

WellCare, Inc.
Care1st Arizona Transition Plan for the CENTRAL Geographical Service Area (GSA)
Centene Corporation Acquisition and Change of Ownership

Introduction

Following the guidelines established in AHCCCS Contractor Operations Manual (“ACOM”) Policy 317 (Change in Contractor Organizational Structure) and Contract YH19-0001, Section D, Paragraph 49 (Change in Contractor Organizational Structure) and Section D, Paragraph 42 (Material Change to Business Operations), Care1st Health Plan Arizona, Inc. (“Care1st AZ”), an indirect subsidiary of WellCare Health Plans, Inc. (“WellCare”), a Delaware corporation, respectfully submits this supplemental transition plan, detailing the acquisition of WellCare by Centene Corporation, a Delaware corporation (“Centene”), and the resulting change in ownership of Care1st AZ (the “Transaction”) as it relates to the Arizona Central Geographical Service Area (GSA). Care1st AZ is a party to amended Contract No. YH19-0001 with AHCCCS, dated October 1, 2018 (the “Contract”). **Once the Transaction is closed, a transition period (“Transition Period”) of 18 months will commence to enact the changes noted in this document. This period is defined as 18 months following the Transaction closing date and is such a time to enable appropriate data gathering, planning, review, testing and communication of the decisions processes outlined in this plan.**

The combination of Centene and WellCare will create a premier healthcare enterprise focused on government-sponsored programs with a shared commitment to the local communities they serve. Consistent with Centene’s mission of “Transforming the health of the community, one person at a time,” both organizations are deeply committed to providing stability to members, providers and employees during the Transition Period for the Contract in the Central GSA. Centene and WellCare are requesting a Transition Period of 18 months following closing to minimize member and provider disruption and allow for planning to integrate our resources, which will be critical to the success of the combined organization. The initial months of this Transition Period will be used to gather data and develop a detailed plan of execution, while the latter portion of the Transition Period will be utilized for a thorough implementation phase. Additionally, key executive and management positions will be retained during the Transition Period to ensure continuity of processes and operations across communities and service areas.

Overall, the Transaction is intended to better serve members by providing access to affordable, high quality, culturally sensitive healthcare. The following Transition Plan outlines how the integration will address specified readiness requirements as outlined by AHCCCS, as well as Contractual requirements and ACOM 317’s requirements.

Under ACOM 317, AHCCCS contractors must submit a transition plan to AHCCCS at least 180 days prior to the effective date of a proposed merger, acquisition, reorganization, or change of ownership. Care1st AZ submitted its initial plan in accordance with that requirement on May 3, 2019. Under ACOM 317, items for which information is not yet available for submission, or is still considered a draft, shall be noted and must be submitted or resubmitted no later than 90

days prior to the effective date. The following contains additional information regarding the Transition Plan for Care1st AZ in the Central GSA:

1) A letter of explanation that includes:

a. The type of entity formed if a new entity will be formed and/or any changes to existing entity;

As background, on March 26, 2019, WellCare entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Centene, the result of which is that, upon closing, Centene will directly own 100% of the issued and outstanding shares of capital stock of WellCare, and will thereby indirectly own 100% of the issued and outstanding shares of Care1st AZ. The closing of the Merger Agreement is subject to certain conditions, including the receipt of required approvals from government regulators. At this time, the closing is anticipated to occur in the fourth quarter of 2019 or the first quarter of 2020; however, the exact closing date will not be known for several months and only shortly before the closing occurs.

As a result of the Transaction, WellCare will become an indirect, wholly-owned subsidiary of Centene, as described in Care1st AZ’s notification letter dated April 17, 2019. However, Care1st AZ’s corporate structure in the Central GSA will not change as a result of the Transaction.

The parties’ intent is for Care1st AZ to transfer the membership of its AHCCCS Complete Care plan in the Central GSA only to Arizona Complete Health-Complete Care Plan. This transfer is intended to take place at the end of the Transition Period (i.e. 18 months after the closing of the Transaction). This is subject to the parties consulting and working closely with AHCCCS to develop and execute a plan that is designed to minimize member and provider disruption.

The parties recognize that, under Section D, Paragraph 49 of the Contract, “AHCCCS will not permit one organization to own or manage more than one Contract within the same program in the same GSA.” The parties request a limited suspension of this requirement during the Transition Period so that the parties can undertake integration planning activities that will allow for a seamless, minimally-disruptive transition of members in the Central GSA at the end of the Transition Period. Specifically, and as explained further below, the parties will use the Transition Period to carry out appropriate data gathering, planning, review, testing and communication of the decisions and processes outlined in this plan.

b. Any material change to operations as specified in Section D of the AHCCCS contract

A material change to operations is defined in Section D, Paragraph 42 of the Contract as a “change in overall business operations (i.e. policy, process, protocol, such as prior authorization or retrospective review) which affects, or can reasonably be foreseen to affect, the Contractor’s ability to meet the performance standards as described in the contract. It also includes any change that would impact more than 5% of total membership and/or provider network in a specific GSA.”

As stated above, the parties’ intent is for Care1st AZ to transfer the membership of its AHCCCS Complete Care plan in the Central GSA only to Arizona Complete Health-Complete Care Plan at the end of the Transition Period. Care1st AZ and Arizona Complete Health-Complete Care Plan will take the steps described this Transition Plan in order to ensure uninterrupted service

and ongoing access to care for members being transferred from Care1st AZ. We look forward to finalizing the Transition Plan for the Central GSA in consultation with AHCCCS.

In the Central GSA, the parties will evaluate which additional providers will be added to the Arizona Complete Health-Complete Care Plan network, including current Care1st AZ providers that are not already included in the Arizona Complete Health-Complete Care Plan network, to ensure access and continuity of care for the transferring members.

A plan has been developed to evaluate other potential material changes to operations. At the time of closing, WellCare and Centene will engage in a detailed review of current operations that will facilitate the transition of membership and minimize any member or provider disruption. Until the closing of the Transaction, WellCare and Centene are required to operate as separate companies. Thus, this review is scheduled to be done in the initial months post-closing so that it occurs at the earliest time when the parties can efficiently and freely exchange detailed and in some cases proprietary operational information.

No later than 45 days prior to the anticipated effective date of the change in ownership, Care1st AZ will provide a notification via letter to all transitioning members and providers in the Central GSA. In addition, a message to members and providers will be placed on the Care1st AZ website at that time. Additionally, Care1st AZ membership will be notified via an article in the member newsletter at or around the time of closing. As part of the member transition process, transitioning members will receive Arizona Complete Health-Complete Care Plan's (or plan of choice's) existing new member welcome materials and ID card. If an additional change is desired, we will follow all AHCCCS requirements.

WellCare and Centene are committed to providing AHCCCS with a thoughtful approach to assess these potential changes across each AHCCCS readiness element outlined below.

- A. Administration and Management;
- B. Delivery Systems;
- C. Medical Management;
- D. Behavioral Health;
- E. Quality Management;
- F. EPSDT (Early and Periodic Screening, Diagnostic, and Treatment) and Maternal and Child Health;
- G. Financial Reporting;
- H. Management Information Systems;
- I. Claims Provider Support;
- J. Encounter Reinsurance; and
- K. Member Services.

This Transition Plan outlines elements that will remain the same and potential areas for change at the closing of the Transaction and during the proposed Transition Period. Each of the potential changes are described in more detail below and represent areas in which maximum benefit was identified for enrollees with minimum disruption.

Transition Plan to Meet Readiness Requirements

Once the Transaction is closed, a Transition Period of 18 months will commence to enact the changes noted in this document. This period is defined as 18 months following the closing date and is a time to enable appropriate data gathering, planning, review, testing and communication of the decisions and processes outlined in this plan. During this Transition Period, members and providers will be notified of any changes in accordance with AHCCCS requirements.

A. Administration and Management

Following the closing, key staff positions for both the Care1st AZ and Arizona Complete Health-Complete Care Plan Medicaid contracts will remain the same in order to provide stability during the Transition Period. Care1st AZ's corporate structure will not change as a result of the Transaction. Scott Cummings and James Stover will be the CEOs of their respective Arizona state Medicaid organizations. James Stover, Arizona Complete Health-Complete Care Plan CEO, and Scott Cummings, CEO of Care1st AZ, and their direct reports will be retained for the Transition Period.

No new domestic entity is being formed as Care1st AZ and Arizona Complete Health-Complete Care Plan will continue to operate as separate plans through the Transition Period under the common ultimate ownership of Centene. Centene's acquisition of WellCare will not result in a change to Care1st AZ name or logo at the time of closing.

Throughout the Transition Period, AHCCCS will have two points of contact (one for each Medicaid plan) and each plan will be responsible for all programs with AHCCCS to ensure consistency, responsiveness and the highest level of communication with AHCCCS. To the extent any major organizational changes are identified during the Transition Period, these will also be communicated to AHCCCS.

B. Delivery Systems

The existing delivery systems will remain intact following closing and throughout the Transition Period, with the intent to optimize the network in the Central GSA. In the initial months post-closing, the parties will review Care1st AZ and Arizona Complete Health-Complete Care Plan's provider networks to assess opportunities for improvements. There will be particular focus on minimizing the impact to transitioning members who currently have Primary Care Physicians (PCPs) or Specialists who are not part of the current Arizona Complete Health-Complete Care Plan network.

The parties are able to perform some preliminary analyses in this regard prior to the closing of the Transaction. An initial overlap analysis will be completed by July 31, 2019. A disruption analysis also will be completed prior to closing. A definitive plan will be developed to establish contracts (as needed) and ensure the provider change for existing Care1st AZ members is

minimal. Accordingly, we will set a target of less than 5% of Care1st AZ members needing to change PCPs by the end of the Transition Period. This impact is aligned with the contractually required impact defined in Section D, Paragraph 28 and Attachment F3 of the Contract and described below. Care1st AZ and Arizona Complete Health-Complete Care Plan will continue to establish ongoing monitoring and reporting to drive towards this goal. Contracts will also be reviewed for assignability language to evaluate the extent to which existing contracts from both organizations can be used in the combined network. Any gaps in the network that are identified will be filled by contracting with the relevant providers.

Minimizing member and provider disruption is a priority for the integration. We will review the network to identify members whose existing providers are not contracted at the end of the Transition Period and manage their transition to ensure continuity of care. We will provide any such members with advance notice consistent with AHCCCS policy and assist them in identifying alternate providers in their area. We will also develop approaches to address members that would be clinically impacted by the network changes such as high risk obstetric cases, oncology cases, and other cases defined during the Transition Period.

In accordance with Section D, Paragraph 28 and Attachment F3 of the Contract, any material changes to provider network as defined above will be submitted 60 days prior to expected implementation of the change.

Any changes to operations related to network (provider manual, transportation network, etc.) that would impact Arizona members or providers will be made in accordance to AHCCCS requirements and guidelines. Any changes that require approval by AHCCCS will be submitted for approval at that time.

C. Medical Management

At the time of closing and for the balance of the Transition Period, the pre-authorization function will continue in its current location and neither members nor providers will experience any change with this function. Arizona Complete Health-Complete Care Plan and Care1st AZ do not expect any changes to operations at the time of closing. During the initial months of the Transition Period, the parties will identify any differences in prior authorization criteria and medical management processes in order to determine best practices. Implementation of any plans developed during the initial months will occur in the latter months of the Transition Period after appropriate notifications to and approvals by AHCCCS. Providers and other support staff will be trained on changes in systems and processes for seamless integration with minimal impact on the provider or member experience.

D. Behavioral Health

The current behavioral health programs will remain in place at the closing of the Transaction in order to eliminate any disruptions to our members and behavioral health providers. This is particularly important given the changes for behavioral health providers with the rollout of the Complete Care program across seven plans in the Central GSA. Evaluation of existing behavioral health programs will be completed during the Transition Period to make sure any operational changes to program offerings for the combined membership are best for our members and providers. Behavioral health providers will be given training and guidance with any changes to program offerings. Both Arizona Complete Health-Complete Care Plan and Care1st AZ will communicate with the Council of Human Services Providers and individual behavioral health providers to gather their feedback to inform the long term planning.

E. Quality Management and Improvement

The current quality programs will remain in place at the closing with the intent to establish common quality programs and processes, including the Quality of Care process, during the Transition Period. Arizona Complete Health-Complete Care Plan and Care1st AZ see this as an opportunity to improve overall quality performance by implementing the strongest programs across both health plans and populations in the Central GSA. During the initial months of the post-closing Transition Period, an analysis will be undertaken to compare the effectiveness of existing quality programs and identify critical programs that will be expanded across the combined member populations. Until the closing of the Transaction, WellCare and Centene are required to operate as separate companies. Thus, this review is scheduled to be done in the initial months post-closing so that it occurs at the earliest time when the parties can efficiently and freely exchange detailed and in some cases proprietary operational information.

There will be a focus on best practices to ensure that the resulting organization will be the highest quality in terms of AHCCCS Performance Measures. Any changes to the quality programs offered to members will be reflected and documented in operational policies and processes consistent with the current Arizona Complete Health-Complete Care Plan and Care1st AZ methods and tailored based on AHCCCS and other Arizona requirements. A gap analysis will be conducted between Arizona Complete Health-Complete Care Plan and Care1st AZ policies and procedures to determine the need for modifications.

The reporting structure of QM/PI and the key executives and staff positions on the management team for the Contract will remain the same as the organizations run in parallel during the Transition Period. The future staffing model will continue to support dedicated positions for staff who will be solely responsible for QM/PI functions, and the QM/PI process will provide oversight to ensure that there is no member impact through the transition, particularly with vulnerable populations (e.g., CRS members).

F. EPSDT (Early and Periodic Screening, Diagnostic, and Treatment) and Maternal and Child Health

The current EPSDT and Maternal and Child Health programs will remain intact following the closing. Arizona Complete Health-Complete Care Plan and Care1st AZ will evaluate EPSDT processes and programs in the initial months of the Transition Period to identify best practices for the Central GSA. Collaboratively, we are looking at EPSDT and Maternal and Child Health to ensure all decisions made are in the best interest of our members. Start Smart for Your Baby™ is an example of a program that is geared towards community outreach by Arizona Complete Health-Complete Care Plan. The Start Smart program incorporates health and wellness promotion, care coordination, disease management, and case management services to decrease preterm delivery and improve the health of mothers and their babies.

As part of the effort, appropriate staffing model discussions will also take place in the initial months to ensure programs are appropriately staffed to serve our members at the end of the Transition Period. Arizona Complete Health-Complete Care Plan and Care1st AZ each have comprehensive Quality Improvement functions that are focused on delivering value to the members each entity serves. These Quality Improvement functions are directed at programmatically addressing gaps in care for screenings that are tracked and measured as a part of EPSDT.

These programs are focused directly on screenings across the following areas:

- Comprehensive health and developmental history (both physical and mental)
- Comprehensive unclothed physical exam
- Appropriate immunizations
- Laboratory tests
- Lead toxicity screening (Capillary or venous lead test required at 12 and 24 months of age)
- Health education, including anticipatory guidance (including counseling on nutrition and activity)
- Vision services
- Dental service
- Hearing services
- Other necessary health care, including diagnostic services and treatment to correct or ameliorate defects, physical and mental illnesses, and conditions discovered by the screening services

These programs will focus on engagement, incentives, outreach and communications, as well as practitioner enablement.

G. Financial Reporting

The current financial reporting processes will remain intact following the closing with the intent to establish common practices during the Transition Period. Care1st AZ will continue to meet all

AHCCCS and other Arizona requirements. To that end, Care1stAZ will continue to provide all required report submissions in accordance with the provisions and requirements issued by AHCCCS. Status updates will be provided to meet the minimum capitalization requirements. This also includes a status on securing a performance bond. During the Transition Period, Arizona Complete Health-Complete Care Plan and Care1st AZ will standardize its reporting structure and processes to continue to facilitate transparent financial reporting. Arizona Complete Health-Complete Care Plan and Care1st AZ will also provide to AHCCCS an outline for the plan to estimate regular reinsurance revenues. Additionally, Arizona Complete Health-Complete Care Plan and Care1st AZ will establish a flat file submission and testing calendar with AHCCCS to seamlessly transmit financial reporting results.

Please see Exhibit 3(c)(i) for current audited financial statements for Care1st AZ and Exhibit 3(c)(ii) for current draft audited financial statements of Arizona Complete Health-Complete Care Plan.

H. Management Information Systems

Care1st AZ will continue to operate on the same information system, including claims systems, at the time of the closing and through the Transition Period. Centene will leverage its approach to Functional Migration, which includes a combination of data and system migration, to transition the Care1st AZ business at the point of the membership transition at the end of the Transition Period. The two companies have a shared goal to migrate to a consistent experience for members and providers, and assessments will be done in the initial months of the Transition Period post-closing to determine the solutions that best support the combined business and its members, inclusive of reviews of required capabilities and system stability.

The Centene information system configuration consists of the following six integrated components:

1. Member and Provider Services (Customer Relationship Management)
2. Provider Data Management, including Contract Management
3. Care & Utilization Management
4. Claims Payment and Adjudication
5. Analytics (including predictive modeling, reporting, and decision support)
6. Member and Provider Portals

I. Claims Provider Support

The claims process is vital to data gathering for operational efficiency as it supports quality and utilization monitoring efforts, provider education and outreach initiatives. Ultimately, providers, members, and AHCCCS will benefit from this combination with accurate, complete and timely encounter information.

Claims Administration

At the time of the closing of the Transaction, claims adjustments and provider disputes processing will remain in Phoenix, AZ as is required by current Care1st AZ contracts. General claims processing will remain on-shore and analyses will be completed in the initial months of the Transition Period to evaluate future integration of claims administration for operational efficiency. Providers will not have any changes in the claims submission process. Any changes to processes or operations will be planned in initial period post-closing and be implemented within the latter part of the Transition Period. Per Section D, Paragraph 42 of the Contract, AHCCCS will be notified within 60 days of any material changes to business operations.

Claims Call Center

Any changes will be planned in the initial months post-closing and be implemented within the Transition Period. AHCCCS will be appropriately notified before the move is planned to take place. Minimizing impact to members and providers is of the utmost importance and it is expected that this transaction will have no impact on either of the groups. Until the closing of the Transaction, WellCare and Centene are required to operate as separate companies. Thus, this review is scheduled to be done in the initial months post-closing so that it occurs at the earliest time when the parties can efficiently and freely exchange detailed and in some cases proprietary operational information.

J. Encounter Submission and Reinsurance

There will be no change in the submission of encounters for Care1st AZ at the time of the closing. As with other processes, the initial months of the Transition Period will be spent in evaluation of processes to determine best practices in encounter submission, including the reinsurance process. The encounters process includes encounter submissions, remediation, reinsurance and Encounter Data Reporting. The Care1st AZ Encounters team will be an active participant in the decision making that will impact the encounter process at the end of the Transition Period.

K. Member Services

Call Center

At the time of the closing of the Transaction, the Care1st AZ call center will continue in its current location and neither members nor providers will experience any change with these functions. There will be no changes in any member or provider phone numbers.

The Shared Services team will conduct analyses in the initial months of the Transition Period post-closing to identify best practices for the call center for implementation by the end of the Transition Period. Implementation of the plans will occur within the latter part of the Transition

Period and AHCCCS and any call center partners will be appropriately notified before the migration is planned to take place. Minimizing impact to members and providers is of the utmost importance and it is expected that this migration will have no impact on either of the groups (e.g., same phone numbers).

Until the closing of the Transaction, WellCare and Centene are required to operate as separate companies. Thus, this review is scheduled to be done in the initial months post-closing so that it occurs at the earliest time when the parties can efficiently and freely exchange detailed and in some cases proprietary operational information

Handbook

The existing Care1st AZ Member Handbook will remain the primary reference document at closing. Member ID cards and overall customer experience for the member will continue as status quo. Any changes to the handbook would occur within the Transition Period. Pursuant to Section D, Paragraph 17 of the Contract and Attachment F3 thereto, any identified member handbook changes will be submitted to AHCCCS 30 days prior to any implementation of changes.

Communication Plan

Care1st AZ will notify members and providers of changes to the plan by way of existing communication channels. The approach for changes to critical member information, including the website, member and provider handbook, and member ID card will be retained. We do not anticipate the need for changes to member information prior to regulatory approval. If a change is desired, we will follow AHCCCS requirements detailed in Section D, Paragraph 17 and Attachment F3 of the Contract.

Member and provider communications will be shared with AHCCCS in advance of any transition activities should any impact arise to members and providers.

As regards changes to member information, we do not anticipate the need for changes to member information prior to regulatory approval. If a change is desired, we will follow all AHCCCS requirements.

As regards communications of transition activities, member and provider communications will be shared with AHCCCS as described in section 4(d) below.

2) Proof that any performance bond requirements have been met by the new entity, if the original entity is no longer a going-concern.

WellCare's Care1st AZ will continue to be a going concern. Proof of bond requirements can be found in Exhibit 3(c)(i) page 21, Section 5 - Regulatory requirements. Additionally, Centene Arizona Complete Health-Complete Care Plan will continue to be a going concern. Proof of

bond requirements can be found in Exhibit 3(c)(ii) page 16, Number 2 - Contract performance bonds.

3) Documents including the following:

a. The formal name and any proposed logo used by the resulting organization

Centene's acquisition of WellCare will not result in a change to Care1st AZ's name or logo at the time of the closing. Centene and WellCare are currently evaluating the formal name and proposed logo and anticipate reaching a decision prior to the closing date of the transaction. If any change to the formal name or logo is desired, we will follow all AHCCCS requirements.

b. The organizational chart of the new resulting organization or proposed changes to the existing organizational chart if a new entity is not being formed

Following the closing, key staff positions for both the Care1st AZ and Arizona Complete Health - Complete Care Plan Medicaid contracts will remain the same in order to provide stability during the Transition Period. Scott Cummings and James Stover will be the CEOs of their respective Arizona state Medicaid organizations. James Stover, Arizona Complete Health-Complete Care Plan CEO, and Scott Cummings, CEO of Care1st AZ, and their direct reports will be retained for the Transition Period.

AHCCCS will have two points of contact (one for each Medicaid plan) and each will be responsible for all programs with AHCCCS to ensure consistency, responsiveness and the highest level of communication with AHCCCS. To the extent any major organizational changes are identified during the Transition Period, they will also be communicated to AHCCCS.

c. Current audited financial statements of the current Contractor and merging entity

Current audited financial statements for Centene and WellCare's Care1st AZ were submitted with the May 3, 2019 submission. Please see Exhibit 3(c)(i) for current audited financial statements for Care1st AZ and Exhibit 3(c)(ii) for current draft audited financial statements of Arizona Complete Health-Complete Care Plan.

d. Pro forma financial statements of resulting entity post-merger, which include at minimum a balance sheet, statement of revenues and expenses and statement of cash flows for the subsequent three years, as well as enrollment projections and footnotes detailing assumptions. The format may be the same as the audit format, but the AHCCCS lines of business must be detailed separately as is required in the annual audit report.

Centene and WellCare have been actively working together to develop pro-forma financial statements. In preparation for meeting financial reporting requirements, the two organizations have identified various elements of their financial reporting practices that require further analysis

to align methodologies to produce a more accurate pro-forma statement. In the coming month (30 days), both organizations will produce a proposed methodology that outlines the plan and timing to provide these pro-forma financials to the AHCCCS review team. This includes, but is not limited to, minimum capitation requirements, performance bonds, calculation methods, financial viability standards, and more.

4) A description of the following:

a. An assessment of potential interruptions of services to members, and steps Care1st AZ is taking to ensure there are no interruptions

At the time of the closing of the Transaction, the Care1st AZ call center will continue in its current location and neither members nor providers will experience any change with these functions. Any proposed Call Center location change will not be implemented until all testing is completed and Centene has verified that there will be no disruption in call service for AHCCCS members and providers with a transition. Although service interruptions are not expected, member feedback will be closely monitored both before and after the transaction closing to quickly identify and remediate any issues identified.

Member and provider communications will be shared with AHCCCS in advance of any transition activities should any impact arise to members and providers.

Details regarding the call center function and communication plan for members and providers are outlined above in Section (1) under (b) (K) Member Services.

Moreover, the organizational structure as of closing will maximize the continuity of Care1st AZ functions for the benefit of members, providers and AHCCCS. Arizona Complete Health-Complete Care Plan and Care1st AZ do not anticipate any changes in the administration of operational components or staffing levels at the time of closing. Other than the changes described in this Transition Plan, all current processes (e.g., member / provider appeals and grievances, medical management, customer call center) will remain in place at the time of closing. If any additional material changes are identified, they will be submitted for AHCCCS approval in a compliant fashion.

b. Any changes in management and staffing overseeing the Contract

Care1st AZ's management will not change as a result of the Transaction. Scott Cummings and James Stover will be the CEOs of their respective Arizona state Medicaid organizations. James Stover, Arizona Complete Health-Complete Care CEO, and Scott Cummings, CEO of Care1st AZ, and their direct reports will be retained for the Transition Period.

To the extent any major organizational changes are identified during the Transition Period, these will also be communicated to AHCCCS.

c. Any changes to existing administrative services subcontracts of WellCare's Care1st AZ

No administrative services subcontracts have been identified for change with the exception of a tax sharing agreement that Care1st AZ and other new Centene subsidiaries will sign at the closing. WellCare and Centene recognize that per Section D, Paragraph 36 of the contract, Change in Contractor Organizational Structure of an Administrative Services Subcontractor of the Contractor requires prior approval of AHCCCS, as outlined in ACOM Policy 438.

d. Any changes to administration of critical components of organization, including but not limited to information systems, prior authorization, claims processing, or grievances.

The initial months post-closing will be spent in data gathering, planning and review of administrative processes as outlined in this Transition Plan. Implementation of any common practices will be performed within the Transition Period and AHCCCS will be notified within the appropriate amount of time.

Care1st AZ understands that it is Centene's intent to enhance the proven medical management and quality programs, including maternal and child care programs to further enhance member experience and outcomes.

Planning of these enhancements and trainings will occur in the initial months after closing followed by a thorough implementation phase during the latter part of the Transition Period. Over the initial months after the closing of the Transaction, Centene will also evaluate the following clinical programs for implementation to maximize value to the Care1st AZ membership:

1. **MemberConnections® Program:** MemberConnections Representatives (MCRs) are hired from within the community and extensively trained to establish events/partnerships (e.g. local community celebrations, peer training events, and caregiver events) to meet the needs of members, and/or support the overall wellness and quality of local communities.
2. **Start Smart for Your Baby™ (Start Smart) Program:** The Start Smart program incorporates health and wellness promotion, care coordination, disease management, and case management services to decrease preterm delivery and improve the health of mothers and their babies.
3. **Substance Use in Pregnancy Program:** Start Smart Care Managers work with pregnant members who abuse opiates, alcohol, and other drugs to overcome addiction and improve the likelihood of a healthy pregnancy.
4. **Psychotropic Medication Utilization Review (PMUR):** Clinical staff review antipsychotic prescriptions for children under five years of age in foster care to evaluate appropriateness of the medication and ensure proper use of psychotropic drugs.

5. **Sickle Cell Management Program:** Centene's Clinical Programs team developed a comprehensive program to educate members, care management staff, and providers on the advantages (fewer episodes of acute chest syndrome, blood-transfusions, as well as fewer ED and inpatient visits) of using hydroxyurea to treat certain subsets of sickle cell patients.

WellCare and Centene recognize that per Section D, Paragraph 42 of the Contract, material changes to business operations will be submitted 60 days prior to implementation of change. Moreover, changes to systems affecting claims processing must be submitted 6 months prior to implementation according to Section D, Paragraph 60 and Attachment F3 of the Contract.

e. Care1st AZ's plan for communicating change to members including a draft notification to be distributed to affected members and providers

We are actively developing the communication plan, including timing, message, and audience for communications that would be delivered to members and providers.

No later than 45 days prior to the effective date of the change in ownership, Care1st AZ will provide a notification via letter to all transitioning members and providers in the Central GSA. In addition, a message to all Arizona Care1st members and providers will be placed on the Care1st AZ's website at that time. Additionally Care1st AZ's entire membership will be notified via an article in the member newsletter at or around the time of the closing.

The specific content of all communications will be submitted to AHCCCS prior to providing to members for review and approval, and will take into consideration AHCCCS feedback regarding the communication plan.

Details regarding the communication plan for members and providers are outlined above in Section (3) under (B).

f. Care1st AZ's plan for changes to critical member information, including the website, member and provider handbook, and member ID card

We do not at this time anticipate the need for changes to critical member information in the Central GSA. As part of the member transition process, transitioning members will receive Arizona Complete Health-Complete Care Plan's (or plan of choice's) existing new member welcome materials and ID card. If an additional change is desired, we will follow all AHCCCS requirements.

g. Any anticipated network changes

See above – Transition Plan to Meet Readiness Requirements – Delivery Systems.

WellCare also acknowledges that per ACOM 317, the following additional materials must be submitted no later than 45 days prior to the effective date of the change of ownership:

- 1) ACH vendor authorization form.
- 2) Information regarding WellCare's Disclosure of Ownership and Control and Disclosure of Information on Persons Convicted of a Crime in accordance with 42 CFR §§ 101 through 106, the Contractual Provisions in Section D, Corporate Compliance and ACOM Policy 103.

WellCare is prepared to comply with these obligations. In addition, upon AHCCCS's approval of the Transaction, WellCare recognizes that the following materials must be submitted to AHCCCS within 120 days after the change of ownership:

- 1) The articles of incorporation that will be in effect at the time of the transition, if applicable.
- 2) Copies of all affiliation agreements.
- 3) Any proposed change to the Employer Identification Number/Tax Identification Number (EIN/TIN)
- 4) Any additional information requested by AHCCCS.

The information provided related to this change of ownership shows the parties' commitment to providing high quality care to Arizona Medicaid beneficiaries and abiding by the AHCCCS RFPs and contracts.

We look forward to answering any questions AHCCCS may have.