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In the Matter of the Acquisition of Control of  
Trilogy Health Insurance, Inc. by  
My Choice Family Care, Inc.

PROPOSED DECISION

Petitioner.

Case No. 19-C43063  
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Amy J. Malm, Hearing Examiner, Presiding

APPEARANCES

For the Office of the

Commissioner of Insurance: Richard A. Hinkel, Insurance Financial Examiner – Chief  
Robert C. McLaughlin, Insurance Financial Examiner – Advanced  
Bureau of Financial Analysis and Examinations  
125 South Webster Street  
Madison, Wisconsin 53703

For the Petitioner:

Present in person

Lisa Gingerich, Partner  
Peter Sandvick, Summer Associate  
Michael Best & Friedrich LLP  
100 East Wisconsin Avenue, Suite 3300  
Milwaukee, Wisconsin 53202

Present by telephone

Maria Ledger, Chief Executive Officer  
Kevin J. Collins, Chief Compliance Officer  
My Choice Family Care, Inc.  
10201 West Innovation Drive, Suite 100  
Wauwatosa, Wisconsin 53226

For the Seller:

Present in person

Glenn J. Reinhardt, Director and Executive Vice President,  
Chief Operating Officer, and Treasurer  
Trilogy Health Insurance, Inc.  
18000 West Sarah Lane, Suite 310,  
Brookfield, Wisconsin 53045

Present by telephone

Bonita L. Warner, Director and President  
Trilogy Health Insurance, Inc.  
18000 West Sarah Lane, Suite 310,  
Brookfield, Wisconsin 53045

Ron Scasny, President  
SCAS Management Group LLC  
3073 Chase Ave  
Milwaukee, Wisconsin 53207

Michael Repka, Executive Director  
Independent Physicians Network, Inc.  
6767 W Greenfield Ave # 300  
Milwaukee, Wisconsin 53214

PRELIMINARY

Pursuant to a Notice of Hearing dated May 22, 2019, a hearing was held on or about 11:05 a.m. on June 10, 2019, 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) My Choice Family Care, Inc. (the Petitioner) is a Wisconsin domestic care management organization located at 10201 West Innovation Drive, Suite 100 Wauwatosa, Wisconsin 53226.
- (2) Trilogy Health Insurance, Inc., 18000 West Sarah Lane, Suite 310, Brookfield, Wisconsin 53045, is a stock insurance corporation organized under Chapter 611 of the Wisconsin Statutes that is licensed as a Wisconsin health maintenance organization.
- (3) The Petitioner filed with the Office of the Commissioner of Insurance (the "Commissioner") an application for approval of its acquisition of control of Aspirus Arise Health Plan of Wisconsin, Inc. (the "plan").
- (4) The Petitioner was served with a Notice of Hearing.
- (5) The Petitioner 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 interest of the insureds of Trilogy Health Insurance, Inc.
- (7) After the acquisition of control, My Choice Family Care, Inc. and Trilogy Health Insurance, Inc. will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which they are 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 My Choice Family Care, Inc. is not likely to jeopardize the financial stability of Trilogy Health Insurance, Inc., or to prejudice the interests of its Wisconsin policyholders.
- (10) There are no plans or proposals to liquidate the domestic stock insurance corporation, Trilogy Health Insurance Inc., or sell its assets, or to consolidate or merge it with any person or make any other material change in its business or corporate structure or management other than as described in the plan. It is noted that at some point in the future, Trilogy Health Insurance might convert from a Chapter 611 stock insurance company to a Chapter 613 not-for-profit insurer to simplify accounting and operations.
- (11) The competence and integrity of the persons who will control the operation of the domestic insurance corporation, Trilogy Health Insurance 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

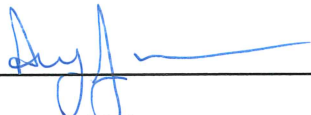
(12) The proposed findings of fact set forth above establish that the requirements of s. 611.72 and chs. 227 and 617, Wis. Stat., and ch. Ins 40, Wis. Adm. Code, have been satisfied and approval of the plan should be granted.

PROPOSED ORDER

NOW, THEREFORE, based upon the findings of fact and conclusion of law, I hereby recommend that:

(13) The Petitioner's request for approval of the plan for acquisition of control should be approved, subject to the agreement of Trilogy Health Insurance, Inc. and My Choice Family Care, Inc. to Stipulation and Order No. 19-C43062.

Dated at Madison, Wisconsin, this 10<sup>th</sup> day of June, 2019.

  
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Amy J. Malm  
Hearing Examiner