

Facts about the Proposed Blue Cross and Blue Shield of Louisiana Acquisition by Elevance Health

Some Louisianans have raised questions about the proposed acquisition of Blue Cross and Blue Shield of Louisiana (BCBSLA) by Elevance Health. This process is dictated by Louisiana state law and includes a public hearing by the LDI and must also have the approval of approximately 92,000 BCBSLA policyholders with voting rights. **The following information is intended to answer some of those questions and address any misunderstanding about this transaction and the benefits it will bring to Louisiana healthcare consumers.**

Myth 1 I will lose access to my doctor or hospital.

TRUTH

Blue Cross and Blue Shield of Louisiana's members will continue to have the same access to their doctors, hospitals, and care providers in Louisiana. In addition, for those members who have benefits that allow them to see healthcare providers in other states, that benefit will not change.

Myth 2 My premiums will increase because Elevance Health is a for-profit company.

TRUTH

No, premiums are not significantly impacted by the profit margin of a mutual company (like BCBSLA today) versus a for-profit company. The profit margin of health insurers are reviewed in detail by state insurance departments and operate within a standard range. The cost of health insurance is largely a result of the cost and amount of healthcare services used, not profit margins. Compared to 14 states where Elevance Health does business as Anthem, premiums are lower in 13 of Anthem's states than in Louisiana, and in one state are less than half of what they are in Louisiana.

Myth 3 BCBSLA will no longer be a local company with local leadership.

TRUTH

Healthcare in Louisiana must be local, and BCBSLA and Elevance Health share that philosophy. Everything you have come to expect when you reach out to a BCBSLA employee to ask a question about coverage or a claim, or for a doctor to connect to a local team member --- will not change. Elevance Health has a hyperlocal focus, and all of its affiliated health plans have leadership teams and staff based in the local markets where they serve healthcare consumers.

Myth 4 This deal will result in the loss of jobs at BCBSLA.

TRUTH

Elevance Health has committed that aggregate employment levels will be maintained at or above the current level of employment. Upon closing, BCBSLA will become part of the parent company, Elevance Health. It has been Elevance Health's experience in other markets that overall employment has increased.

Myth 5 BCBSLA policyholders are not getting any portion of the sale proceeds

TRUTH

All eligible policyholders, as defined by BCBSLA's corporate charter and consistent with state law, will receive their allocated portion of the proceeds. The amount of the proceeds going to policyholders has been analyzed by experts using investment banking principles and insurance actuarial principles.

TIMELINE

BCBSLA refiled its transaction with the Louisiana Department of Insurance (LDI)



Public hearing on Plan or Reorganization



Special BCBSLA Policyholder Meeting



Public Hearing on Change of Control



Decision by the Commissioner of Insurance