

Chapter Ins 57

APPENDIX 1

FORM A STATEMENT REGARDING THE ACQUISITION OF CONTROL OF OR MERGER WITH A CARE MANAGE- MENT ORGANIZATION

Filed with the office of the commissioner of insurance,
state of Wisconsin

By

Name of Registrant

On behalf of following care management organizations

Name: _____ Address: _____

Date: _____, _____.

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

ITEM 1. CARE MANAGEMENT ORGANIZATION AND METHOD OF ACQUISITION

State the name and address of the care management organization to which this application relates and briefly describe how control is to be acquired.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) State the name and address of the applicant seeking to acquire control over the care management organization.

(b) If the applicant is not an individual, state the nature of its business operations for the past 5 years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

(c) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. No affiliate need be identified if its total assets are equal to less than .5% of the total assets of the ultimate controlling person of the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing, indicate the type of organization (e.g., corporation, trust, partnership) and the state of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

State the following with respect to (1) the applicant if the applicant is an individual or (2) all persons who are directors, executive officers or owners of 10% or more of the voting securities of the applicant if the applicant is not an individual.

(a) Name and business address;

(b) Present principal business activity, occupation or employment including position and office held and the name, principal

business and address of any corporation or other organization in which such employment is carried on;

(c) Material occupations, positions, offices or employment during the last 5 years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection with the license or registration whether pending or concluded.

(d) Whether or not such person has ever been convicted in a criminal proceeding (excluding traffic violations not involving death or injury) during the last 10 years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

(a) Describe the nature, source and amount of funds or other considerations used, or to be used, in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

(b) Explain the criteria used in determining the nature and amount of such consideration.

ITEM 5. FINANCIAL STATEMENTS AND EXHIBITS

(a) Attach financial statements and exhibits to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding 5 fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if the information is available. The statements may be prepared either on an individual basis or, unless the commissioner otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the person's last fiscal year, in conformity with generally accepted accounting principles or other accounting principles prescribed or permitted under law.

(c) File as exhibits copies of all tender offers for, requests or

invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last 2 fiscal years, and any additional documents or papers required by form A or s. Ins 57.20, Wis. Adm. Code.

ITEM 6. SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of ch. Ins 57, Wis. Adm. Code, _____ has caused this notice to be duly signed on its behalf in the city of _____ and state of _____ on the _____ day of _____, ____.

(SEAL) _____
(Name of Registrant)

BY _____
(Name) (Title)

Attest:

(Signature of Officer)

(Title)

The undersigned deposes and says that (s)he has duly executed the attached notice dated _____, _____, for and on behalf of _____; and that (s)he is the _____

(Name of Registrant) (Title of Officer)

and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature)

(Type or print name beneath)

Subscribed and sworn to this

_____ day of _____, ____.

Notary Public _____

My commission expires _____

FORM B

PRIOR NOTICE OF A TRANSACTION

Filed with the office of the commissioner of insurance,
state of Wisconsin

By

Name of Registrant

On behalf of following care management organizations

Name: _____ Address: _____

Date: _____, ____.

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

ITEM 1. IDENTITY OF PARTIES TO TRANSACTION

Furnish the following information for each of the parties to the

transaction covered under s. 648.45, Stats., and s. Ins 57.12 (2), Wis. Adm. Code:

(a) Name;

(b) Home office address;

(c) Principal executive office address;

(d) The organizational structure, i.e., corporation, partnership, individual, trust, etc.;

(e) A description of the nature of the parties' business operations;

(f) Relationship, if any, of other parties to the transaction to the care management organization filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the care management organization seeking approval, or by the care management organization filing the notice for the affiliates;

(g) Where the transaction is with a non-affiliate, the name(s) of the affiliate(s) which will receive, in whole or in substantial part, the proceeds of the transaction.

ITEM 2. DESCRIPTION OF THE TRANSACTION

Furnish the following information for each transaction for which notice is being given:

(a) A statement as to whether notice is being given under s. Ins 57.12 (2) (a), (b), (c), (d), or (e);

(b) A statement of the nature of the transaction; and

(c) The proposed effective date of the transaction.

ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES OR INVESTMENTS

Furnish a brief description of the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, or investment. Describe any provision for purchase of the care management organization filing notice, by any party to the transaction, or by any affiliate of the care management organization filing notice. Give a description of the terms of any securities being received, if any, and a description of any other agreements relating to the transaction such as contracts or agreements for services, consulting agreements and the like. If the transaction involves consideration other than cash, furnish a description of the consideration, its cost and its fair market value, together with an explanation of the basis for evaluation.

If the transaction involves a loan, extension of credit or a guarantee, furnish a description of the maximum amount which the care management organization will be obligated to make available under such loan, extension of credit or guarantee, the date on which the credit or guarantee will terminate, and any provisions for the accrual of or deferral of interest.

If the transaction involves an investment, guarantee or other arrangement, state the time period during which the investment, guarantee or other arrangement will remain in effect, together with any provisions for extensions or renewals of such investments, guarantees or arrangements. Furnish a brief statement as to the effect of the transaction upon the care management organization's net assets.

No notice need be given if the maximum amount which can at any time be outstanding or for which the care management organization can be legally obligated under the loan, extension of credit or guarantee is less than (a) in the case of nonlife care management organizations, the lesser of 2% of the care management

organization's assets or (b) 10% of net assets as of December 31 of the immediately preceding calendar year.

ITEM 4. LOANS, EXTENSIONS OF CREDIT, OR GUARANTEES TO OR FOR A NONAFFILIATE

If the transaction involves a loan, extension of credit, or guarantee to any person who is not an affiliate, furnish a brief description of the agreement or understanding whereby the proceeds of the proposed transaction, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase the assets of, or to make investments in, any affiliate of the care management organization making such loans, extensions of credit, or guarantee. Specify in what manner the proceeds are to be used to loan to, extend credit to, purchase assets of or make investments in any affiliate. Describe the amount and source of funds, securities, property or other consideration for the loan or extension of credit and, if the transaction is one involving consideration other than cash, describe its cost and its fair market value together with an explanation of the basis for evaluation. Furnish a brief statement as to the effect of the transaction upon the care management organization's net assets.

No notice need be given if the loan or extension of credit is one which equals less than the lesser of 2% of the care management organization's assets or 10% of net assets as of December 31 of the immediately preceding calendar year.

ITEM 5. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING ARRANGEMENTS

For management and service agreements, furnish:

(a) A brief description of the managerial responsibilities, or services to be performed;

(b) A brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for compensation and the terms under which payment or compensation is to be made.

For cost-sharing arrangements, furnish:

(a) A brief description of the purpose of the agreement;

(b) A description of the period of time during which the agreement is to be in effect;

(c) A brief description of each party's expenses or costs covered by the agreement;

(d) A brief description of the accounting basis to be used in calculating each party's costs under the agreement.

ITEM 6. TRANSACTIONS NOT IN THE ORDINARY COURSE OF BUSINESS

Provide a brief but complete description of any transaction not in the ordinary course of business.

ITEM 7. OTHER TRANSACTIONS REPORTABLE UNDER AN ORDER

Provide a brief but complete description of any transaction reportable under an order.

ITEM 8. SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of ch. Ins 57, Wis. Adm. Code, _____ has caused this notice to be duly signed on its behalf in the city of _____ and state of _____ on the _____ day of _____, _____.

(SEAL) _____
(Name of Registrant)

BY _____
(Name and Title)

Attest:

(Signature of Officer)

(Title)

The undersigned deposes and says that (s)he has duly executed the attached notice dated _____, _____, for and on behalf of _____; and that (s)he is the _____

(Name of Registrant)

(Title of Officer)

and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature)

(Type or print name beneath)

Subscribed and sworn to this

_____ day of _____, _____.

Notary Public _____

My commission expires _____

FORM C
CONSENT TO JURISDICTION STATEMENT

Filed with the office of the commissioner of insurance,
state of Wisconsin
BY

(Name of Affiliate)

On Behalf of the Following Care Management Organizations
Name Address

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Date: _____.

Name, Title, Address and Telephone Number of Individual to
Whom Notices and Correspondence Concerning this Statement
Should be Addressed:

CONSENT TO JURISDICTION

The, (I), _____, an affiliate of _____,
(Affiliate) (Care Management Organization)
a care management organization permitted to do business in the
state of Wisconsin, pursuant to the requirements of ch. 648,
Stats., do hereby consent to the jurisdiction of the Commissioner
of Insurance and the courts of the state of Wisconsin.

SIGNATURE

_____ has caused this statement to be duly signed on
(Name of Affiliate)
its behalf in the city of _____ and state of
_____ on the _____ day of _____, _____.

(Name of Affiliate)
(SEAL)

BY _____
(Name)

(Title)

Attest: _____
(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed
the attached statement dated _____, _____, for and on be-
half of _____ that (s)he is the

(Name of Registrant)

_____ of such company, and that (s)he is authorized
(Title of Officer)

to execute and file such instrument. Deponent further says that
(s)he is familiar with such instrument and the contents thereof,
and that the facts therein set forth are true to the best of his or her
knowledge and belief.

(Signature)

(Type or print name beneath)

Subscribed and sworn to this
_____ day of _____, _____.

Notary Public _____
My commission expires _____