
From: Whitehead, Nora
Sent: Thursday, May 19, 2016 11:32 AM
To: [REDACTED]
Cc: Gillis, Diana L.; Walsh, Kathryn E.
Subject: RE: HSR Question: 801.10

Confirmed.

Nora Whitehead
(202) 326-3262
Check out the [PNO Blog!](#)

From: [REDACTED]
Sent: Thursday, May 19, 2016 10:31 AM
To: Walsh, Kathryn E.; Whitehead, Nora; Gillis, Diana L.
Subject: HSR Question: 801.10

Dear Kate, Nora and Diana,

I would appreciate your confirmation that the transaction described below does not require an HSR filing.

A and B plan to form an unincorporated joint venture health insurance company and HMO that will underwrite, market, sell and issue major medical health benefit plans and insurance policies and contracts. Each of A and B will hold 50 percent of the interests in the joint venture. A will contribute to the joint venture certain assets with a value of less than \$10 million. In addition, each of A and B will contribute to the venture cash and certain renewal rights. The contributed renewal rights are each party's right to offer to cancel or non-renew and re-write any contributed policies and/or contracts and to solicit subscribers, policyholders, members and employer groups thereunder for renewal or replacement coverage or services. There is no assurance that policy holders will in fact renew or replace their policies. Please assume that each of A and B meet the size-of-persons test.

Please confirm that the staff's position continues to be that renewal rights are not considered to be assets for HSR purposes (see Informal Interpretation 0809009) and that the transaction described above therefore is not reportable.

As always, thanks for your help.

[REDACTED]

[REDACTED]