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JUL 20 2023

Commissioner of Insurance
Legal Division

Riley Hagan III
18951 Santa Maria Drive
Baton Rouge, Louisiana 70809

July 17, 2023

Mr. David Caldwell
Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, LA 70804-9214

RE: Public Comments/BCBS

Dear Mr. Caldwell,

I write to express my opposition to any proceeds from the subject transaction being used to create and/or fund a charitable foundation or similar entity.

As stated in La. R.S. 22:236.4(A) this transaction must 1) properly protect the interests of the policyholders as such and as members, 2) serve the best interests of policyholders and members, and 3) be fair and equitable to policyholders and members. Creating such a fund with members' monies violates all these requirements.

The current value of BCBS-LA is the cumulative result of premiums paid in by the members and policyholders over time. BCBS-LA is owned by its members and exists for the benefit of its members. The idea that the bulk of the sales proceeds would be diverted to a different entity, controlled by a board in whose selection the members have had no say, and with a mission essentially unknown to and unapproved of by the members, is anathema to a member-owned, member-directed entity.

We have personally paid approximately \$100,000 in BCBS premiums over the years and have never met our deductible, i.e., have never filed a claim. I have no way of knowing how much of this amount is part of the sales price, but my suspicion is that it is not insubstantial.

Perhaps this board would do great and wonderful things; perhaps not. The question is irrelevant because it is simply not their money, nor is it the BCBS executives' money, to oversee and direct. It is the members' money – our money, to do with as we see fit. It may very well be that many members would donate the windfall from this transaction to charitable causes important to us individually, or we may use it to pay our bills, fund our retirements, take needed vacations to places of our choosing, or do anything else we please with our money...

OUR. MONEY.

Sincerely,

Riley Hagan III

