



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

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Commissioner

February 24, 2000

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Advanced Via Facsimile

Mr. Stephen E. Bablitch
Vice President, Secretary, and
General Counsel
Blue Cross & Blue Shield United of Wisconsin
401 W. Michigan Street
Milwaukee, WI 53202

Re: Application for Conversion of Blue Cross & Blue Shield United of Wisconsin
(Case No. 99-C26038)

Dear Mr. Bablitch:

Responses to the following items are requested in connection with this office's review of the Application for Conversion of Blue Cross & Blue Shield United of Wisconsin.

1. The careers and interests of the individuals proposed as directors of the public health foundation are not as fully reflected as one would hope in the very simple format that was chosen for their biographical reports. Please file a more complete biographical report on each director. Biographical reports that outline the development and principal achievements of these individuals' careers and all of their current positions with profit or secular nonprofit organizations are necessary. Please include a statement of any interest, employment or position they have in BCBSUW, any affiliate of BCBSUW, the University of Wisconsin Foundation or any affiliate, or The Medical College of Wisconsin or any affiliate.
2. In earlier correspondence, you indicated that the minutes and resolution of the board of directors indicating their final approval of the medical schools' plan for use of the conversion proceeds were yet in draft form. If these have been finalized, please send a copy.
3. In earlier discussions with OCI concerning the public health foundation, we indicated our concern regarding the use of the "Blue Cross" and "Blue Shield" names associated with the foundation. The foundation should be independent from BCBSUW. The current filing uses the Blue Cross and Blue Shield names in naming the foundation. Please provide us with your position on this issue.

Sincerely,

Steven J. Junior
Senior Insurance Examiner
Bureau of Financial Analysis and Examinations