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**DOCUMENT CONTAINS
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Via Secure Electronic Portal

December 14, 2023

The Honorable James J. Donelon
Commissioner of Insurance
Louisiana Department of Insurance
1702 North 3rd Street
Baton Rouge, LA 70802

Re: ***Information Required for a Form E Exemption Notice - Acquisition of control of Louisiana Health Service & Indemnity Company (d/b/a Blue Cross and Blue Shield of Louisiana) ("BCBSLA") and its subsidiaries, including HMO Louisiana, Inc. ("HMO LA"), Southern National Life Insurance Company, Inc. ("SNLIC"), and Vantage Health Plan, Inc. ("VHP"), by Elevance Health, Inc. ("Elevance Health") and ATH Holding Company, LLC ("ATH", and together with Elevance Health, the "Acquirors")***

Dear Commissioner Donelon:

On behalf of the Acquirors, we are hereby filing with the Louisiana Department of Insurance (the "Department") the information required in connection with a Form E Exemption Notice (the "Notice") under La. Rev. Stat. Ann. § 22:691.5. This submission relates to the proposed conversion of BCBSLA from a mutual insurance company to a stock insurance company and the related acquisition of control of the following Louisiana domestic entities: BCBSLA, HMO LA, SNLIC and VHP (collectively referred to herein as the "Domestic Insurers") by the Acquirors pursuant to an Agreement and Plan of Acquisition by and among Elevance Health, ATH, The Accelerate Louisiana Initiative, Inc. and BCBSLA (the "Proposed Transaction").¹ The Notice demonstrates that the Proposed Transaction meets the exemptions from Louisiana's Form E pre-acquisition notification filing requirements. Concurrently with BCBSLA's Plan of Reorganization and this Notice, the Acquirors are submitting to the Department certain documents and information required in connection with an acquisition of control of a domestic insurer, including the

¹ The Agreement and Plan of Acquisition also contemplates the Acquirors' indirect acquisition of 25% of the issued and outstanding voting securities of Community Care Health Plan of Louisiana ("CCHP"). CCHP is a joint venture currently (i) seventy-five percent (75%) owned by Anthem Partnership Holding Company, LLC, which in turn is a direct wholly owned subsidiary of Elevance Health; and (ii) twenty-five percent (25%) owned by BCBSLA. However, for purposes of the analysis set forth herein, we will attribute 100% of the premium written by CCHP to Elevance Health.

information required in a Statement regarding the Acquisition of Control of or Merger with a Domestic Insurer, which more fully describe the Proposed Transaction.

Pursuant to La. Rev. Stat. Ann. § 22:691.5(B), the pre-acquisition notification requirements do not apply to an acquisition if, as an immediate result of the acquisition any of the following circumstances would exist:

- (i) There is no market where the combined market share of the involved insurers would exceed five percent of the total market;
- (ii) There would be no increase in any market share; or
- (iii) There is no market wherein the combined market share of the involved insurers would exceed twelve percent of the total market, and the market share would increase by more than two percent of the total market.

The Domestic Insurers collectively offer products in the following lines of business in Louisiana: (i) commercial (individual and group) accident and health; (ii) Federal Employees Health Benefits (“FEHB”) plans; (iii) Medicare; (iv) group life; and (v) ordinary life. As shown on the succeeding pages, the Proposed Transaction falls within the exemptions noted above and will not substantially lessen competition or tend to create a monopoly in Louisiana.

Health Lines of Business

The following chart is based upon reports obtained from the S&P Capital IQ (formerly SNL Financial) database for year-ending December 31, 2022.² This chart provides Louisiana share percentages for each applicable health line of business for (i) BCBSLA, HMO LA and VHP,³ and (ii) for Elevance Health, for the coverage written through its subsidiary, CCHP.⁴

**Domestic Insurers and Elevance Health
Louisiana Direct Written Premium Share Data by Line of Business (Health)**

A&H Line of Business	Domestic Insurers' Share by Entity	Domestic Insurers' Total Share	Elevance Health's Share by Entity	Elevance Health's Total Share	Combined Market Share
Commercial (group and individual)	BCBSLA: 49.67%	81.36%	CCHP: 0.00%	0.00%	81.36%
	HMO LA: 28.25%				

² Direct written premium data for year-ending December 31, 2022 is the most current year available.

³ SNLIC had no direct written premium in any health line of business in Louisiana during 2022.

⁴ CCHP was the only entity within the NAIC Group of Elevance Health with direct written premium in any health line of business in Louisiana during 2022.

A&H Line of Business	Domestic Insurers' Share by Entity	Domestic Insurers' Total Share	Elevance Health's Share by Entity	Elevance Health's Total Share	Combined Market Share
Accident & Health	VHP: 3.44%				
Medicaid	BCBSLA: 0.00%	0.00%	CCHP: 16.46%	16.46%	16.46%
	HMO LA: 0.00%				
	VHP: 0.00%				
Medicare	BCBSLA: 1.54%	8.65%	CCHP: 0.84%	0.84%	9.49%
	HMO LA: 2.73%				
	VHP: 4.38%				
FEHB	BCBSLA: 98.92%	98.92%	CCHP: 0.00%	0.00%	98.92%
	HMO LA: 0.00%				
	VHP: 0.00%				

Bases for exemption

The above chart shows that there would be no increase in share in the commercial accident and health, Medicaid or FEHB lines as a result of the Proposed Transaction. For the Medicare line of business, the parties' combined share (9.49%) would not exceed twelve percent of the total market, and the share would not increase by more than two percent of the total market (the increase is 0.84%).

Life Lines of Business

The following chart is based upon reports obtained from the S&P Capital IQ (formerly SNL Financial) database for year-ending December 31, 2022.⁵ This chart provides Louisiana share percentages for each applicable life line of business for (i) SNLIC,⁶ and (ii) for Elevance Health, for the coverage written through its insurance company subsidiaries, Anthem Life Insurance Company ("ALIC")

⁵ See Footnote 2.

⁶ Each of BCBSLA, HMO LA and VHP had no direct written premium in any life line of business in Louisiana during 2022.

and UniCare Life and Health Insurance Company (“UniCare”).⁷ The below chart shows that the parties’ combined share of the Louisiana markets for these lines is immaterial.

**Domestic Insurers and Elevance Health
Louisiana Direct Written Premium Share Data by Line of Business (Life)**

Life Line of Business	Domestic Insurers’ Share by Entity	Domestic Insurers’ Total Share	Elevance Health’s Share by Entity	Elevance Health’s Total Share	Combined Share
Group Life	SNLIC: 0.65%	0.65%	ALIC: 0.03%	0.03%	0.68%
			UniCare: 0.00%		
Ordinary Life	SNLIC: 0.00%	0.00%	ALIC: 0.00%	0.00%	0.00%
			UniCare: 0.00%		
Combined Accident & Health	SNLIC: 0.00%	0.00%	ALIC: 0.11% ⁸	0.11%	0.11%
			UniCare: 0.00%		

Bases for exemption

The above chart shows that there would be no increase in share in either the ordinary life or combined accident and health lines of business for life insurers. Additionally, the combined share for the Domestic Insurers and Elevance Health would not exceed 5% of the total market for the group life line of business.

* * * * *

For the foregoing reasons, the Proposed Transaction meets the exemptions from the pre-acquisition notification filing requirements set forth in La. Rev. Stat. Ann. § 22:691.5(B) and will not substantially lessen competition or tend to create a monopoly in any market in Louisiana.

⁷ ALIC and UniCare were the only entities within the NAIC Group of Elevance Health with direct written premium in any life line of business in Louisiana during 2022.

⁸ The “combined accident & health” direct written premium for ALIC is limited to medical stop loss insurance.

Because of the sensitive nature of this information, we respectfully request that it be afforded confidential treatment to the maximum extent permissible under Louisiana law, including but not limited to La. Rev. Stat. Ann. § 22:691.5.

Please do not hesitate to contact me (jared.danilson@faegredrinker.com; (317) 237.8214)) or Emily Campbell (emily.campbell@faegredrinker.com; (317) 237.8213)) with any questions regarding this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Jared Danilson", with a long horizontal flourish extending to the right.

Jared R. Danilson

cc: Jay Wagner, Vice President and Counsel, Elevance Health (jay.wagner@elevancehealth.com)
Robert House, Partner, Jones Walker LLP (rhouse@joneswalker.com)
Eric Morvant, Associate, Jones Walker LLP (emorvant@joneswalker.com)
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