

In the Matter of:

PROPOSED DECISION

**The Acquisition of Control of Wisconsin
Physicians Service Insurance Corporation,
The EPIC Life Insurance Company, and WPS
Health Plan, Inc. by WPS Holdings, Inc.**

Petitioner

OCI Case No. 24-C45554

Amy J. Malm, Hearing Examiner, Presiding

APPEARANCES

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

Mark McNabb, Company Licensing and Analytics Supervisor
Christopher Martin, Domestic Licensing Specialist

For the Petitioner and Domestic Insurers:

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PRELIMINARY

Pursuant to a Notice of Hearing dated February 19, 2024, a hearing was held by teleconference on or about 2:00 p.m. on February 29, 2024, to determine whether the Petitioner's 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) WPS Holdings, Inc., a Wisconsin Ch. 181 non-stock corporation, located at 1717 West Broadway, Madison, Wisconsin 53713.

(2) Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc., the Domestic Insurers, 1717 West Broadway, Madison, Wisconsin 53713.

(3) The Petitioner filed with the Office of the Commissioner of Insurance an application for approval of the acquisition of Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc.

(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 Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc.

(7) After the acquisition of control, Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc. 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 WPS Holdings, Inc. is not likely to jeopardize the financial stability of Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc., or to prejudice the interests of its Wisconsin policyholders.

(10) There are no plans or proposals to liquidate the domestic insurers, Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc. to sell their 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, Wisconsin Physicians Service Insurance Corporation, the EPIC Life Insurance Company, and WPS Health Plan, Inc. 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 29th day of February, 2024.

Amy J Malm

Amy J. Malm
Hearing Examiner