August 22, 2014

Mr. Tom Betlach Director Arizona Health Care Cost Containment System (AHCCCS) 801 E. Jefferson Street, MD 4100 Phoenix, AZ 85034

Dear Mr. Betlach:

The Southern Arizona Leadership Council (SALC) is a business leadership organization of 125 CEO's and community leaders. Our vision is the creation and sustainment of a vibrant economic climate and high quality of life that benefits all who live in our region and state. SALC is pleased to offer our support of the merger of The University of Arizona Health Network (UAHN), including University Family Care (UFC), into Banner Health (Banner).

SALC was a strong supporter of the Governor's Medicaid restoration plan because we understand that a strong healthcare system that promotes improvements in quality care, development of medical education and ensuring the most vulnerable members of our society have access to care is critical to the success of not only Southern Arizona, but the entire State. Banner's investment into UAHN and UFC is crucial to ensure these priorities are achieved. This investment will allow each piece of this vital community resource to remain competitive in the healthcare environment and contribute to the vibrancy of our communities.

We believe this merger is good for the Tucson region and for the state of Arizona. We encourage you to do all you can to facilitate its success and we thank you for the opportunity to offer our support for this innovative arrangement. SALC looks forward to its continued partnership with UAHN, UFC and Banner.

Sincerely,

Paul Bonavia Chairman

Southern Arizona Leadership Council