

BEFORE THE DEPUTY INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of UnitedHealth Group	:	Holding Companies Act, Article
Incorporated Requesting Exemption from	:	XIV of the Insurance Company
the Requirements of 40 P.S. §991.1402 for	:	Law of 1921, Act of May 17, 1921,
the Merger of AmeriChoice of	:	P.L. 682, <u>as amended</u> , 40 P.S.
Pennsylvania, Inc. with and into Unison	:	§§991.1401, 991.1402, and
Health Plan of Pennsylvania, Inc.	:	991.1403
	:	
	:	Order No. ID-RC-10-16

DECISION AND ORDER

AND NOW, on this 14th day of July, 2010, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

1. AmeriChoice of Pennsylvania, Inc. (“AmeriChoice”) is an authorized health maintenance organization ("HMO") organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Philadelphia, Pennsylvania.
2. Unison Health Plan of Pennsylvania, Inc. (“Unison Health”) is an authorized HMO organized under the laws of the Commonwealth of Pennsylvania with its principal place of business located in Pittsburgh, Pennsylvania.
3. UnitedHealth Group Incorporated (“UnitedHealth”) is a business corporation organized under the laws of the State of Minnesota with its principal place of business located in Minnetonka, Minnesota. AmeriChoice and Unison Health are indirect wholly-owned subsidiaries of UnitedHealth.

4. UnitedHealth is the ultimate controlling person of AmeriChoice and Unison Health.
5. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. (“Insurance Holding Companies Act”), provides that all mergers or other acquisitions of control of domestic insurers, to include HMO’s, must be filed with the Department for approval or disapproval.
6. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction does not:
  - a) have the effect of changing or influencing the control of a domestic insurer, or
  - b) is otherwise not comprehended within the purposes of the section.
7. On June 22, 2010, the Insurance Department of the Commonwealth of Pennsylvania (“Department”) received an initial request (which together with all material received subsequently is collectively referenced as “Request”) from UnitedHealth for approval to cause AmeriChoice to be merged with and into Unison Health with Unison Health being the survivor (the “Merger”).
8. The Request was filed pursuant to Section 1402 of the Insurance Holding Companies Act.
9. As provided in the Request, UnitedHealth would remain the ultimate controlling person of Unison Health following the Merger.
10. The Deputy Commissioner finds that the transaction described in the Request will not result in a change of control of a Pennsylvania domiciled HMO.
11. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

#### CONCLUSIONS OF LAW

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of voting securities or merger of a domestic HMO if, after consummation thereof, a person would be in control of the domestic HMO.
2. The Request satisfies the requirements of all applicable laws and regulations.

3. The Merger proposed in the Request will not have the effect of changing or influencing the control of a domestic HMO and is, therefore, exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
4. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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	:	
	:	Order No. ID-RC-10-16

ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Order:

An approving determination for the application of UnitedHealth Group Incorporated requesting exemption from the requirements of 40 P.S. §991.1402 for the merger of AmeriChoice of Pennsylvania, Inc. (“AmeriChoice”) with and into Unison Health Plan of Pennsylvania, Inc. (“Unison Health”), as set forth in the Request, is hereby granted subject to this Order and the following conditions:

1. A copy of the Articles of Merger shall be filed with the Deputy Commissioner not later than ten (10) days after their filing with the Pennsylvania Department of State.
2. AmeriChoice shall surrender its Certificate of Authority to the Deputy Insurance Commissioner not later than ten (10) days after the filing of Articles of Merger with the Pennsylvania Department of State.
3. This transaction may be recorded as effective for accounting purposes as of the first day of the calendar quarter in which the merger is consummated.

This Order is effective immediately and valid for one year from the date of signature, provided there are no significant changes from the Request.

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STEPHEN J. JOHNSON  
Deputy Insurance Commissioner  
Office of Corporate and Financial Regulation