

Alison Ellis

From: Rex C. Bowden Sr <rex.bowden@yahoo.com>
Sent: Saturday, January 13, 2024 12:30 PM
To: Regulations
Subject: Against approval by Mr Temple

Dear Sir

I'm against this very bad deal for the policyholders and our Louisiana residents.

The current board of directors and management should be replaced and taken over by the DOI similar to when Jim Brown did it when BCBS tried to partnership with BCBS or Mississippi.

The Board and management has compromised its management of Blue Cross by putting there own interests before the policyholders and the Louisiana residents.

Tim Temple should and has the legal authority to appoint someone like Robert Woolley
Or Jim Donelon as the new President of BCBSLa, Two very honest former insurance commissioners. Maybe even
Katheryn Sullivan a former President of BCBSLA and United Healthcare.

BCBS agreed and offered to give Landry or his appointment of a seat on the Board of the
New 501c4 social welfare trust.

The money that creates this trust is policyholder funds, insured holders funds and excess funds. It's just fundamental wrongdoing.

If the old Board gets \$100,000 per year for 10 years what will the new board get in the totally disconnected welfare trust. There is no benefit to policyholders or the people of Louisiana.

501c4 IRS rules do not automatically make the trust a not for profit. C4 can be for profit
and or can be both not profit and for profit.

The proposed change to Louisiana Law affects all new business that may want to set up a traditional 501c4. It could have the effect of having a law in conflict with current federal IRS laws.

As an example AARP is a 501c4 Trust.

Louisiana Life and Health Indemnity Company is a mutual insurance company owned by
its policyholders 92,000. DBA as BCBS.

However over 1,000,000 insureds created this value situation.

BCBS can't sell without 2/3 majority vote.

60,000 voting policy holders or 2/3 of those that vote?

6% or less actual voters.

Right now BCBS does not have the authorization of the policyholders to make any official request to LDI to sell.

Current Management does not have policyholder authorization to even consider the idea of selling.

BCBS has over 1,000,000 covered lives.

BCBS / LAHI co plans to pay \$3,300 to 92,000 and 3.5 billion to the non related 501c4 Trust.

\$3.5 billion 501c4 Trust is controlled by 4 BCBS Board Members and now the Governors appointed millionaire.

How can \$3.5 billion of the equity go to the 501c4 Trust? And not to 92,000 policyholders? My opinion they should get \$3,000,000 per policyholder.

The new BCBS of Indiana will put the reserves and equity of BCBSLa at substantial new financial risk because of the 19 other plans and the 50,000,000 additional covered lives.

Financial conditions of BCBSLa dramatically changes. Much more uncertainty RISK.

The 1,000,000 that get zero?

Group Employer policy owners get \$0

Old policyholders and 1,000,000 current insured who built the equity get zero who are no longer eligible if they dropped coverage.

The state has to pass new laws in order for the 501c4 to be incorporated in Louisiana in order for the Trust to be more restricted. The older proposals was a Delaware Corp.

The 5 Board members could pay themselves Millions vs the current board members at bCbS get minimal thousands and the governor gets zero.

No matter the assurances, Thousands of Louisiana BCBS employees will loose there jobs over time as Elivance transfer responsibility to more efficient systems outside Louisiana.

If BCBS / LAHI Co has \$2Billion current equity or accumulated profit, why hasent that money been used to reduce premiums paid by 1000000 insureds.

Dividends to Employers, Policyholders?

Why is the Board trying to rush this sale thru in early 2024?

What would United Health, Aetna , Humana ,
Or an Investor pay if RFP went out?

Anthem / Elavance bought BCBS of Indiana.
Policyholders got stock and get paid dividends. This proposal to Louisiana wishes to
avoid stock to policyholders and only cash.
Could the reason be buy it on the cheap?
No dividend payments.

The claim is you can't pay dividends to a not for profit 501c4 without the value being for
profit. Part of new proposed Louisiana Law?

Again seems to me many issues are dependent on many basic rushed up wishes of 4
board members whose purpose is to protect current insureds?

Mr Caldwell this sale stinks, probably unlawful,
Not in the long term interest of insureds and policyholders. This sale will create the largest unearned windfall for current
management and board members at the expense of our Louisiana people.

Thank you

Sincerely

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