

Centene Corporation Announces Transactions With Community Health Solutions - Jun 5, 2014

ST. LOUIS, June 5, 2014 /PRNewswire/ -- Centene Corporation (NYSE: CNC) ("Centene") announced today that it has entered into a transaction whereby Community Health Solutions of America, Inc. ("CHS") will assign its contract with the Louisiana Department of Health and Hospitals ("DHH") under the Bayou Health Shared Savings Program to Centene's wholly owned subsidiary, Louisiana Healthcare Connections, Inc. ("LHCC"). The transaction is subject to regulatory approval, and LHCC will work with the DHH and CHS to obtain the required approvals and satisfy other conditions to facilitate a smooth transition for the more than 200,000 TANF, CHIP and ABD members currently enrolled in the CHS plan. Separately, Centene and CHS have entered into a business development partnership to pursue other managed care opportunities for Medicaid programs in new markets.

"Louisiana Healthcare Connections is pleased about this opportunity to continue our mission to provide high quality health outcomes to more people in Louisiana at lower costs to the state," said Jamie Schlottman, Plan President and CEO of Louisiana Healthcare Connections. Jesse N. Hunter, Executive Vice President and Chief Business Development Officer for Centene, said "This transaction will strengthen Louisiana Healthcare Connections' presence in Louisiana. We are excited to partner with CHS on shared savings opportunities as a way to extend our business development pipeline to new markets."

The purchase price will be between approximately \$110 million and \$140 million and is contingent upon regulatory approval. Initial consideration of \$70 million consists of a cash payment of \$14 million made at signing and \$56 million to be paid in stock at closing, which is expected to be on June 30, 2014. The remaining purchase price will be paid in cash in multiple steps and will be finalized based on membership retained by LHCC in Q1 2015.

Further information will be provided at Centene's Investor Day on June 13th in New York City.

### **About Centene Corporation**

Centene Corporation, a Fortune 500 company, is a leading *multi-line* healthcare enterprise that provides programs and services to government sponsored healthcare programs, focusing on under-insured and uninsured individuals. Many receive benefits provided under Medicaid, including the State Children's Health Insurance Program (CHIP), as well as Aged, Blind or Disabled (ABD), Foster Care and Long Term Care (LTC), in addition to other state-sponsored/hybrid programs, and Medicare (Special Needs Plans). The company operates local health plans and offers a range of health insurance solutions. It also contracts with other healthcare and commercial organizations to provide specialty services including behavioral health, care management software, correctional systems healthcare, in-home health services, life and health management, managed vision, pharmacy benefits management, specialty pharmacy and telehealth services.

*This information provided in this press release contains forward-looking statements about a transaction between Centene and CHS including the estimated purchase price and potential financial impact of the transaction. Such information involves substantial risks and uncertainties including, among other things, economic, regulatory, contract non-renewal, competitive and other factors that may cause the actual benefits to be materially different from those expressed in this press release. Forward-looking statements speak only as of the date of this release and are based on information available at the time those statements are made, as well as management's views and assumptions regarding future events. You should not put undue reliance on any forward-looking statements. Centene does not undertake to update its forward-looking statements, except as required by law.*

**CONFIDENTIALITY NOTICE:** This communication contains information intended for the use of the individuals to whom it is addressed and may contain information that is privileged, confidential or exempt from other disclosure under applicable law. If you are not the intended recipient, you are notified that any disclosure, printing, copying, distribution or use of the contents is prohibited. If you have received this in error, please notify the sender immediately by telephone or by returning it by return mail and then permanently delete the communication from your system. Thank you.

SOURCE Centene Corporation

For further information: Media: Deanne Lane, +1-314-725-4477 or Investors: Edmund E. Kroll, Jr., +1-212-759-0382

---

<https://investors.centene.com/2014-06-05-Centene-Corporation-Announces-Transactions-With-Community-Health-Solutions>