

**BEFORE THE STATE OF CONNECTICUT
INSURANCE DEPARTMENT**

IN THE MATTER OF:)	DOCKET NO.
)	
THE ACQUISITION OF CONTROL OF)	EX 24-167
CONNECTICARE, INC.; CONNECTICARE INSURANCE)	
COMPANY, INC.; AND CONNECTICARE BENEFITS, INC.)	
)	
BY MOLINA HEALTHCARE, INC.)	
)	
)	

**PRE-FILED TESTIMONY OF MARK D. MEADOR ON BEHALF OF THE
DOMESTIC INSURERS**

I, Mark D. Meador, hereby declare under penalty of perjury as follows:

I am the President of each of ConnectiCare, Inc., a Connecticut Health Care Center (“CCI”), ConnectiCare Insurance Company, Inc., a Connecticut accident and health insurer (“CICI”), and ConnectiCare Benefits, Inc., a Connecticut accident and health insurer (“CBI” and, together with CCI and CICI, the “Domestic Insurers”). I present this testimony on behalf of the Domestic Insurers to show the evidence supporting the approval of the above-entitled action under Conn. Gen. Stat. § 38a-132(a). I am authorized to give this testimony by the powers vested in me under my duties on behalf of the Domestic Insurers.

I. Witness Identification

1. Please state, for the record, your full name, business address and by whom you are employed.

A: My name is Mark Dunstan Meador. I am an executive officer of each of the Domestic Insurers and of ConnectiCare Holding Company, Inc. (itself or collectively with its subsidiaries that are part of the Proposed Acquisition, as the context may require, “ConnectiCare”), a Connecticut corporation. My business address is 175 Scott Swamp Road, Farmington, Connecticut 06032.

2. What is your position at the Domestic Insurers?

A: I am the President of each of the Domestic Insurers, ConnectiCare Capital, LLC and ConnectiCare.

3. Please identify your responsibilities as President of the Domestic insurers.

A: My responsibilities in this role include general oversight of all aspects of the operations of the Domestic Insurers including promoting ConnectiCare’s mission of making Connecticut a healthier place to live and work.

4. Please describe your career and educational background.

A: I have been employed by ConnectiCare since 2019, serving as its general counsel and corporate secretary, and have served in my current position as President of the Domestic Insurers since June 2023. Before joining ConnectiCare, I spent over 20 years with Aetna in various executive positions. Earlier in my career, I held leadership positions with other insurance carriers, including Prudential, and worked for a private law firm in Atlanta, Georgia.

I hold a Bachelor of Arts in Economics degree from Emory University and am a graduate of the Emory University School of Law. I am a member of the Connecticut and Georgia Bars.

5. Please explain for the record your purpose for providing this testimony here today.

A: I am providing testimony in support of the proposed acquisition of control of the Domestic Insurers by Molina Healthcare, Inc., a publicly-traded Delaware corporation (the “Applicant”).

ConnectiCare owns all the issued and outstanding units of ConnectiCare Capital, LLC, which owns all the issued and outstanding shares of CCI and CICI. CICI owns all the issued and outstanding shares of CBI. Each of the Domestic Insurers is therefore an indirect, wholly owned subsidiary of ConnectiCare.

Emblem Health, Inc., a New York not-for-profit corporation, owns all the issued and outstanding shares of Health Insurance Plan of Greater New York, which owns all the issued and outstanding shares of HIP Holdings, Inc., which owns all the issued and outstanding shares of ConnectiCare. ConnectiCare is therefore an indirect, wholly owned subsidiary of Emblem Health, Inc.

As described in the written testimony of Mark R. Margiotta of Molina Healthcare, Inc. submitted to the Connecticut Insurance Department (the “Department”) in connection with this hearing, the Applicant proposes to acquire control of the Domestic Insurers pursuant to a Stock Purchase Agreement, dated as of July 22, 2024 (the “Purchase Agreement”), by and among the Applicant, ConnectiCare and certain seller parties thereto. The Purchase Agreement provides that, subject to the terms and conditions set forth therein, the Applicant will directly acquire all of the issued and outstanding shares of common stock of ConnectiCare and, thereby, indirectly acquire all of the issued and outstanding stock of each of the

Domestic Insurers (the “Proposed Acquisition”). Upon consummation of the Proposed Acquisition, the Applicant will directly own all of the issued and outstanding shares of common stock of ConnectiCare and indirectly own all of the issued and outstanding stock of each of the Domestic Insurers.

6. Have you been authorized by the Domestic Insurers to speak on its behalf at this hearing?

A: Yes, I am authorized to testify on behalf of the Domestic Insurers at this hearing.

II. Procedural Matters

7. Did the Domestic Insurers receive a copy of the Form A Statement?

A: Yes. The Applicant sent copies of the original Form A Statement and the amended and restated Form A Statement to the Domestic Insurers, through ConnectiCare’s outside counsel, on August 19, 2024 and December 16, 2024, respectively, via a secure File Transfer Site.

8. Did the Domestic Insurers receive at least seven days’ notice of the public hearing?

A: Yes. The Domestic Insurers received formal notice of the hearing from the Applicant on December 24, 2024.

9. Do the Domestic Insurers support the Form A Statement and the Proposed Acquisition?

A: Yes. The Proposed Acquisition is consensual and the related Purchase Agreement was freely entered into by the parties through arms’ length negotiations. The Domestic Insurers believe that the Proposed Acquisition is mutually beneficial and also advantageous to our policyholders and members. The Applicant is a seasoned, financially strong and well-managed organization, with well-qualified directors and executive officers and an excellent reputation, particularly in the state insurance marketplace (the “Marketplace”). ConnectiCare and the Domestic Insurers support the Form A Statement and believe that it merits the Commissioner’s approval.

III. The Domestic Insurers

10. Please briefly describe the current operations of the Domestic Insurers.

A: The Domestic Insurers offer Marketplace, Medicare and commercial insurance products to members across Connecticut. Specifically, CCI provides managed care services through Point of Service, HMO and Medicare Advantage products, CICI offers health insurance and administrative services only products (including, but not limited to, insurance on the Connecticut health insurance marketplace known as “Access Health CT”), and CBI offers health insurance on Access Health CT.

11. What will the Domestic Insurers' businesses consist of following completion of the Proposed Acquisition?

A: As described in the written testimony of Mark R. Margiotta of Molina Healthcare, Inc. submitted to the Department in connection with this hearing, we understand that, other than as set forth in the Form A Statement (including the plan of operations attached thereto), the Applicant has no present plans or proposals to cause the Domestic Insurers to declare an extraordinary dividend or make other distributions, to liquidate the Domestic Insurers, to sell the assets of the Domestic Insurers (other than in ordinary course), to merge or consolidate the Domestic Insurers with any person or persons or to make any other material change in the Domestic Insurers' business operations or corporate structure, or to cause the Domestic Insurers to enter into material contracts, agreements, arrangements, understandings or transactions of any kind with any party.

The Domestic Insurers plan to remain successful, well-capitalized and profitable participants in the Marketplace with the support and commitment of the Applicant. We understand that the Applicant is undergoing a continuing strategic assessment with respect to the Medicare and commercial lines of insurance written by the Domestic Insurers and is considering, among other factors, alignment with the Applicant's strategic goals and the Applicant's core strengths in connection therewith. Regardless, immediately following the closing of the Proposed Acquisition, we expect the Domestic Insurers' businesses to continue in the ordinary course, while the Domestic Insurers, Molina, and EmblemHealth work through a transition to migrate the Domestic Insurers to Molina's systems and platform in a manner as seamless as possible for our policyholders.

IV. Statutory Criteria

12. Pursuant to the laws of the State of Connecticut, the Commissioner of the Connecticut Insurance Department shall approve any merger or other acquisition of control unless, after a public hearing, he finds that such merger or acquisition of control would result in one or more of six adverse consequences, as set forth in Conn. Gen. Stat. § 38a-132(a)(1)-(6). Do you have any reason to believe that the Proposed Transaction will result in any of the six adverse consequences or violate any of the standards set forth in Conn. Gen. Stat. § 38a-132(a)(1)-(6)?

A: No, I do not have any reason to believe that the Proposed Acquisition will result in any of the six adverse consequences or violate any of the standards set forth in Conn. Gen. Stat. § 38a-132(a)(1)-(6).

V. Closing Remarks

13. Is there anything else that you would like to add at this time?

A: Yes. I would like to thank Commissioner Mais, Hearing Officer Dowty, Deputy Commissioner Kosky, Ms. Callanan, Mr. Cotrone and the other Department Staff for their prompt attention to this matter and for their diligence in reviewing the

Form A Statement. I would also respectfully request at this time that the Commissioner approve the proposed acquisition of control of the Domestic Insurers as described in the Form A Statement.