IN RE: LOUISIANA HEALTH SERVICE & INDEMNTIY COMPANY D/B/A BLUE CROSS AND BLUE SHIELD OF LOUISIANA PLAN OF REORGANIZATION REGARDING THE CONVERSION FROM A MUTUAL INSURANCE COMPANY TO A STOCK INSURANCE COMPANY

CAUSE NO.

MOTION FOR LEAVE TO FILE PETITION FOR INTERVENTION

NOW INTO COURT, appearing herein in proper person, Intervenor, Henry W. Kinney, individually and as counsel for Kinney & Ellinghausen, who respectfully moves the Louisiana Department of Insurance and the Honorable Hearing Officer, Arlene Knighten, for leave to file the Petition for Intervention (the "Petition") pursuant to §1115 of Rule Number 1 – Rules of Practice and Procedure before the Commissioner of Insurance. Attached hereto is the Petition for Intervention providing immediate and direct interest for the undersigned intervenors affected by these proceedings.

WHEREFORE, as provided in the Petition for Intervention, adopted herein by reference, Intervenor prays that this Motion for Leave to File Petition for Intervention be granted.

> RESPECTFULLY SUBMITTED: KINNEY & ELLINGHAUSEN

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HENRY W. KINNEY (#7410) Email: <u>hkinney@kinneylaw.com</u> 1250 Poydras Street, Suite 2450 New Orleans, LA 70113 Telephone: 504.524.0206

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 8th day of August 2023, a copy of the above and

foregoing has been sent via electronic mail to the following:

Arlene Knighten, *in care of* James David Caldwell Louisiana Department of Insurance 1702 N. 3rd Street Baton Rouge, LA 70802 <u>David.caldwell@ldi.la.gov</u>

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Ronnie L. Johnson Rodolfo J. Aguilar, Jr. McGlinchey Stafford, PLLC 301 Main Street, 14th Floor Baton Rouge, LA 70801 rjohnson@mcglinchey.com rudyaguilar@mcglinchey.com

Attorneys for Louisiana Health Service & Indemnity Company, HMO Louisiana, Inc., Southern National Life Insurance Company, Inc., Vantage Health Plan, Inc. and Community Health Plan of Louisiana, Inc.

KINNEY & ELLINGHAUSEN:

mipenney

HENRY W. KINNEY (#7410)

IN RE: LOUISIANA HEALTH SERVICE & INDEMNTIY COMPANY D/B/A BLUE CROSS AND BLUE SHIELD OF LOUISIANA PLAN OF REORGANIZATION REGARDING THE CONVERSION FROM A MUTUAL INSURANCE COMPANY TO A STOCK INSURANCE COMPANY

CAUSE NO._____

<u>ORDER</u>

Considering the above and foregoing Motion for Leave to File Petition for Intervention:

IT IS HEREBY ORDERED that the Motion for Leave to File Petition for Intervention filed

by Intervenor, Henry W. Kinney and Kinney and Ellinghausen, is GRANTED, and they are granted

leave to file the Petition for Intervention in the above-captioned matter.

Baton Rouge, Louisiana this _____ day of August 2023.

Arlene Knighten, Hearing Officer

IN RE: LOUISIANA HEALTH SERVICE & INDEMNTIY COMPANY D/B/A BLUE CROSS AND BLUE SHIELD OF LOUISIANA PLAN OF REORGANIZATION REGARDING THE CONVERSION FROM A MUTUAL INSURANCE COMPANY TO A STOCK INSURANCE COMPANY

CAUSE NO._____

PETITION FOR INTERVENTION

NOW INTO COURT, appearing herein in proper person, comes Intervenor, Henry W. Kinney and Kinney & Ellinghausen, who respectfully submit this Petition for Intervention (the "Petition") pursuant to §1115 of rule Number 1-Rules of Practice and Procedure before the Commissioner of Insurance. As more fully explained below, Petitioners' interest is directly and immediately affected by the proceeding in the above-captioned matter. Accordingly, Intervenors respectfully request leave to intervene in the above captioned matter. In support of this Petition, Intervenor aver as follows:

I.

Petitioner, Henry W. Kinney, is a member of Louisiana Health Service & Indemnity Company doing business as a mutual insurance company, Blue Cross and Blue Shield of Louisiana ("BCBSLA"). Kinney & Ellinghausen has long been a member also and has had employees enrolled in BCBSLA. BCBSLA proposes a reorganization plan to de-mutualize BCBSLA in its entirety and deprive the members of valid consideration for the sale of the assets of BCBSLA. This plan of reorganization does not properly protect the interest of the policy holders and members and is unfair and inequitable to the members. II.

The plan for reorganization provides that all of the assets owned by BCBSLA will be transferred to a captive foundation which will in no way be aligned with the interest of the members of BCBSLA. This Delaware Foundation will have an interlocking board of directors named by BCBSLA and its operation will be unrelated to the members.

III.

The "fairness" opinions received by the Louisiana Department of Insurance from Chaffe & Associates and actuaries are submitted without factual or legal basis and are erroneous. A reasonable plan of liquidation should be undertaken solely for the benefit of the members. There are no long-term benefits to the policy holders provided for in this plan of reorganization.

Prayer for Relief

WHEREFORE, for the reasons set forth herein, Intervenor prays that this Petition for Intervention be GRANTED.

RESPECTFULLY SUBMITTED: KINNEY & ELLINGHAUSEN

mippenney

HENRY W. KINNEY (#7410) Email: <u>hkinney@kinneylaw.com</u> 1250 Poydras Street, Suite 2450 New Orleans, LA 70113 Telephone: 504.524.0206

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Attorneys for Louisiana Health Service & Indemnity Company, HMO Louisiana, Inc., Southern National Life Insurance Company, Inc., Vantage Health Plan, Inc. and Community Health Plan of Louisiana, Inc.

KINNEY & ELLINGHAUSEN:

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HENRY W. KINNEY (#7410)

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CAUSE NO._____

<u>ORDER</u>

Considering the above and foregoing Petition for Intervention:

IT IS HEREBY ORDERED that the Petition for Intervention filed by Intervenor, Henry

W. Kinney and Kinney and Ellinghausen, is GRANTED, and Henry W. Kinney and Kinney and

Ellinghausen are granted leave to intervene in the above-captioned matter.

Baton Rouge, Louisiana this _____ day of August 2023.

Arlene Knighten, Hearing Officer