

**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

**CARE WISCONSIN HEALTH PLAN, INC.  
TRILOGY HEALTH INSURANCE, INC.**

Name of Domestic Insurers

and

**CARE WISCONSIN FIRST, INC.**

Name of Care Management Organization

By

**MY CHOICE FAMILY CARE, INC.**

Name of Applicant

Dated October 31, 2019

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

Kevin Collins  
General Counsel &  
Chief Compliance Officer  
My Choice Family Care, Inc.  
10201 West Innovation Drive, Suite 100  
Wauwatosa, WI 53226  
(414) 287-7600

*With a copy to:*

Lisa Gingerich  
Partner  
Michael Best & Friedrich LLP  
100 East Wisconsin Avenue, Suite 3300  
Milwaukee, Wisconsin 53202  
(414) 270-2710

## ITEM 1. INSURER AND METHOD OF ACQUISITION

This application relates to Care Wisconsin Health Plan, Inc., located at 617 Sherman Ave, Madison, WI 53704 ("CWHP"). CWHP is a Wisconsin nonstock, not-for-profit corporation organized under Chapter 613 of the Wisconsin Statutes, and licensed as a Wisconsin health maintenance organization. This application also relates to Care Wisconsin First, Inc., located at 617 Sherman Ave, Madison, WI 53704 ("Care Wisconsin"). Care Wisconsin is a Wisconsin nonstock, not-for-profit corporation organized under Chapter 181 of the Wisconsin Statutes, operating as a care management organization. Care Wisconsin is the sole member of CWHP.

Currently, My Choice Family Care, Inc., operates as a care management organization ("My Choice" or the "Applicant"), and is the sole shareholder of Trilogy Health Insurance, Inc., a Wisconsin stock insurance corporation licensed as a Wisconsin health maintenance organization ("Trilogy").

My Choice intends to acquire control of Care Wisconsin and immediately following, CWHP will merge with Trilogy. The transactions will occur through two proposed mergers (the "Mergers") pursuant to the Merger Agreement dated October 31, 2019 ("Merger Agreement"). A copy of Merger Agreement is submitted with this Form A as Exhibit A. The proposed Mergers are subject to the terms and conditions in the Merger Agreement, including without limitation, completion of due diligence by the parties in the Merger Agreement, approval of this Form A application by the Wisconsin Office of the Commissioner of Insurance (the "Commissioner"), the Wisconsin Department of Health Services ("DHS"), the Centers for Medicare and Medicaid Services ("CMS") and other applicable approvals (including approvals for the assignment of contracts for the 2020 calendar year).

The following summarizes the proposed Mergers as set forth in the Merger Agreement:

- On December 31, 2019 at 11:58 p.m. (or as otherwise set forth in the Merger Agreement), Care Wisconsin will merged into My Choice with My Choice as the sole surviving Chapter 181 entity ("My Choice MergeCo").
- On December 31, 2019 at 11:59 p.m. (or as otherwise set forth in the Merger Agreement), after Care Wisconsin merges into My Choice, Trilogy will be merged into CWHP, with CWHP as the sole surviving Chapter 613 entity ("CWHP MergeCo"). My Choice MergeCo will become the sole member of CWHP MergeCo.

Based on Care Wisconsin's current financial condition, absent the Mergers, Care Wisconsin is at risk for liquidation. The proposed Mergers would allow My Choice MergeCo to combine the operations of both My Choice and Care Wisconsin as single care management organization and continue Care Wisconsin's current obligations of providing managed long-term care supports and services, and related services, for the Family Care program under contract with the DHS. The proposed Mergers also allows CWHP MergeCo to combine the operations of Trilogy and CWHP as a single health maintenance organization, and continue CWHP current obligations under contract with the DHS to deliver an integrated Family Care benefit package relating to management of long-term supports and services, acute and primary health services, and behavioral health services through its Family Care Partnership Program, Supplemental Security Income ("SSI"), and Medicare Dual-Eligible Special Needs Plans ("D-SNP").

## **ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT**

### **(a) The Applicant**

My Choice Family Care, Inc., 10201 West Innovation Drive, Suite 100, Wauwatosa, WI 53226

### **(b) The Applicant's Business Operations**

My Choice is organized and operates as an independent business enterprise with no parent organization from which it must separate its revenue and expense and reserve fund. My Choice is a nonstock, not-for-profit corporation organized under Chapter 181 of the Wisconsin Statutes and is in good standing with the State of Wisconsin Department of Financial Institutions as a corporate entity. My Choice is also fully qualified as a 501(c)(3) charitable organization by the federal Internal Revenue Service. My Choice currently contracts with the State of Wisconsin to administer the Family Care benefit in twenty-six Wisconsin counties, serving over 8,700 older adults and people with disabilities.

My Choice began as one of the original Family Care Pilot Counties in 2000 as a Division within the Milwaukee County Department on Aging. At that time, the managed care organization ("MCO") served only frail elders. In 2009, the MCO became a separate Department in Milwaukee County Government, achieving total independence from both the Milwaukee County Aging Resource Center and the Milwaukee County Disability Resource Center.

During those 16 years as a Department in County Government, My Choice expanded services to all target groups, in nine (9) counties in Wisconsin.

In 2016, My Choice received approval from the Milwaukee County Board of Supervisors, its own Governing Board and the Milwaukee County Executive to create a non-stock, nonprofit organization called My Choice Family Care, Inc. DHS assigned the existing Family Care contract and the Office of the Commissioner assigned the existing operating permit to this new entity (My Choice) on September 1<sup>st</sup>, 2016.

Since September 2016, My Choice has expanded its operations as a Family Care Managed Care Organization and now operates in twenty-six Wisconsin counties.

In July 2019, My Choice acquired control of Trilogy through the purchase of 100 percent of the outstanding stock of Trilogy from Trilogy Health Holdings, LLC pursuant to that certain Stock Purchase Agreement dated January 17, 2019. Following the proposed Mergers, My Choice intends to continue its current operations as a Family Care Managed Care Organization through My Choice MergeCo and Trilogy intends to continue its current operations as a health maintenance organization through CWHP MergeCo. Current Trilogy agreements and contracts shall remain unchanged and continue to remain in effect after the Mergers, including those Administrative Services Agreements and Network Agreements set forth on Exhibits E(1) – E(4) in the Form A Statement from the Proposed Acquisition of Trilogy Health Insurance, Inc., by My Choice Family Care, Inc. (Case No. 19-C43063), which are hereby incorporated into this Form A by reference.

Organizational approvals for the proposed Mergers are set forth in **Exhibit B**.

**(c) The Applicant's Organizational Control Chart**

The chart submitted as **Exhibit C(1)** lists the present identities of, and inter-relationships among, My Choice and all known affiliates of My Choice. Additionally, the chart submitted as **Exhibit C(2)** identifies the proposed Mergers and post-merger identities of, and inter-relationship among, My Choice and all known affiliates of My Choice. Such charts in **Exhibit C** indicate the percentage of ownership interests, type of organization, and the state of domicile of each entity controlled by My Choice. There are no court proceedings involving a reorganization or liquidation pending with respect to any such organization.

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

**(a) Identity of Officers, Directors, and Owners of 10% or more of the Voting Securities**

The following are the names and titles of the respective directors, executive officers, and owners of 10% or more of the voting securities of My Choice, up to the effective date of the Mergers.

<b>Executive Officers</b>	
<b>Name</b>	<b>Title</b>
Maria Ledger	Chief Executive Officer
Jim Hodson	Chief Financial Officer
Betsy Van Heesch	Chief Operations Officer
Kevin Collins	General Counsel & Chief Compliance Officer

<b>Board of Directors</b>	
<b>Name</b>	<b>Title</b>
Tom Orendorff	President and Chairman of the Board
Michael Mayo, Sr.	Vice Chairman and Director
Dr. Ken Byom, D.O.	Secretary
Maria Rodriguez	Treasurer and Director
Lynda Krellwitz	Director
Arlyn Doehler	Director
Lee Seese	Director

**(b) Biographical Affidavits and Authority for Release of Information**

The Biographical Affidavits and completed releases for the individuals identified above, as required by the Commissioner, are enclosed with this Form A under separate cover and are incorporated by reference into this Form A pursuant to Wis. Admin. Code § 40.12(1). These Biographical Affidavits are submitted as **Exhibit F**.

#### ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

(a) Nature, source and amount of funds or other considerations use, or to be used, in effecting the merger or other acquisition of control.

The proposed Mergers are mergers of assets, liabilities, and operations. There will be no consideration paid.

(b) Criteria used in determining the nature and amount of such consideration.

The nature and amount of the consideration was determined based on: (1) the fact that Care Wisconsin, CWHP, and My Choice are not-for-profit entities, and (2) based on recent financial assessments, that absent the proposed Mergers, Care Wisconsin and CWHP are at risk to be forced into liquidation.

#### ITEM 5. APPLICANT'S FUTURE PLANS FOR THE INSURER

The proposed Mergers will result in: (1) Care Wisconsin being subsumed by My Choice, resulting in My Choice MergeCo, with the operations of Care Wisconsin and My Choice to be combined; and (2) Trilogy being subsumed by CWHP, resulting in CWHP MergeCo (with My Choice as the controlling and sole member of CWHP Merge Co), with the operations of Trilogy and CWHP to be combined. My Choice MergeCo plans to continue, through combined operations of both My Choice and Care Wisconsin as a single care management organization, to provide managed long-term care supports and services, and related services, for the Family Care program under contract with the DHS. CWHP MergeCo plans to continue, through combined operations of CWHP and Trilogy as a single health maintenance organization, to: (1) deliver an integrated Family Care benefit package relating to management of long-term supports and services, acute and primary health services, and behavioral health services through its Family Care Partnership Program, SSI, and D-SNP Program as contracted through DHS, and (2) deliver the BadgerCare Plus benefit package relating to management of long-term care supports and services, acute and primary health services, and behavioral health services as contracted through DHS.

Upon closing of the Mergers, the Amended and Restated Articles of Incorporation and Second Amended and Restated Bylaws of My Choice MergeCo shall be as submitted on Exhibits B(13) and B(14), respectively. The Second Amended and Restated Articles of Incorporation and Third Amended and Restated Bylaws of CWHP MergeCo shall be as submitted also on Exhibits B(15) and B(16), respectively.

Post-closing of the My Choice and Care Wisconsin merger, the Board of Directors and Officers for My Choice MergeCo will be as follows:

Executive Officers	
Name	Title
Maria Ledger	Chief Executive Officer
Jim Hodson	Chief Financial Officer

Betsy Van Heesch	Chief Operations Officer
Kevin Collins	General Counsel & Chief Compliance Officer
Kevin Park, MD	Chief Medical Officer

<b>Board of Directors</b>	
<b>Name</b>	<b>Title</b>
Tom Orendorff	President and Chairman of the Board
Michael Mayo, Sr.	Vice Chairman and Director
Dr. Ken Byom, D.O.	Secretary
Maria Rodriguez	Treasurer and Director
Lynda Krellwitz	Director
Arlyn Doehler	Director
Lee Seese	Director
Glen Johnston	Director
Tom Bergerud	Director
John Hintze	Director
Katie Brietzman	Director

Post-closing of the Trilogy and CWHP merger, the Board of Directors and Officers for CWHP MergeCo will be as follows:

<b>Executive Officers</b>	
<b>Name</b>	<b>Title</b>
Maria Ledger	Chief Executive Officer
Jim Hodson	Chief Financial Officer
Betsy Van Heesch	Chief Operations Officer
Kevin Collins	General Counsel & Chief Compliance Officer
Kevin Park, MD	Chief Medical Officer

<b>Board of Directors</b>	
<b>Name</b>	<b>Title</b>
Tom Orendorff	President and Chairman of the Board
Michael Mayo, Sr.	Vice Chairman and Director
Dr. Ken Byom, D.O.	Secretary
Maria Rodriguez	Treasurer and Director
Lynda Krellwitz	Director
Arlyn Doehler	Director
Lee Seese	Director
Glen Johnston	Director
Tom Bergerud	Director
John Hintze	Director
Katie Brietzman	Director
Maria Ledger	Director (ex-officio as CEO)

Additional Biographical Affidavits and completed releases for the individuals identified above that are not already identified on Item 2 of this Form A, are also enclosed with this Form A under separate cover and are incorporated by reference into this Form A pursuant to Wis. Admin. Code § 40.12(1). These additional Biographical Affidavits are submitted as **Exhibit F**.

As set forth in Section 1.4 of the Merger Agreement, My Choice plans provide additional terms of employment to certain key personnel after the Mergers. My Choice may also negotiate and offer additional terms of employment to Kevin Park and Gary Priem. The headquarters of My Choice MergeCo and CWHP MergeCo following the Mergers will be the same as the current My Choice headquarters, 10201 W. Innovation Drive, Suite 100, Wauwatosa, WI 53226. My Choice plans to conduct a market study following the Mergers to determine permanent names for My Choice MergeCo and CWHP MergeCo. My Choice will promptly notify the Commission of any additional changes in compliance with notice requirements.

#### **ITEM 6. VOTING SECURITIES TO BE ACQUIRED**

There will be no voting securities to be acquired. My Choice, Care Wisconsin, and CWHP are all non-stock corporations, and prior to the Mergers, Trilogy shall cancel all voting securities (of which My Choice is the sole shareholder currently).

#### **ITEM 7. OWNERSHIP OF VOTING SECURITIES**

None of My Choice, its affiliates, or any of the persons listed in Item 3 above have a beneficial ownership of, or the right to acquire beneficial ownership of, any voting securities of Care Wisconsin or CWHP. Care Wisconsin and CWHP are non-stock corporations.

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

There are no contracts, arrangements or understandings with respect to any voting security (if any) of Care Wisconsin or CWHP in which My Choice, its affiliates or any person listed in Item 3 is involved, 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 purchases of any voting securities of Care Wisconsin or CWHP by My Choice, its affiliates or any person listed in Item 3, or anyone based upon interview or at the suggestion of My Choice, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. My Choice purchased all of Trilogy's outstanding voting securities in July 2019. Those securities will be cancelled prior to the Mergers.

**ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE**

There have been no recommendations to purchase any voting securities of Care Wisconsin or CWHP by My Choice, its affiliates or any person listed in Item 3, or anyone based upon interview or at the suggestion of My Choice, its affiliates, or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.

**ITEM 11. AGREEMENTS WITH BROKER-DEALERS**

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

**ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS**

(a) Financial statements for My Choice, Trilogy, Care Wisconsin, and CWHP and financial projections for Care Wisconsin and CWHP are submitted as Exhibit D:

Title	Exhibit
Financial Projections of CWHP and Care Wisconsin	D(1)
Financial Statements of CWHP	D(2)
Financial Statements of Care Wisconsin	D(3)
Financial Projections of Trilogy	D(4)
Financial Statements of Trilogy	D(5)
My Choice Financial Statements	D(6)

(b) All tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material related to Mergers.

None.

(c) Proposed employment, consultation, advisory or any management contracts concerning Care Wisconsin and CWHP, as noted below.

Agreements concerning Care Wisconsin and CWHP	Exhibit
Administrative Services Agreement between Care Wisconsin and CWHP (6/1/2005)	E(1)
Health Care Services Agreement between Care Wisconsin and CWHP (6/1/2005)	E(2)



<p>Master Services Agreement between Care Wisconsin and TriZetto Corporation (09/30/13)</p> <ul style="list-style-type: none"> <li>- Statement of Work for Hosted Business Services (9/30/2013)</li> <li>- Amendment to Master Software License and Services Agreement (12/20/13)</li> <li>- Medicaid SSI Amendment to Master Services Agreement (12/20/2013)</li> <li>- Amendment to Master Software License and Services Agreement (4/25/2018)</li> </ul>	E(3)
<p>Agreement for Services between Care Wisconsin First, Inc. and Dental Professionals of Wisconsin-Management Services, LLC (11/1/2016)</p> <ul style="list-style-type: none"> <li>- First Amendment to the Agreement for Services (9/19/2017)</li> </ul>	E(4)
<p>Pharmacy Benefit Management Services Agreement by and between Envision Pharmaceutical Services, LLC and Care Wisconsin First, Inc. (1/01/2017)</p>	E(5)
<p>Ancillary Provider Agreement by and between Care Wisconsin Health Plan, Inc. and March Vision Care Corp, Incorporated (2/1/2019)</p>	E(6)
<p>Credentialing Delegation Agreement between Dean Health Plan, Inc. and Care Wisconsin First, Inc. (7/1/2009)</p> <ul style="list-style-type: none"> <li>- Amendment to the Agreement for Services (3/1/2010)</li> <li>- Amendment to Credentialing Agreement (11/1/2014)</li> </ul>	E(7)
<p>Credentialing Services Agreement by and between Rural Wisconsin Health Cooperative and Care Wisconsin (7/1/2016)</p> <ul style="list-style-type: none"> <li>- Amendment to the Rural Wisconsin Health Cooperative Credentialing Service Agreement (7/1/2017)</li> </ul>	E(8)
<p>Master Services Agreement between Convey Health Solutions, Inc. and Care Wisconsin Health Plan, Inc. (10/5/2018)</p> <ul style="list-style-type: none"> <li>- Statement of Work – OTC (Number 1) (10/5/2018)</li> </ul>	E(9)
<p>SironaHealth, Inc. Service Agreement (1/17/2014)</p> <ul style="list-style-type: none"> <li>- Addendum to SironaHealth Service Agreement (5/15/2015)</li> </ul>	E(10)

<p>Master License and Services Agreement by and between Casenet, LLC and Care Wisconsin First, Inc. (12/18/2013)</p> <ul style="list-style-type: none"> <li>- Implementation SOW Schedule (8/11/15)</li> <li>- Change Order No. 1 to Master License and Services Agreement, Schedule D, Implementation SOW Schedule (9/24/15)</li> <li>- Change Order No. 2 to Master License and Services Agreement, Schedule D, Implementation SOW Schedule (1/5/16)</li> <li>- Amendment No. 1 to Master License and Services Agreement (2/16/2016)</li> <li>- Schedule L, Implementation SOW Schedule – CM HCS Partnership (2/16/2016)</li> <li>- Amendment No. 2 to Master License and Services Agreement (5/23/2016)</li> <li>- Change Order No. 2 to Master License and Services Agreement, Schedule L, Implementation SOW Schedule (8/30/16)</li> </ul>	E(11)
<p>Services and Software Licensing Agreement by and between TierMed Systems, LLC (Covetiti) and Care Wisconsin First, Inc. (1/15/2009)</p> <ul style="list-style-type: none"> <li>- Amendment No. 1 to the Master Services Agreement (1/15/2012)</li> <li>- Amendment No. 2 to the Master Services Agreement (1/15/2013)</li> <li>- Amendment No. 3 to the Services and Software Licensing Agreement (1/15/2014)</li> <li>- Amendment No. 4 to the Services and Software Licensing Agreement (1/15/2016)</li> <li>- Amendment No. 5 to the Services and Software Licensing Agreement (1/15/2016)</li> <li>- Amendment No. 6 to the Services and Software Licensing Agreement (12/18/2018)</li> </ul>	E(12)
<p>Master Services Agreement by and between Advent Advisory Group LLC and Care Wisconsin First, Inc. (10/11/2013)</p> <ul style="list-style-type: none"> <li>- Amendment to the Master Services Agreement (11/29/2016)</li> <li>- Schedule C Statement of Work (11/29/2016)</li> <li>- Statement of Work NCQA HEDIS Compliance Audit (10/16/2018)</li> </ul>	E(13)
<p>Letter Agreement: 2019 Medicare CAPS Survey for CMS contract H5209 by and between Data Stat and Care Wisconsin (1-3-2019)</p>	E(14)
<p>Letter Agreement: 2019 Health Outcomes Survey for CMS contract H5209 by and between DataStat and Care Wisconsin (1-3-2019)</p>	E(15)
<p>Strohm Ballweg Letter Agreement with Care Wisconsin Health Plan, Inc. (9/6/2018)</p>	E(16)
<p>Cirdan Engagement Letter 2020 Actuarial Services (10/28/2019)</p>	E(17)
<p>Proposed Employment Commitments for Certain Employees: Exhibit 9 of the Merger Agreement</p>	E(18)
<p>Kevin Park Employment Letter and Amendment (5/17/2019)</p>	E(19)
<p>Gary Priem Employment Letter and Agreement (8/13/2019)</p>	E(20)

**(d) Annual reports to the stockholders for the last 2 fiscal years.**

Not applicable.

**(e) Summary of all Exhibits submitted with this Form A:**

<b>Summary of Exhibits</b>	
Exhibit A	Merger Agreement
Exhibit B	Organizational Documents
Exhibit C	My Choice's Organizational Chart Pre/Post-Acquisition/Mergers
Exhibit D	Financial Information of Care Wisconsin, CWHP, Trilogy, and My Choice
Exhibit E	Employment, Consultation, and Management Agreements concerning Care Wisconsin and CWHP
Exhibit F	Biographical Affidavits

**CONFIDENTIAL:** Certain Exhibits or sections of such Exhibits included in this Form A are filed subject to a request for CONFIDENTIAL treatment and an exception under the public records law. See the October 31, 2019 letter from Michael Best & Friedrich LLP to Michael Mancusi-Ungaro of the Office of the Commissioner.

<b>CONFIDENTIAL</b>	
Exhibit A	Merger Agreement [partial treatment]
Exhibit B	Organizational Documents
Exhibit D	Financial Information of My Choice, Trilogy, Care Wisconsin, and CWHP [partial treatment]
Exhibit E	Employment, Consultation, and Management Agreements concerning Care Wisconsin and CWHP [partial treatment]
Exhibit F	Biographical Affidavits [full treatment]

**ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT**

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 acquisition of control occurs.

**ITEM 14. SIGNATURE AND CERTIFICATION**

Pursuant to the requirements of Ch. Ins 40, Wis. Adm. Code, My Choice Family Care, Inc. have caused this application to be duly signed on their behalf in the City of Wauwatosa and State of Wisconsin on the 30<sup>th</sup> day of October, 2019.

**My Choice Family Care, Inc.**

Maria Ledger  
(Signature of Officer)

Chief Executive Officer  
(Title)

**Attest:**

Betsy VanDerKam  
(Signature of Officer)

Chief Operations Officer  
(Title)

**Certification**

The undersigned deposes and says that (s)he has duly executed the attached application dated October 30<sup>th</sup>, 2019 for and on behalf of My Choice Family Care Inc.; that (s)he is the Chief Executive Officer of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

Maria Ledger  
(Signature)

Maria Ledger  
(Type or Print Name)

STATE OF WISCONSIN  
COUNTY OF Wisconsin

The foregoing instrument was subscribed and sworn before me this \_\_\_ day of October, 2019.

Kevin J. Collins  
(Signature)

Kevin J. Collins  
(Type or Print Name)

My Commission Expires: permanent

