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January 23, 2024

Sarah W. Schroeder, President

Rector & Associates, Inc.

172 E. State St. #305

Columbus, OH 43215

**RE: Louisiana Health Service & Indemnity Company d/b/a Blue Cross Blue Shield of Louisiana (“BCBSLA”)
Responses to Rector & Associates, Inc. Questions dated 1/19/2024**

Dear Ms. Schroeder:

We are in receipt of the above-referenced letter to us dated January 19, 2024 (the “Rector Jan 19 2024 Inquiry”) concerning that certain Plan of Reorganization Regarding the Conversion from a Mutual Insurance Company to a Stock Insurance Company. The questions set forth in the Rector Jan 19 2024 Inquiry are reproduced below in their entirety, and set forth below those questions in blue text are our responses to such questions. We are providing the requested information to you with the understanding that you will only use this information for the purpose of your analysis and recommendations to the Louisiana Department of Insurance with respect to the above referenced Plan of Reorganization and will keep this response letter confidential and will not provide this letter to any third party. If you have any further questions or wish to discuss, please let us know.

1. In Question 17 of our June 22, 2023 requests for information, we asked what changes to the BCBSLA provider network or compensation structure (if any) are expected due to the reorganization and/or acquisition. Your July 7, 2023 response stated the following:
 - **None. There are no changes to the BCBSLA provider network or compensation structure expected as a result of the reorganization of BCBSLA or acquisition by Elevance Health. All current provider contracts are executed through BCBSLA or its relevant subsidiary and, per statutory terms, all existing contracts continue in force upon the Closing of the transaction. Elevance Health recognizes that part of BCBSLA's success in the market is related to its broad provider network and relationships with providers.**

Please confirm that the above statement applies to national providers located outside the State of Louisiana that are members of the current BCBSLA provider network.

Response: BCBSLA’s provider networks include only providers in the State of Louisiana that contract directly with BCBSLA. BCBSLA makes its provider network available to members of other Blue Cross and Blue Shield plans through the Blue Card program. This arrangement will not change as a result of the transaction. Similarly, BCBSLA members get access to the provider networks of other Blue Cross and Blue Shield plans in other states, also through the Blue Card program. This arrangement will also not change as a result of this transaction. Nor will the provider networks of other Blue plans change as a result of this transaction. Access to these “national providers” are a result of licensee agreements with the Blue Cross and

Blue Shield Association, which generally apply to all branded business.

2. Please confirm that after the Reorganization and Acquisition, BCBSLA's policyholders will still have access to the BCBS Association's national providers located outside the State of Louisiana and that national providers will remain a part of BCBSLA's network with respect to current BCBSLA policyholders and enrollees. Please also discuss any future plans to change access to the BCBS Association's national providers located outside the State of Louisiana with respect to current and future BCBSLA policyholders and enrollees.

Response: BCBSLA's provider networks, including access to providers available to BCBSLA members via provider agreements with other Blue Cross and Blue Shield plans, will not be affected by an acquisition by Elevance Health. Access to these "national providers" are a result of licensee agreements with the Blue Cross and Blue Shield Association, which generally apply to all branded business.

Thank you for the opportunity to address these questions. Please let us know if we can assist further.

Sincerely,

McGlinchey Stafford PLLC

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