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May 19, 2005

Cindy Ehnes
Director
California Department of Managed Health Care
980 9th Street, Suite 2450
Sacramento, CA 95814

Sent Via Facsimile

Re: Public Records Act Request

Dear Ms. Ehnes,

Pursuant to California Government Code § 6253(b) of the Public Records Act, The Foundation for Taxpayer and Consumer Rights (FTCR) hereby requests copies of all public records as follows:

1. All Blue Cross of California ("Blue Cross") quarterly and annual financial reports filed with the Department of Managed Health Care and the Department of Corporations for the years 1996, 1997, 1998, 1999, 2000, and 2001.
2. All documents, filings and other records* confirming the dollar amounts and percentage increases of Blue Cross premium for each plan type (individual, small group, and large group) following WellPoint Health Network's merger with Anthem Inc.
3. All documents, filings and other records corroborating WellPoint Inc.'s claim that merger related executive bonuses and other merger related costs were not paid by Blue Cross rate increases.
4. All documents, filings and other records pertaining to Blue Cross practices, methodologies and formulas for determining customer rate increases both pre- and post- merger between WellPoint Health Networks and Anthem Inc.

* As used in this letter, the term "records" includes writings and correspondence that are printed, typed, hand-written, facsimiles or computer generated e-mail.

5. All documents, filings, and other records demonstrating any changes to Blue Cross' administrative expense ratio before and after the merger between Well point Health Networks and Anthem Inc.
6. All documents, filings and other records demonstrating that merger related indebtedness incurred to finance cash requirements of the merger between WellPoint Health Networks and Anthem Inc. has not been included in post merger practices and methodologies for determining customer rate increases.
7. All documents, filings and other records pertaining to actuarial evidence justifying customer rate increases.
8. All documents, filings and other records proving that the multiple charging of nearly 47,000 Blue Cross enrollees in April of 2005 did not occur as a result, whether in part or full, of the merger between WellPoint Health Networks and Anthem Inc.
9. All documents, filings and other records providing proof that the nearly 47,000 Blue Cross enrollees who received multiple charges have been compensated for the overcharges, any late fees, returned check fees, overdraft fees, lost interest, or any other expenses incurred as a result of Blue Cross' improper conduct, and that Blue Cross has turned over to enrollees any interest that the company obtained on the misappropriated funds.
10. All documents, filings and other records demonstrating that Anthem had cash on hand immediately prior to the closing of the merger that was adequate to provide for all costs relating to the merger.

Any public records withheld from production for inspection should be separately identified and should be accompanied by the claimed justification for withholding as provided by Gov. Code § 6255, stating the nature of the document withheld, the specific exemption under which the document is being withheld, and the public interest served by withholding said document. We reserve the right to appeal your decision to withhold any materials.

Should you contend that a portion of a particular document is exempt from disclosure due to confidentiality, we also request pursuant to Gov. Code § 6253(a) that the exempt portion be redacted and the remaining portion be produced for our inspection.

FTCR is prepared to pay reasonable search and duplication fees in connection with this request. However, agencies have discretion to waive fees in order to provide greater access to public records pursuant to Gov. Code § 6253(e). (See *North County Parents Organization for Children with Special Needs v. California Dept. of Educ.* (1994) 28 Cal.Rptr.2d 359, 361.) As the information which is the subject of this request is of primary benefit to the public to inform how taxpayer dollars are being spent, we ask that you waive all search and duplication fees.

Consistent with § 6253(c), we expect to hear from you within ten days. If you have any questions concerning the scope of our Public Records Act request, please contact the undersigned at (310) 392-0522 ext. 319.

Sincerely,

Jerry Flanagan