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From my reading and understanding of the Proposed Plan of Reorganization of Blue Cross Blue Shield of Louisiana (BCBSLA), the Plan as stated should be denied. The plan is not in the best interests of the Policyholders as has been demonstrated by the House Actuarial Report that was performed on behalf of LDI. The policyholders are the assets of BCBSLA. Without policyholders, BCBSLA has nothing of value to sell. Yet, policyholders are treated as secondary to the sale. There are five major for-profit health insurers operating in Louisiana. They do not offer premiums that are better than BCBSLA. If BCBSLA becomes a for-profit company (Elevance), its policyholders will suffer because the new for-profit company must satisfy its stockholders and make a profit. Rates will go up or coverage will decline. Policyholders will suffer. BCBSLA, as a mutual company and non-profit, cannot sell the company. It has to demutualize and issue stock to sell. The Board of Directors are not stockholders and cannot become stockholders. So, who are the stockholders in the new company? The Board has argued that the policyholders cannot become stockholders. Then who? And who has a right to the proceeds of the sale? BCBSLA has incorrectly argued that the \$2.5 billion sale's price and \$1.8 billion reserves cannot be transferred to eligible members or policyholders. Yet, the same Board decided that less than 10% of the sale's price would be transferred to eligible members. So, which is it? Can the sale's price be transferred to eligible members or not? In an effort to obtain approval of the Plan, it appears that BCBSLA engaged in a marketing campaign with the prime objective of convincing people to support the plan in exchange for payment of \$3,000.00. In fact, attached marketing materials show that BCBSLA sent mailers in which the first reason noted to vote FOR the plan is payment of \$3,000. There were comments made that these mailers were sent to thousands of Medicare members to entice a favorable vote. The claimed \$3.1 billion to be placed in the Foundation/Trust will not benefit the policyholders. In fact, the \$200 million claimed to be spent out of the Foundation/Trust annually (5-10% return on invested Corpus annually) could have been spent every year by BCBSLA for the last 5-10 years by BCBSLA. Simply, the benefits to policyholders of the Foundation/Trust is a fiction. Without a sale, BCBSLA could have spent or can spend the same amount of money annually from its \$1.8 billion reserve on the same claimed projects with virtually no impairment to BCBSLA's operations or premiums. As a scope of money, the \$3.1 billion being sought to be retained by BCBSLA from the sale to transfer to a Foundation is a large sum of money that will provide very little visible benefit to the policyholders if left in a Foundation/Trust. It could benefit the policyholders if used to reduce premiums or cover deductibles rather than some other vague use to be determined by board members. The Plan should be denied until a clearer plan is developed for the benefit of the policyholders.



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**THERE'S STILL
TIME TO
SAY YES!**

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We recently mailed you a packet of information about our plan of reorganization, which will change Blue Cross and Blue Shield of Louisiana from a Mutual Insurance Company to a Stock Insurance Company. This move will enable us to be acquired by Elevance Health.

IT'S TIME TO IMPROVE THE STATE OF HEALTH IN LOUISIANA.

The proposed partnership between Blue Cross and Blue Shield of Louisiana and Elevance Health is the best way we know to help Louisianians live the long, healthy and prosperous lives they deserve – and to hold down costs.

By combining our organizations, you will get the best of Blue — reliable, local care and service — enhanced by Elevance Health's breadth of capabilities, services and technology.

Please find your unique PIN Number on the proxy form included in this packet to **SAY YES** to our plan of reorganization. The form will give you instructions on how to grant your proxy.

HELP US CREATE A BETTER BLUE FOR YOU.

Grant your proxy **FOR** our plan of reorganization. **Here's more reasons why:**

- ✓ Cash payment of approximately \$3,000 to eligible policyholders, if the transaction is approved.
- ✓ The plan of reorganization does not change your plan benefits or increase the cost of your insurance for the current plan year. Upon renewal of any health insurance policy, the law and/or policy terms, unrelated to the plan of reorganization, allow for changes in plan benefits and premiums.
- ✓ The plan of reorganization will not change the doctors and hospitals in our Blue Cross networks for the current plan year. At any time, unrelated to the plan of reorganization and in the ordinary course of business, providers may join or leave the network.
- ✓ Local customer service, the same offices and employee base in the state – we will still be the same Blue Cross and Blue Shield Louisianians have known for almost 90 years.

For more information, go to bcbsla.com/betterblue



Help us build a

A BETTER BLUE FOR YOU

Act Now to Grant your Proxy FOR our Plan of Reorganization

A BETTER BLUE FOR YOU

We recently mailed you a packet of information about our plan of reorganization, which will **change Blue Cross and Blue Shield of Louisiana from a Mutual Insurance Company to a Stock Insurance Company**. This move will enable us to be acquired by Elevance Health, a company that can bring you and all of our customers exciting innovations, products, capabilities and services – and at a faster pace than we could alone.

The packet gives you a PIN number and tells you how to grant your proxy online, by phone or through the mail. So do your part to help us create a Better Blue. Grant your proxy **FOR** our plan of reorganization. **Here's why:**

- ✓ Cash payment of approximately \$3,000 to eligible policyholders, if the transaction is approved.
- ✓ The plan of reorganization does not change your plan benefits or increase the cost of your insurance for the current plan year. Upon renewal of any health insurance policy, the law and/or policy terms, unrelated to the plan of reorganization, allow for changes in plan benefits and premiums.
- ✓ The plan of reorganization will not change the doctors and hospitals in our Blue Cross networks for the current plan year. At any time, unrelated to the plan of reorganization and in the ordinary course of business, providers may join or leave the network.
- ✓ Local customer service, the same offices and employee base in the state – we will still be the same Blue Cross and Blue Shield Louisianians have known for almost 90 years.

To grant your proxy by phone, please call **1-866-402-3905**.

bcbsla.com/betterblue



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