

**BEFORE THE COMMISSIONER OF INSURANCE
FOR THE STATE OF LOUISIANA**

IN RE: LOUISIANA HEALTH SERVICE & INDEMNITY 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. _____

AMENDED PETITION FOR INTERVENTION

NOW INTO THESE PROCEEDINGS, comes Henry W. Kinney, individually appearing herein pro se and as counsel for Kinney, Ellinghausen & DeShazo and Robert E. Birtel, who with respect aver as follows:

I.

Robert E. Birtel, Henry W. Kinney and Kinney, Ellinghausen & DeShazo, appear herein to amend the original Petition for Intervention submitted to the Louisiana Department of Insurance on August the 8, 2023 in the following particulars for the purpose of clarifying the names of the intervenors, adding an intervenor and to respond to the Response of Louisiana Health Service & Indemnity Company D/B/A Blue Cross Blue Shield of Louisiana (“BCBSLA”) filed this date.

II.

Robert E. Birtel, is a resident of and domiciled in Jefferson Parish, Louisiana and is a member of BCBSLA. His interest in these proceedings is aligned with the other Intervenors as provided herein. His address is 4501 Orleans Blvd., Jefferson, Louisiana 70121.

III.

Kinney, Ellinghausen & DeShazo is the current corporate name of the member of BCBSLA. However, Mr. DeShazo is no longer with the firm and the name of the firm is now being changed to its former name, Kinney & Ellinghausen. The address is 1250 Poydras Ave.,

Suite 2450, New Orleans, Louisiana 70113. Henry W. Kinney's address is 6536 Lasalle Ave., Baton Rouge, Louisiana 70806.

IV.

All intervenors appear in these proceedings to oppose the demutualization of BCBSLA. Intervenors oppose the demutualization of Applicant on the following grounds:

1. The plan will not protect the immediate and long-term interests, nor serve the best interests of policyholders, including Intervenors.
2. The plan will not provide for distribution of consideration, in a fair and equitable manner, to all eligible members upon extinguishment of the membership interests.
3. The plan will distribute 95% of the consideration to an entity wholly unrelated to the members.
4. The plan will distribute 95% of the consideration to an entity controlled by a board of Trustees who are not responsible to the members of Applicant and who are not elected by the members of the Applicant.
5. The board of Trustees of the entity that will receive 95% of the consideration will be self-perpetuating and not be subject to election by any means.
6. The board of Trustees of the entity that will receive 95% of the consideration will be allowed to unilaterally dispense the income or principal of property which rightfully belongs to the members.
7. The consideration at issue can only be used for the benefit of the members and cannot be diverted to an entity formed and controlled by the Board of BCBSLA.
8. Diverting the consideration as proposed by the Applicant will deprive the membership of the benefits of this consideration in violation of the provisions of the Articles of

Incorporation and by-laws of BCBSLA. The consideration will not be used for the healthcare of the members.

9. The plan of Applicant does not provide dividend protections for the reasonable dividend expectations of policyholders of any reorganized insurer, as set forth in R.S. 22:236.3.

V.

Intervenors seek rejection of the plan of demutualization on the grounds provided above.

VI.

Intervenors will provide direct testimony in support of the provisions of Article IV above and cross examination of Applicant's witnesses as concerns those objections. Intervenors request the testimony of Vanessa Claiborne a necessary witness of Applicant as an investment banker, Daniel Borne a director of the entity that will receive 95% of the consideration for this transaction and Thomas Barfield a director of Applicant. Intervenors do not expect this testimony to exceed one hour each.

WHEREFORE, Intervenors respectfully request that they be allowed to amend their original petition and that this amendment be provided in the record of these proceedings in response to the Response of BCBSLA opposing Intervenors intervention.

RESPECTFULLY SUBMITTED:

KINNEY & ELLINGHAUSEN



HENRY W. KINNEY (#7410)

Email: hkinney@kinneylaw.com

1250 Poydras Street, Suite 2450

New Orleans, LA 70113

Telephone: 504.524.0206

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 11th 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
David.caldwell@ldi.la.gov

David S. Rubin
Butler Snow LLP
445 North Boulevard, Suite 300
Baton Rouge, LA 70802
David.Rubin@butlersnow.com

Attorneys for Louisiana Department of Insurance

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:



HENRY W. KINNEY (#7410)