



UNITED WISCONSIN SERVICES, INC.

March 13, 2001

Mr. Stephen E. Bablitch
Vice President and General Counsel
United Wisconsin Services, Inc.
401 W Michigan Street
Milwaukee, WI 53203

**RE: Trading of United Wisconsin Services, Inc. Common Stock in the
UWSI/BCBSUW 401(k) Plan**

Dear Mr. Bablitch:

As you know, in my capacity as Manager, Benefits & Compensation for United Wisconsin Services, Inc. ("UWSI"), I have primary responsibility for the day-to-day operation of the UWSI/BCBSUW 401(k) Plan ("Plan"). This responsibility requires that I be in frequent communication with the Plan's Trustee and Administrator, American Express Trust Company (the "Trustee"), concerning Plan operations.

In accordance with your instructions, on March 7, 2001 I instructed the Trustee to suspend trading in UWSI common stock in the UWSI/BCBSUW Pooled Stock Fund under the Plan. Later that same day, I informed the Trustee that trading in UWSI stock was permissible on March 7 and 8, but that no trading should take place on March 9, 2001. Further, trading in UWSI common stock in the Plan's Pooled Stock Fund was not to resume until directed by UWSI, through me. Copies of various e-mail messages between me and my contact at the Trustee (Ms. Nancy Gardner), are attached for your reference.

Ms. Gardner confirmed today via telephone that there have been no purchases or sales of UWSI common stock in the Plan since 16,100 shares were purchased on February 16, 2001. A copy of the February 2001 report from the Trustee for the UWSI/BCBSUW Pooled Stock Fund showing all activity in the fund for that month, including the February 16 purchase, is attached for your reference.

Ms. Gardner also confirmed today that the Trustee's traders will continue to refrain from purchasing or selling shares of UWSI common stock until instructed to do so by UWSI.

Please let me know if I can be of any further assistance in this matter. My direct phone number is 414-226-5773.

Sincerely,

A handwritten signature in cursive script that reads "Mark T. Sabin".

Mark T. Sabin
Manager, Benefits & Compensation

Attachments

cc. Ms. Nancy Gardner, American Express Trust Company