

July 27, 2023

Commissioner Jim Donelon Louisiana Department of Insurance P.O. Box 94214 Baton Rouge, LA 70804-9214

Dear Commissioner Donelon,

I respectfully submit this letter in regard to the proposed acquisition of Blue Cross and Blue Shield of Louisiana (BCBSLA) by Elevance Health.

As CEO of Ochsner Health, Louisiana's largest non-profit academic health system and largest private employer, I have a multi-faceted relationship with BCBSLA. In addition to being an integral part of the BCBSLA provider network across the state, we are a customer and offer our employees health insurance through BCBSLA. We are also a business partner through shared-risk product offerings.

At Ochsner Health, we have a bold goal to improve the health of Louisianians. One way we are doing this is through our Healthy State initiative. We are committed to building a healthier region where people can live and thrive. Healthy State is driven by a comprehensive strategy to enhance healthcare access, improve health equity and health outcomes.

We are already partnering with BCBSLA on Healthy State, and I believe the new innovations, technology and capabilities Elevance Health will bring to Louisiana will only enhance our efforts and assist us in meeting our bold goal. I'm impressed that Elevance Health has already invested more than \$4 billion in investments over the past several years on behavioral health, complex and chronic care programs, and innovative virtual care solutions. Coupled with the The Accelerate Louisiana Initiative and its more than \$3 billion in assets, we have the opportunity together to make a material positive impact on the health of all Louisianians.

As a network provider, I look forward to our continued partnership with BCBSLA, and I'm especially interested in learning more about Elevance Health's key initiatives that will be available to Louisiana providers.

I'm also pleased that Elevance Health believes that healthcare is best when delivered locally and within an integrated delivery system, such as Ochsner's. To that end, we anticipate no changes to network participation for any of the vital services that we provide to Blue Cross members in Louisiana today, including behavioral health, cancer care, specialty pharmacy, outpatient services, transplant, laboratory, and ancillary healthcare services.

Ochsner Health

It is my understanding that Elevance is also committed to maintaining local leadership and decision making authority in Louisiana, which means we will continue working with BCBSLA as we have for years. It is our expectation that this will include the continuation of annual discussions and collaboration with Elevance regarding provider cost increases and other financial pressures, and how provider reimbursement may need to be modified to ensure that Ochsner can continue to deliver high quality, accessible care to the large number of BCBSLA members that we serve across Louisiana. As we have put significant investment in the various value-based programs developed by BCBSLA, we expect that these programs will continue and any evolution will continue to further benefit providers, such as Ochsner, engaged in improving outcomes and lowering costs.

Finally, as a large employer whose employees are BCBSLA members, it will be critical for Elevance to ensure a smooth transition of employer groups and members as BCBSLA migrates to the new Elevance Health platform. We are eager to learn more about their tailored solutions, capabilities, and services, particularly as it relates to our employee and dependent population of 38,000 BCBSLA members, but also as it relates to each of the BCBSLA members who access care at Ochsner. I acutely understand the challenges facing healthcare organizations in today's environment, and I understand BCBSLA's efforts in seeking a partner who can bring innovative solutions to Louisiana, while maintaining the local leadership and focus that is critical to healthcare in Louisiana. I look forward to our continued partnership.

Sincerely,

Pete November

Chief Executive Officer

Ochsner Health

CC: David Caldwell

Executive Counsel

Louisiana Department of Insurance

P.O. Box 94214

Baton Rouge, LA 70804-9214

Steven Udvarhelyi, M.D.

President and CEO Blue Cross and Blue Shield of Louisiana 5525 Reitz Avenue

Baton Rouge, LA 70809