ii. SLH will amend and restate its Articles of Incorporation and Bylaws to:
 - a. Permit a sole member and designate Aspirus as such sole member.
 - b. Permit the Aspirus Board to identify and nominate two individuals (the “**Aspirus Nominees**”) to serve on the SLH Board. Further, until the Satisfaction of the Capital Commitment, all SLH Board vacancies post-Affiliation will be nominated by the SLH Board and approved and appointed by the Aspirus Board.
 - c. Establish the SLH Board as a fiduciary board with authority and oversight over the business and affairs of the SLH System, subject to certain reserved powers and authorities of Aspirus as provided in Section 3.3(c) of the Affiliation Agreement (the “**Reserved Authority**”).

SLH’s Amended and Restated Articles of Incorporation and Bylaws will be substantially in the form of Exhibit 1.4 and Exhibit 1.5, respectively.

- iii. Aspirus will deploy approximately \$175 million of capital within the five (5) years following the Closing Date under the Affiliation Agreement and a total of at least \$300 million of capital within eight (8) years following the Closing Date, in each case on projects in the SLH Service Area (the “**Capital Commitment**”).

After the consummation of the Proposed Affiliation as described above, AHP’s Board of Directors (the “**AHP Board**”) will consist of the same persons currently serving on the AHP Board. The Aspirus Board will nominate and elect directors for AHP on a going-forward basis on substantially the same basis as the Aspirus Board does today through its control of AHV, AHP’s direct owner.

In addition to the changes to effectuate the Proposed Affiliation described above, the material terms of the Affiliation Agreement are summarized as follows:

- i. The Affiliation Agreement contains representations and warranties by the parties and imposes certain pre-closing covenants and post-closing indemnification obligations on the parties, in each case that are either customary for an affiliation of this nature or otherwise suitable for the Proposed Affiliation.
- ii. The Closing (as defined below) of the Proposed Affiliation is subject to closing conditions that are either customary for affiliations of this nature or otherwise suitable for this particular Proposed Affiliation, including, without limitation, conditions relating to the receipt of regulatory approvals (including with respect to

this Form A), accuracy at the Closing Date (as defined below) of certain representations and warranties made in the Affiliation Agreement, compliance with pre-closing covenants, the absence of any Material Adverse Effect, and the delivery of certain closing documentation.

- iii. The Affiliation Agreement provides that, subject to the satisfaction or waiver by the appropriate party of all the conditions precedent to Closing, the consummation of the Proposed Affiliation (the “**Closing**”) will take place at 10:00 a.m. (Central Time), on the last day of the month following the satisfaction or waiver of all of such conditions precedent, other than conditions that, by their nature, will be satisfied at the Closing (but subject to the fulfillment or waiver of those conditions), or such other time and date as mutually agreed upon by the Parties. The date on which the Closing occurs is referred to as the “**Closing Date.**” If the Closing occurs, then the Closing will be deemed effective as of 11:59:59 p.m. (Central Time) on the Closing Date.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) The Applicant

The name and address of the Applicant is as follows:

St. Luke’s Hospital of Duluth
915 East First Street
Duluth, Minnesota 55805

(b) The Applicant’s Business Operations

The Applicant is the parent entity of a Minnesota-based healthcare system, which, through its subsidiaries, operates two (2) hospitals, over forty (40) primary and specialty care clinics and two (2) pharmacies servicing communities in northeastern Minnesota, northwestern Wisconsin and the Upper Peninsula of Michigan (the “**SLH Service Area**”).

(c) Organization Chart

The chart attached hereto as Exhibit 2(c)(i) lists the identity of the Applicant and its subsidiaries. The chart attached hereto as Exhibit 2(c)(ii) shows the organizational structure of the Applicant and the Domestic Insurer, and their respective affiliates, as it will exist after the Proposed Affiliation. As discussed above in Item 1, the Applicant will control the Domestic Insurer, as defined under Section 600.03(13) of the Wisconsin Statutes, by virtue of Applicant’s ability to nominate two individuals to serve on the Aspirus Board, which indirectly exercises control over the Domestic Insurer. These charts therefore show the Proposed Affiliation, whereby Aspirus will become the sole corporate member of the Applicant. There are no court proceedings involving a reorganization or liquidation pending with respect to any person identified on either chart.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

(a) Applicant

Below are the names and titles of the persons who will be the directors and officers of the Applicant upon Closing.

Directors

Name	Title
Andrea L. H. Benson	Director
Anna Christine Sackette-Urness	Director
Aimee Nelson Van Straaten	Director
Brian John Murphy	Director
Helena Everett Jackson	Director
Jack Herman Seiler	Director
Kevin Robert Beardsley	Director
Kiera Marie Wilson	Director
Mitchell Lynn Cardwell	Director
Patrick James Heffernan	Director
Maypakou Ly	Director
Richard Leonard Lenoir	Director
Maurine Helen Settergen	Director
Scott Allen Lyons	Director
Yvonne Marie Solon	Director

Officers

Name	Title
Eric Matthew Lohn	CEO/CFO
Nicholas James Van Deelen	CEO/CMO

(b) Aspirus

Below are the names and titles of the persons who will be the directors and officers of Aspirus upon Closing.

Directors

Name	Title
Brian John Prunty	Director
David Martin Heck	Director
Graham Courtney	Director
Joseph Vincent Fonti	Director
Jeannie Marie Worden	Director
Kathy Kelsey Foley	Director
Matthew Frederick Heywood	Director
Noel N. Deep	Director
Richard Vincent Poirier	Director
Sherri Lynn Lemmer	Director

Officers

Name	Title
Michael R. Holzhueter	Assistant Secretary
Sidney Charles Sczygelski	Assistant Treasurer
Eric John Anderson	Chief Compliance Officer
Matthew Frederick Heywood	Chief Executive Officer

(c) **AHV**

Below are the names and titles of the persons who will be the directors and officers of AHV upon Closing.

Directors

Name	Title
Eric John Anderson	Director
James Craig Matheson	Director
Kyle Paul Brua	Director
Sidney Charles Sczygelski	Director

Officers

Name	Title
Kyle Paul Brua	President
Michael R. Holzhueter	Assistant Secretary
Sidney Charles Sczygelski	Assistant Treasurer
Eric John Anderson	Chief Compliance Officer

None of the persons identified above have been convicted of any crimes.

Biographical Affidavits and Authority for Release of Information

Biographical Affidavits and related releases for each of the persons identified above are being provided to the Commissioner under separate cover as Exhibit 3.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- (a) Other than the Capital Commitment to be made by Aspirus to SLH over the course of eight (8) years following the Closing Date, no consideration will be paid in connection with the Proposed Affiliation.
- (b) The amount of the Capital Commitment was determined by Aspirus, the Applicant, and their advisors based on the expected investment necessary for SLH to meet the needs of the SLH Service Area and integrate the SLH System with the Aspirus System.

ITEM 5. FUTURE PLANS OF INSURER

A confidential business plan (the “**Business Plan**”) describing the purposes of the Proposed Affiliation and plans for the business operations of the Domestic Insurer is being provided to the Commissioner under separate cover as Exhibit 5, subject to a request for confidential treatment. Other than as described in this Form A or in the Business Plan, neither the Applicant nor Aspirus has any plans to declare an extraordinary dividend, to liquidate the Domestic Insurer, or to sell any of the Domestic Insurer’s assets to or merge the Domestic Insurer with any person or persons or to make any other material change in their business operations.

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

As a result of the Proposed Affiliation, AHV will retain 100% of the issued and outstanding shares of common stock of AHP. As described above, the Applicant will be obtaining the right to appoint two members of the Aspirus Board, which indirectly controls AHP through AHV, but the Applicant itself will not be acquiring any of AHP's issued and outstanding shares.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

As set forth in this Form A and the exhibits hereto, neither the Applicant nor any of its affiliates or any of the persons listed in Item 3 have a beneficial interest in, or the right to acquire a beneficial interest in, the voting securities of the Domestic Insurer.

ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Except as set forth in this Form A and the exhibits hereto, there are no contracts, arrangements or understandings directly or indirectly related to any voting securities of the Domestic Insurer to which the Applicant, its affiliates, or any person listed in Item 3 is a party, including but not limited to: transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits or the giving or withholding of proxies.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

There have been no direct or indirect purchases of any voting securities of the Domestic Insurer by the Applicant, its affiliates or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this Form A.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

Except as set forth in this Form A and the exhibits hereto, neither the Applicant, its affiliates nor any person listed in Item 3, nor to the knowledge of the Applicant, any other person based upon interviews or at the suggestion of the Applicant, its affiliates nor any person listed in Item 3, has made any recommendations to others to acquire any shares of the voting securities of the Domestic Insurer during the twelve (12) calendar months preceding the filing of this Form A.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

There are no agreements, contracts or understandings with any broker-dealer as to the solicitation of voting securities of the Domestic Insurer for tender.

ITEM 12. FINANCIAL STATEMENTS

(a)-(b) The Applicant's Audited Financial Statements for preceding five (5) fiscal years, and the corresponding certification of such financial statements by an independent public

accountant, are attached to this Form A as **Exhibits 12.1-12.3**, as noted below. Additionally, a three-year financial projection for the Domestic Insurer is being provided under separate cover as **Exhibit 12.4**, subject to a request for confidential treatment.

Financial Statement	Exhibit
St. Luke's Hospital of Duluth 2012 and 2022 Fiscal Year Audited Consolidated Statutory Financial Statements	12.1
St. Luke's Hospital of Duluth 2019 and 2020 Fiscal Year Audited Consolidated Statutory Financial Statements	12.2
St. Luke's Hospital of Duluth 2018 and 2017 Fiscal Year Audited Consolidated Statutory Financial Statements	12.3

- (c) There have been no tender offers for, requests or invitation for, tenders of, exchange offers for, or agreements to acquire or exchange any voting securities of the Domestic Insurers or additional soliciting material relating thereto. Additionally, there are no proposed employment, consultation, advisor or management contracts concerning the Domestic Insurer. The Applicant issues an Annual Report, the most recent example of which is listed as **Exhibit 12.5**.

ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT

The Applicant agrees to provide, to the best of its knowledge and belief, the information required by Form F within fifteen (15) days after the end of the month in which the Proposed Affiliation occurs.

ITEM 14. SIGNATURE AND CERTIFICATION

Pursuant to the requirements of ch. Ins. 40, Wis. Adm. Code, St. Luke's Hospital has caused this application to be duly signed on its behalf in the city of Duluth and State of Minnesota on the 7 day of November, 2023.

(SEAL)

By: [Signature]
Eric Lohn
Co-President/CEO & Chief Financial Officer

Attest: [Signature]
(Signature of Officer
Title, VP Corporate Compliance)

CERTIFICATION

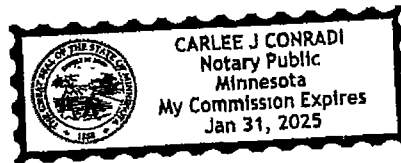
The undersigned deposes and says that he has duly executed the attached application dated November 7, 2023, for and on behalf of St. Luke's Hospital; that he is the Co-President/CEO and Chief Financial Officer of such company and that he is authorized to execute and file such instrument.

Deponent further says that he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

[Signature]
Eric Lohn
Co-President/CEO & Chief Financial Officer

Subscribed and sworn to this 7 day of November, 2023.

Carlee Conradi
Notary Public
My commission expires on 01-31-2025



LIST OF EXHIBITS

Exhibit Number	Name of Exhibit	Confidential?
Exhibit 1.1	Affiliation Agreement	Yes
Exhibit 1.2	Disclosure Schedules to the Affiliation Agreement	Yes
Exhibit 1.3	Proposed Amended and Restated Bylaws of Aspirus, Inc.	Yes
Exhibit 1.4	Proposed Amended and Restated Articles of Incorporation of St. Luke's Hospital of Duluth	No
Exhibit 1.5	Proposed Amended and Restated Bylaws of St. Luke's Hospital of Duluth	No
Exhibit 2(c)(i)	Pre-Affiliation Corporate Organization Chart	No
Exhibit 2(c)(ii)	Post-Affiliation Corporate Organization Chart	No
Exhibit 3	Biographical Affidavits (Submitted under Separate Cover)	Yes
Exhibit 5	Business Plan (Submitted under Separate Cover)	Yes
Exhibit 12.1	St. Luke's Hospital of Duluth 2021 and 2022 Fiscal Year Audited Consolidated Statutory Financial Statements	No
Exhibit 12.2	St. Luke's Hospital of Duluth 2019 and 2020 Fiscal Year Audited Consolidated Statutory Financial Statements	No
Exhibit 12.3	St. Luke's Hospital of Duluth 2018 and 2017 Fiscal Year Audited Consolidated Statutory Financial Statements	No
Exhibit 12.4	Three-Year Financial Projections for Aspirus Health Plan, Inc. (Submitted under Separate Cover)	Yes
Exhibit 12.5	St. Luke's Hospital of Duluth Annual Report	No