

In the Matter of the Form A)
Application of Cambia Health Solutions)
Inc., Proposed Acquisition of Blue Cross)
Blue Shield of North Dakota, and NextBlue)
of North Dakota Insurance Company)

FILE NO CO-25-914

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STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of the Form A Application)	
of Cambia Health Solutions, Inc., Proposed)	FINDINGS OF FACT,
Acquisition of Blue Cross Blue Shield of North)	CONCLUSIONS OF LAW,
Dakota and NextBlue of North Dakota)	AND ORDER APPROVING
Insurance Company)	ACQUISITION OF CONTROL
)	
)	FILE NO. CO-25-914

INTRODUCTION

On September 4, 2025, Cambia Health Solutions, Inc., an Oregon fully taxed, nonprofit corporation (the “Applicant”) formally filed with the North Dakota Insurance and Securities Department (the “Department”) a Form A Statement Regarding the Acquisition of Control of a Domestic Insurer (the “Initial BCBSND Form A”) regarding the acquisition of control of Blue Cross Blue Shield of North Dakota (“BCBSND”), which such Initial BCBSND Form A was amended and restated and filed with the Department on October 10, 2025 (the “Amended BCBSND Form A”). Additionally, on October 10, 2025, Applicant filed with the Department a Form A Statement Regarding the Acquisition of Control of a Domestic Insurer (the “NextBlue Form A”, and together with the Amended BCBSND Form A, the “Form A”) regarding the acquisition of control of NextBlue of North Dakota Insurance Company (“NextBlue”, and together with BCBSND, the “Domestic Insurers”). The Form A was submitted pursuant to N.D.C.C. Ch. 26.1-10.

In connection with the Form A, the Applicant submitted pre- and post-closing organizational charts of the Applicant and its affiliates, a post-closing organizational chart of HealthyDakota Mutual Holdings, a list of members of the Board of Directors and executive

officers of the Applicant, biographical affidavits of the members of the Board of Directors and executive officers of the Applicant, and financial statements of the Applicant. Further, in connection with the Initial BCBSND Form A and the Amended BCBSND Form A, the Applicant submitted an Affiliation Agreement (the “Affiliation Agreement”), by and between the Applicant and BCBSND, dated as of August 19, 2025, the form of a Management and Administrative Services Agreement (the “MASA”), a MASA regulatory compliance financial analysis grid, and three-year financial projections for BCBSND.

On December 19, 2025, notice of the hearing was provided to the Applicant by the North Dakota Commissioner Jon Godfread (the “Commissioner”), setting a public hearing concerning the proposed affiliation transaction for January 20, 2026 as provided in N.D.C.C. § 26.1-10-03(4)(b). The Applicant caused notice of the hearing to be published in *The Forum of Fargo-Moorhead* on January 11, 2026 in accordance with the Commissioner’s request. Notice of the hearing was also posted on BCBSND’s public website beginning on January 12, 2026.

The public hearing regarding the proposed transaction was held before the Deputy Commissioner John Arnold (“Deputy Commissioner”) at 9:00 A.M. on January 20, 2026, in the Coteau Room, at the State Capitol building in Bismarck, North Dakota. The Applicant appeared through its counsel, Jason D. Kimpel and Kelsey E. Himmeroeder of Faegre Drinker Biddle and Reath, LLP and provided oral testimony from Jared L. Short, President and Chief Executive Officer of the Applicant, and Michael Rains, Senior Vice President and Chief Financial Officer of the Applicant. BCBSND appeared through its counsel, Jill R. Radloff of Stinson LLP and provided oral testimony from Dan Conrad, President and Chief Executive Officer of BCBSND. The Department appeared through Jamie Struthers, Special Assistant Attorney General, Attorney for

the State of North Dakota, and provided oral testimony from Patrick Hendrickson, Senior Financial Analyst for the Department.

Further, Lisa Helbing, the chair of the BCBSND Board of Directors, provided a public comment in support of the proposed acquisition of control of the Domestic Insurers.

The matter of the acquisition of control of the Domestic Insurers by the Applicant has been considered by the Department based upon the Form A, oral testimony submitted in connection with the hearing, and other documents filed with the Commissioner and made a part of the record including the documents filed with the Form A, supplemental filings made with the Department, and exhibits submitted by the Applicant at the hearing.

After considering and reviewing all documents, instruments, testimony, and materials filed or submitted in this matter, the Commissioner makes the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

A. Applicant's Background and Significant Affiliates

1. The Applicant is an Oregon fully taxed, nonprofit corporation and the ultimate controlling parent of Regence Insurance Holding Company, an Oregon nonprofit public benefit corporation, which is the sole nonprofit corporate member of Regence BlueCross BlueShield of Oregon, an Oregon nonprofit domestic insurer and health care service contractor, Regence BlueShield, a Washington nonprofit domestic insurer and health care service contractor, and Regence BlueCross BlueShield of Utah, a Utah nonprofit domestic insurer and health care service contractor. Also, Applicant is the contracting entity in the management and administrative services agreement with Regence BlueShield of Idaho, Inc., an Idaho nonprofit mutual insurance company.

2. The Applicant's affiliates are detailed in the organizational chart provided with the Form A.

B. Domestic Insurers' Background

1. BCBSND is a North Dakota domestic mutual insurance company. The sole member of BCBSND is HealthyDakota Mutual Holdings, a North Dakota mutual holding company. Certain policyholders of BCBSND are the mutual members of HealthDakota Mutual Holdings.

2. NextBlue is a North Dakota domestic stock insurance company. NextBlue, LLC, a Delaware limited liability company owns 100% of NextBlue's issued and outstanding capital voting stock. BCBSND owns 49% of the membership interests in NextBlue, LLC. The remaining 51% membership interests in NextBlue, LLC is owned by Emergient, Inc., a subsidiary of Blue Cross Blue Shield of Michigan Mutual Insurance Company.

C. Form A Filing and Related Procedural History

1. On September 4, 2025, the Applicant filed the Initial BCBSND Form A regarding the proposed affiliation transaction pursuant to N.D.C.C. 26.1-10-03. On October 10, 2025, the Applicant filed the Amended BCBSND and the NextBlue Form A regarding the proposed affiliation transaction with the Department pursuant to N.D.C.C. 26.1-10-03. The Form A provides the entire and complete information required by N.D.C.C. 26.1-10-03. Supplemental information and documents were provided to the Department on October 29, 2025, December 16, 2025, December 18, 2025, and January 10, 2026. On December 19, 2025, a public notice was issued by the Commissioner to set a public hearing concerning the transaction on January 20, 2026, as provided in N.D.C.C. 26.1-10-03(4). Notice of the public hearing was provided by the Applicant to the Domestic Insurers on January 12, 2026. Additionally, notice of the public hearing was provided by the Applicant to the policyholders of the Domestic Insurers through a public notice

published in *The Forum of Fargo-Moorhead* on January 11, 2026. The public hearing regarding the proposed affiliation transaction was held before the Deputy Commissioner at 9:01 a.m. on January 20, 2026 in the Coteau Room, at the State Capitol building in Bismarck, North Dakota. The Deputy Commissioner closed the record following completion of the public hearing.

D. Proposed Affiliation Transaction

1. Under the proposed affiliation transaction, the Applicant will acquire control of BCBSND pursuant to the terms of the MASA under which, among other things, BCBSND will grant to the Applicant the authority to manage BCBSND's operations (other than business conducted by BCBSND's excluded affiliates, as defined in the MASA).

2. BCBSND owns 49% of the membership interests in NextBlue, LLC. NextBlue, LLC in turn owns 100% of the shares of capital voting stock of NextBlue. Further, NextBlue is governed by a Board of Directors, of which BCBSND has the right to appoint three (3) of the seven (7) directors on the Board of Directors.

3. In connection with the proposed transaction, each of the Domestic Insurers will retain its separate corporate identity, financial assets and Board of Directors.

4. The proposed affiliation transaction constitutes a change of control of the Domestic Insurers under N.D.C.C. 26.1-10-03 because even though NextBlue is an "Excluded Affiliate", as defined in the MASA (i) the affiliation transaction structure involves BCBSND's delegation of management and operational authority to Cambia under the terms of the MASA; and (ii) BCBSND has an indirect 49% ownership interest in NextBlue, and the right to appoint three (3) out of NextBlue's seven (7) directors on its Board of Directors.

E. Requirements for Issuance of a Certificate of Authority

1. The affiliation transaction will not negatively affect the Domestic Insurers' level of capital and surplus.

2. Following the affiliation transaction, the Domestic Insurers' policies and procedures for complying with applicable laws will be the same as they were prior to the affiliation transaction. Accordingly, following the affiliation transaction, the Domestic Insurers will still satisfy the requirements for issuance of a certificate of authority to write the lines of insurance for which each is presently licensed.

F. Competition in Insurance and Impact on Insurance Buying Public

1. Neither the Applicant nor any affiliate of the Applicant is licensed to transact insurance in the State of North Dakota.

2. Pursuant to N.D.C.C. 26.1-10-03.1(2)(b)(4)(b), the transaction meets the preacquisition notification exemption standards because it will not result immediately in an increase in market share in any line of business in North Dakota. Consequently, the effect of the acquisition by the Applicant will not tend to substantially lessen competition or tend to create a monopoly in any line of insurance in North Dakota.

G. Applicant's Financial Status

1. The Applicant submitted all requested financial statements, organizational charts, and biographical affidavits for its directors and executive officers with the Form A.

2. The financial condition of the Applicant is such that the financial condition of the Domestic Insurers would not be jeopardized by the affiliation transaction. Furthermore, the affiliation transaction will not prejudice the interests of the Domestic Insurers' policyholders.

H. Plans and Proposals for the Domestic Insurers

1. Following the closing of the affiliation transaction, the Domestic Insurers will continue to maintain its separate corporate existence and substantially continue its operations as currently conducted.

2. The Applicant has no present plans or proposals to liquidate the Domestic Insurers, to sell their assets, to consolidate or merge them with any person, or to make any other material change in their business or corporate structure. Applicant's plans or proposals to make changes to the Domestic Insurer's management are not unfair or unreasonable to policyholders and are not contrary to the public interest.

I. Applicant's Management

1. The Applicant is managed by professionals who have demonstrated competence, experience, and integrity in financial services and health benefits operations and who possess significant corporate and commercial experience. The competence, experience, and integrity of such individuals is such that it would not be against the interests of the policyholders of the Domestic Insurers or against the interests of the general public if the Applicant were permitted to acquire control of the Domestic Insurers in connection with the affiliation transaction.

J. Effect of the Acquisition on the Insurance Buying Public

1. The Domestic Insurers will be managed substantially consistent with the way they are currently managed and, given the experience and financial strength of the Applicant, the affiliation transaction will not be hazardous or prejudicial to the insurance buying public.

K. Department's Recommendation

1. Patrick Hendrickson, Senior Financial Analyst with the Department, reviewed the Form A, all corresponding exhibits and all supplemental filings.

2. Mr. Hendrickson, on behalf of the Department, testified that he considered the criteria outlined in N.D.C.C. 26.1-10-03(4)(a) through (f) and concluded that: (i) following the affiliation transaction, the Domestic Insurers would still satisfy the current capital and surplus requirements under North Dakota law for issuance of a certificate of authority to write the lines of insurance for which it is presently licensed; (ii) the proposed affiliation transaction would not have the effect of substantially lessening competition in insurance in North Dakota or tend to create a monopoly in North Dakota; (iii) the financial condition of the Applicant will not jeopardize the financial stability of the Domestic Insurers or prejudice the interests of Domestic Insurers' policyholders; (iv) there was no evidence that the Applicant had any plans to liquidate the Domestic Insurers, sell their assets or consolidate or merge them with any person, or to make any other material change in their business or corporate structure or management that would be unfair and unreasonable to policyholders of the Domestic Insurers or that would be contrary to the public interest; (v) the evidence suggested that the competence, experience and integrity of the directors, officers and management of the Applicant are such that it will be in the interests of the Domestic Insurers and of the public to permit the affiliation transaction to occur; and (vi) there is no evidence that the proposed affiliation transaction is likely to be hazardous or prejudicial to the insurance buying public.

CONCLUSIONS OF LAW

1. The Commissioner has jurisdiction over the proposed affiliation transaction pursuant to N.D.C.C. Ch. 26.1-10.

2. The Form A and related exhibits meet all of the filing requirements provided pursuant to N.D.C.C. § 26.1-10-03.

3. The Applicant has met the procedural requirements of N.D.C.C. Ch. 26.1-10 with regard to seeking and receiving approval of the proposed acquisition of control of a North Dakota domestic insurance company.

4. The hearing in this matter was duly noticed and conducted pursuant to the requirements of N.D.C.C. § 26.1-10-03(4) and an order approving or disapproving the proposed affiliation transaction may be issued based upon the Form A filed with the Commissioner by the Applicant.

5. The Commissioner shall approve an acquisition of control governed by N.D.C.C. § 26.1-10-03(4) unless the Commissioner finds that:

a. After the change of control, the domestic insurance company would not be able to satisfy the requirements for the issuance of a certificate of authority to write the lines of insurance for which it is presently licensed.

b. The effect of the merger or other acquisition of control would be substantially to lessen competition in insurance or tend to create a monopoly in North Dakota.

c. The financial condition of any acquiring party might jeopardize the financial stability of the insurance company or prejudice the interest of its policyholders.

d. The plans or proposals which the acquiring party has to liquidate the insurance company, sell its assets or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the company and not in the public interest.

e. The competence, experience, and integrity of those persons who would control the operation of the insurance company are such that it would not be in the interest of policyholders of the company and of the public to permit the merger or other acquisition of control.

f. The acquisition is likely to be hazardous or prejudicial to the insurance buying public.

6. The proposed acquisition of control of Blue Cross Blue Shield of North Dakota and NextBlue of North Dakota Insurance Company constitutes a change of control under the provisions of N.D.C.C. Ch. 26.1-10 and is subject to prior approval of the Commissioner.

7. Based on the Findings of Fact, the evidence does not suggest that any of the events or conditions listed in N.D.C.C. § 26.1-10-03(4) would occur or exist after the acquisition of control; therefore, the evidence does not form a basis upon which the proposed acquisition of control of Blue Cross Blue Shield of North Dakota and NextBlue of North Dakota Insurance Company by the Applicant should be denied.

8. Considering the entirety of the evidence contained in the record, it is appropriate to approve the proposed affiliation transaction resulting in an acquisition of control of the Domestic Insurers by the Applicant.

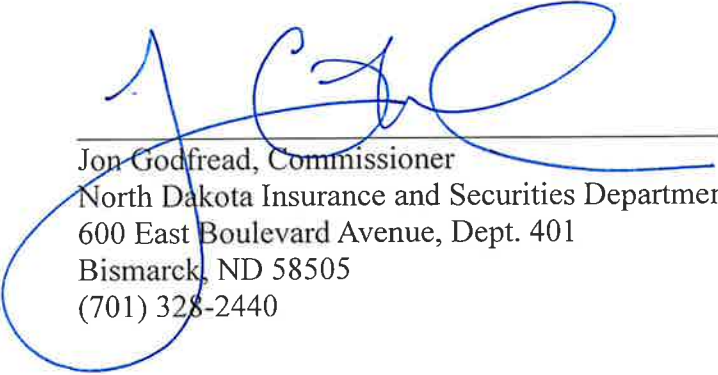
NOW, THEREFORE, based upon the representations and sworn testimony of the parties and the above Findings of Fact and Conclusions of Law, the Commissioner enters an Order as follows:

ORDER

The proposed affiliation transaction and resulting acquisition of control of Blue Cross Blue Shield of North Dakota and NextBlue of North Dakota Insurance Company by Cambia Health

Solutions, Inc., in accordance with the terms of the Affiliation Agreement (including the MASA and all other contemplated terms and agreements) and as described in the Amended and Restated Form A Statement Regarding the Acquisition of Control of a Domestic Insurer regarding the acquisition of control of Blue Cross Blue Shield of North Dakota and the Form A Statement Regarding the Acquisition of Control of a Domestic Insurer regarding the acquisition of control of NextBlue of North Dakota Insurance Company, is **HEREBY APPROVED**.

Dated as of 23rd day of January, 2026



Jon Godfread, Commissioner
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