

Health Net Access, Inc.
Arizona Transition Plan
Centene Corporation Acquisition and Change of Ownership

Following the guidelines established in AHCCCS Contractor Operations Manual (“ACOM”) Policy 317 (Merger, Acquisition, Reorganization, Joint Venture and Change of Ownership Requests) and Contract YH14-0004, Section D, Paragraph 52 (Merger, Reorganization, and Change of Ownership) and Section D, Paragraph 44 (Material Change to Operations), Health Net Access, Inc. (“Health Net Access”) respectfully submits this transition plan (“Transition Plan”), detailing the acquisition of Health Net, Inc. (“Health Net”), a Delaware corporation, by Centene Corporation, a Delaware corporation (“Centene”), and the resulting change of ownership of Health Net Access (the “Transaction”). Health Net Access is a party to amended Contract No. YH14-0001 with AHCCCS, dated April 1, 2015 (the “Contract”).

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. The following is the Transition Plan for Health Net Access, which contains the required elements described under ACOM 317 as follows:

1) A letter of explanation that includes:

a. the type of entity formed;

Health Net Access’s corporate structure will not change as a result of the Transaction. However, Health Net Access will become an indirect wholly-owned subsidiary of Centene, as described in the notification letter dated August 7, 2015.

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

A material change to operations is defined in the Acute Care contract, Section D, Paragraph 44, 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.”

Under that definition, there are several planned material changes to operations, Health Net Access and Centene anticipate six material changes after the close of the Transaction in the following areas:

- 1. Organizational Changes;*
- 2. Board Composition;*
- 3. System Migration;*
- 4. Claims Administration Location;*
- 5. Call Center Location; and*

6. Pre-Authorization Location

Each of the changes are described in more detail below and represent areas in which maximum benefit was identified for enrollees with minimum disruption.

1. Organizational Changes

Effective as of closing, Paul Barnes (Chief Executive Officer of Bridgeway) will also take on the role of Chief Executive Officer of Health Net Access, while remaining the senior point of contact for all Centene programs with AHCCCS. This will allow AHCCCS to have one point of contact for all programs with AHCCCS after the Transaction to ensure consistency, responsiveness and the highest level of communication with AHCCCS.

Please see Attachment B for the organizational chart for Health Net Access effective as of closing. **This management structure will maximize the continuity of Health Net Access functions and thus minimize any impact on members and providers.** There are several points to highlight:

- All current Health Net managers will continue in their present roles after the Transaction, except for Gay Ann Williams who will move from the Health Net Access Administrator role. Ms. Williams' knowledge and history with Health Net Access will not be lost as she will continue in a management role with oversight of information technology, claims interface, encounters and member services. The management positions related to those functions will report to Ms. Williams as they do presently. Ms. Williams will report to Paul Barnes. **The retention of Health Net managers in present roles means that external parties, including members, providers and AHCCCS staff, will be communicating with the same people as they do today.**
- Four senior key positions (compliance, provider/community relations, medical management, and medical director) will report directly to Paul Barnes.
- As in the current structure, the CFO will have a dotted-line relationship to Dr. Barnes with a high degree of local control.
- In addition, **two other experienced Centene managers will be engaged with Health Net Access medical management and operations on a "staff" basis** (i.e., no direct Health Net Access reports at closing). Nancy Maurer, VP of Bridgeway Operations and Sue Benedetti, VP of Bridgeway Medical Management will serve in these staff roles. The involvement of these Centene managers will facilitate the implementation of necessary Centene operational processes that are in compliance with AHCCCS and Arizona state regulations, including the training of current and future Health Net Access staff in these processes. In addition, Health Net Access expects that both Ms. Maurer and Ms. Benedetti will be playing a long-term role with the Health Net Access team. The exact nature of these roles will be determined over the first 3-6 months after closing.

2. Board Composition

There will be **common Health Net Access and Bridgeway Boards of Directors** with composition consistent with the Centene core philosophy of local representation. The common Boards of Directors will maintain fiduciary responsibility for oversight of both Bridgeway and Health Net Access plan operations and compliance/ethics programs. All of the members of the Boards of Directors are voting members and consist of the following three internal members and four external members.

- CEO for Health Net Access and Bridgeway
- Centene Corporate Representative
- Health Net Access Representative
- Two Community Physicians
- Two Representatives from Stakeholder Community

In the Centene model, which will be implemented with Health Net Access after close of the Transaction, the Board of Directors plays an important role providing oversight and counsel to the health plan management teams. The Board composition is purposely weighted towards external members to facilitate the perspectives of those stakeholders (e.g., physicians, community leaders) outside of the health plan. The common board structure will bring continuity to the external oversight of both organizations while maintaining an efficient process.

The common Boards of Directors will meet quarterly. The meetings will have separate agendas for each entity (i.e., Bridgeway, Health Net Access). Meetings include the following standing agenda items:

- Review and Approval of Previous Quarter Meeting Minutes
- Compliance Program Update
- Finance Review
- Operations Update
- Medical Management Update
- Quality Management Update
- Community Relations Update
- Network Update
- Other items as requested/ needed for Board notification and/or action (including annual reports submitted to the State Medicaid Agency)

The following health plan committees for each entity will report directly to the common Boards of Directors:

- Compliance Committee
- Quality Management Performance Improvement (QMPI) Committee
 - The following committees report to QMPI: Network/ Medical Management; Medical Management; Credentialing/ Re-Credentialing; Pharmacy & Therapeutics (P&T); Quality Improvement; Peer Review; and HEDIS

3. System Migration

Centene information systems, including its claims system, will be implemented for Health Net Access business with the migration expected to be completed 3-6 months after close of the Transaction. 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*

*Centene's Management Information System (MIS) serves over 4.2 million Americans in Medicaid and other publicly-funded managed care plans across 23 states. These systems are currently used in Arizona by Bridgeway and Cenpatico. Health Net Access eventually will be migrated to all of these systems, but the greatest advantage to Health Net Access providers (and thus members) will come from the claims system. Centene has over 30 years' of experience receiving, processing, paying, and reporting claims data to states' partners. **Centene processes an average of over 6.6 million medical, behavioral, and pharmacy claims a month, with a total in excess of 77 million claims in CY 2014 alone.***

*This success is built upon the foundation that claims processing is more than just compliance with payment rules. Across all affiliate health plans, Centene maintains an **average auto-adjudication rate of 84.1%, with 94.7% claims paid within 14 days.** The expected improvement in auto-adjudication rate for Health Net Access will result in more accurate claims payment and ultimately less work for providers. This is an excellent opportunity to offer superior service to Health Net Access providers (ensuring a sound provider network) and members (affording them peace of mind in the financial aspects of their health care and helping ensure that person-centered care is provided).*

The claims process is arguably the single most important data gathering aspect of operations, since it supports quality and utilization monitoring efforts, provider education and outreach initiatives, and will supply AHCCCS with accurate, complete, and timely encounter information. Thus, providers, members and AHCCCS will benefit from this transition. For more detailed information about the Centene information system, please see Attachment C.

The timing and process for this system migration can be found in Attachment D. Because there is not a certain date for closing, the timing has been defined as months before and after closing. It is projected that the system migration will be completed three to six months after closing. The timing will be determined by the complexity of provider loading (which cannot start until closing for legal reasons) and the results of the extensive testing process. Milestones will be established for each of the following components of the system transition:

- Infrastructure Assessment and Integration*
- Human Resources Management*

- *Security Assessment and Remediation*
- *Encounter, Historical Data, and Dashboard Build out*
- *Membership Integration*
- *Provider Data Management and Credentialing*
- *Health Net Provider Contracts and Payment Configuration*
- *Expand TruCare Configuration for Health Net (UM, CM, LTSS)*
- *Member and Provider Services*
- *Transition Claims Processing and Payment*
- *Testing - End-to-End Testing*
- *Web Support and Secure Portals*

Descriptions of the major milestones may be found in Attachment E.

There will be limited need for AHCCCS information or resources in connection with the claims system migration. The only anticipated areas that will require this are as follows:

- *Security Assessment and Remediation*
 - *Will require AHCCCS assistance in testing any change to ensure consistent access to State systems and any data exchanges.*
- *Encounter, Historical Data, and Dashboard Build out*
 - *Health Net Access and Centene will require guidance from AHCCCS on the process for submitting potentially three (3) separate encounter files. These are outlined the following scenarios:*
 - *Health Net: Existing Health Net Access claims, adjustments and corrections for DOS prior to DOS cut over date will continue to be submitted in one file to AHCCCS. This will continue indefinitely.*
 - *Health Net: A second Health Net Access encounter file will be submitted with any DOS POST Go-Live to AHCCCS. This will include any claims, adjustments or corrections paid under the Centene systems but are under the Health Net Access contract.*
 - *Bridgeway: This will continue to submit Bridgeway only encounters as normal. This will NOT include any Health Net Access claims.*
- *Testing - End-to-End Testing*
 - *We would expect AHCCCS to participate in testing especially for Encounter Submissions process.*
- *Web Support and Secure Portals*
 - *We will need approval for any changes made to Health Net Access and Centene portals.*

4. Claims Administration Location

At the time of close of the Transaction, claims administration will continue in its current location and thus providers will not have any change in claims submission.

*At the point of migration to Centene information systems, the claims administration function will move to the Centene claims center in Farmington, MO. Centene centralizes its claims processing in Claims Operations Centers to promote administrative cost effectiveness (with built in economies of scale), support consistency in training resulting in greater claims accuracy, facilitate efficient load balance of resources adaptable to seasonal claim volume fluctuations, and promote career path opportunities for staff. Health Net Access claims will transition to Centene's Farmington claims center where Bridgeway's claims are currently processed. In 2000, Centene constructed a 12,300 square foot claims processing center in Farmington, MO; the center was expanded to 39,800 square feet in 2002. **The center employs over 320 staff and processes over 20 million claims per year** (80% of mail going through the Farmington Post Office is for Centene).*

Planning is already underway for this transition to Farmington, including identifying processes that minimize any change in claims submission location or process for providers. In addition, Centene and Health Net are in the process of analyzing claims processing functions and are working to identify an estimated FTE count for handling Health Net Access membership. At the completion of that analysis, the projected FTE count will be provided to AHCCCS as part of the detailed claims transition plan which will also include a complete impact analysis which will identify any impact on provider claims submission.

As with the system migration generally, this proposed Claims Administration change will not be implemented until all testing is completed and Centene has verified that there will be no impact on the claims processing of AHCCCS claims with a transition.

5. Call Center Location

At the time of close of the Transaction, the Health Net Access call center will continue in its current location and neither members nor providers will experience any change with these functions.

***At the go-live date for the systems migration, the member and provider services call center function for Health Net Access will be moved to the Centene call center in Tucson.** This call center currently serves as the call center for member and provider service calls for Bridgeway. It is expected that this migration will have no impact on members or providers (e.g., same phone numbers). It is estimated that 11 FTEs for member services and 12 FTEs for provider services will be needed to staff this function for Health Net Access. For more detailed information about Centene call center operations, please see Attachment F.*

As with the system migration, this 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.

6. Pre-Authorization Location

At the time of closing, the Health Net Access pre-authorization function will continue in its current location and neither members nor providers will experience any change with this functions.

Coinciding with the go-live date for the systems migration, the pre-authorization function will move to the Tempe Service Center for Health Net Access. Nurses and support staff will be hired and trained on Centene systems and processes. This pre-authorization function will thus be integrated with other medical management functions within Health Net Access in Tempe. It is estimated that 14 FTEs will be needed to staff this function for Health Net Access.

As described with the Organizational Changes above, Ms. Maurer, VP of Operations for Bridgeway, will play an important operational management role in the system migration, as well as transition of claims administration and call center functions to Centene locations. Ms. Maurer has over five years of experience in working with Centene information systems and the Farmington claims center. In addition, she has worked with the Tucson call center since the transition of the Bridgeway member and provider services. Her knowledge of systems and relationships with key people will be invaluable in these transitions.

Likewise, Ms. Benedetti, VP of Medical Management for Bridgeway, also has over five years of experience with Centene clinical systems and processes. She will be instrumental in the clinical systems migration as well as the transition of pre-authorization function to Arizona. Both Ms. Maurer and Ms. Benedetti have experience with other AHCCCS plans before joining Bridgeway, which strengthens their value in this process.

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

Health Net Access will continue to be a going-concern.

3) Documents including the following:

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

Centene's acquisition of Health Net will not result in a change to Health Net Access's name or logo at the time of closing. This will ensure continuity for Health Net Access members and providers, as well as reduce administrative burden on AHCCCS and other

parties. Any future decisions around these issues will be subject to AHCCCS policies and approval.

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

Please see Attachment B for the organization chart and Attachment G for the Key Staff Listing for Health Net Access as of closing. Effective as of close of the Transaction, Paul Barnes (Chief Executive Officer of Bridgeway) will become the Chief Executive Officer of Health Net Access, while remaining the senior point of contact for all Centene programs with AHCCCS.

The details of the proposed management structure after the close of the Transaction, and the benefits identified, as described in detail above in Section (1) above under (b) (1) Organizational Changes. .

The involvement of selected Bridgeway managers in Health Net Access has prompted the evaluation of the scope of responsibility for these managers, including number of Bridgeway direct reports. Please see Attachment H for the Bridgeway organizational chart as of closing. The following Bridgeway organizational changes have either been made or will be made by closing:

- *Two direct reports for Paul Barnes (community relations and facilities) have been moved to other managers. This will leave Dr. Barnes with six Bridgeway direct reports and six Health Net Access direct reports (counting the CFO) – a total of twelve direct reports. This number of direct reports will be evaluated over the first 3-6 months after closing and will be modified as needed (with appropriate notice to AHCCCS). The expected time split for Paul Barnes after closing is 55% Health Net Access/45% Bridgeway.*
- *Bridgeway has moved Mike Tullo into the Key Position of CFO for Bridgeway, replacing Nancy Maurer in that role. Mr. Tullo is an experienced finance professional and has extensive management experience in Arizona health care. This will increase Ms. Maurer's ability to engage in necessary Health Net Access activities, including the systems transition. The expected time split for Nancy Maurer after closing is 20% Health Net Access/80% Bridgeway.*
- *Gail Farmer will be moved to the role of Case Management Administrator, replacing Sue Benedetti in that role. This change will enable Ms. Benedetti to have the additional bandwidth to take on the additional role with Health Net Access. The expected time split for Sue Benedetti after closing is 20% Health Net Access/80% Bridgeway.*

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

Current audited financial statements for Health Net Access and Centene were submitted with the August 7 submission.

- 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.**

Please see Attachment I for three year pro-forma financial statements.

4) A description of the following:

- a. An assessment of potential interruptions of services to members, and steps Health Net Access is taking to ensure there are no interruptions**

This transaction should be invisible to members and providers given the fact that the Health Net Access name and identity will not change at the time of closing. Moreover, the organizational structure as of closing will maximize the continuity of Health Net Access functions for the benefit of members, providers and AHCCCS. Health Net Access and Centene 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. 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.

- b. Any changes in management and staffing overseeing the Health Net Access Acute Care contract**

Please see Attachment B for the organization chart and Attachment G for the Key Staff Listing for Health Net Access as of closing. Effective as of closing, Paul Barnes (Chief Executive Officer of Bridgeway) will become the Chief Executive Officer of Health Net Access, while remaining the senior point of contact for all Centene programs with AHCCCS. This management structure will maximize the continuity of Health Net Access functions for the benefit of members and providers.

- c. Any changes to existing administrative services subcontracts of Health Net Access**

No existing Health Net Access administrative services subcontracts have been identified for change. Health Net Access is in the process of preparing an ASA with the Centene and will submit in accordance with AHCCCS requirements. It is recognized that changes

in administrative service subcontracts at any time fall under AHCCCS contractual requirements and requests for approval by AHCCCS will be followed at that time.

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

Centene will be implementing for Health Net Access its operational policies, procedures and processes consistent with its other state Medicaid programs serving similar populations. Of course, these processes will be modified based on AHCCCS contractual and other Arizona requirements. A gap analysis will be conducted with current Health Net Access policies and procedures to determine the need for modifications. Over the past year, Health Net Access has built a solid medical management structure as evidenced by the results of the 2015 AHCCCS Operational Review. Thus, it is Centene's intent to enhance these proven medical management and quality programs, including maternal and child care programs to further enhance member experience and outcomes. Current and future Health Net Access staff will be fully trained in Centene processes, including in the areas of medical management, behavioral health management, quality management, maternal child health, disputes/appeals, provider contracting, and claims adjudication. Over the first year after close of the Transaction, Centene intends to implement the following clinical programs to maximize the value to the Health Net Access membership:

MemberConnections® Program. *Centene's intensive, grassroots outreach program, is called MemberConnections. MemberConnections Representatives (MCRs) are hired from within the community to establish partnerships to meet the needs of members, and/or support the overall wellness and quality of local communities. For instance, MCRs may attend community health and wellness events, local community celebrations (e.g., American with Disabilities Act birthday celebrations), peer training events (e.g., money management and advocating for your health care needs), education events (e.g., safe transfers and avoided falls), and caregiver events (e.g., caregiver appreciation events and stress reduction strategies). MCRs receive intensive training through the MemberConnections Program to ensure that member outreach and education practices are culturally competent and accessible to members. For more detailed information about the MemberConnections program, please see Attachment J.*

Start Smart for Your Baby™ (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 moms and their babies. This multi-faceted approach to improve prenatal and postpartum care includes enhanced member outreach and incentives, wellness materials, intensive one-on-one case management, and supports the appropriate use of medical resources to extend the gestational period and reduce the risks of pregnancy complications, premature delivery, and infant disease. For more detailed information about the Smart Start program, please see Attachment K.*

Substance Use in Pregnancy Program. Through this program Start Smart Care Managers reach out to pregnant members who abuse opiates, alcohol and other drugs. The treatment team consists of OB and behavioral health case managers, as well as primary care providers, obstetricians and other specialists. Working together, medical and behavioral health Care Managers work together to address the needs of the whole person, engaging the member on many levels. The trust-based care management approach encourages the member to participate in a personalized plan that helps her overcome addiction and improve the likelihood of a healthy pregnancy and an infant that does not suffer from withdrawal. The Substance Use in Pregnancy Program partners with state addiction programs and encourages counseling and medication in addition to intensive outpatient or inpatient addiction treatment if needed. Care managers assess the member's readiness to change and focus on moving her through the stages of change related to addiction treatment. Basing interventions on readiness to change helps ensure that the member is met with appropriate interventions that challenge but do not overwhelm her. Medication-assisted treatment with Subutex or methadone can replace the need for dangerous prescription or street drugs and prevents the pregnant member from going into withdrawal, which can be dangerous for the fetus. Subutex is particularly encouraged, as it has been shown to reduce the rates of infants with NAS and also NICU length-of-stay. This program was initially piloted by the Centene Ohio affiliate health plan and received the 2014 Ohio Association of Health Plan's (OAHP) Pinnacle Award for Best Practice Healthcare Programs. Preliminary data shows that neonatal inpatient length-of-stay is reduced to an average of 13 days among infants delivered to mothers enrolled in the Substance Abuse in Pregnancy Program. Comparatively, the average inpatient length of stay for NAS infants in Ohio ranged from 20.1 in 2008 to 15.9 days in 2011.

Psychotropic Medication Utilization Review (PMUR). The increasing use of psychotropic medications by children, particularly antipsychotics, is a national concern. The PMUR program for pediatric members is based on the nationally recognized Texas Psychotropic Medication Utilization Review processes the Centene Texas affiliate uses for members in Foster Care. PMUR is a proven means of assuring appropriate utilization of psychotropic drugs, which often do not have FDA-approved use for children. PMUR will also help reduce the incidence of adverse drug effects (including obesity), reduce unnecessary drug costs, and identify where psychosocial interventions may be more effective or needed to complement drug therapy. Through this program clinical staff reviews antipsychotic prescriptions for children under five years of age to evaluate appropriateness of the medication. This review may include obtaining additional information from the prescribing provider. Monitoring of recommended changes occur to identify changes in ordered antipsychotic medications for the child. PMUR is generally well received, partly due to being a retrospective review process that does not interrupt service while changes are made. It is very much a collaborative process, particularly for providers that are PCP/Pediatricians and do not have a behavioral health (BH) background. Since implementing the PMUR process in Texas for Enrollees in the child welfare system in 2007, there has been a dramatic decrease in polypharmacy due to physician awareness of and improved compliance with quality and clinical practice guidelines. The percentages of foster children receiving psychotropic medication for 60+

days, two or more medications from the same class, and five or more concurrent prescriptions have all decreased. 2013 Texas foster care PMUR data shows a 22% decrease in overall psychotropic drug use since 2007.

Sickle Cell Management Program. Although sickle cell has generally been thought of as a child's disease, many Medicaid plans are now seeing more adults with the disease. A study published in the *Journal of the American Medical Association (JAMA)* in 2010 showed that 41% of patients ages 18 to 30 who are hospitalized for sickle cell in acute care end up re-hospitalized within 30 days. This is almost twice as high as other diseases including, heart failure (16%) and diabetes (20%). Research also shows that the use of hydroxyurea in certain subsets of sickle cell patients has resulted in significantly fewer episodes of acute chest syndrome, vaso-occlusive painful crises, blood transfusions, as well as fewer ED and inpatient visits. There is also evidence that it may increase survival. Centene's Clinical Programs team developed a comprehensive program including proactive education and care coordination specifically aimed at improving adherence to treatment with hydroxyurea. Educational materials for members, CM staff and providers were developed and used in managing members with non-usage or low compliance with hydroxyurea. Members received educational materials such as "Living Well with Sickle Cell," a book published by Centene in conjunction with a board certified hematology/oncology Washington University specialist. The book has been endorsed by Joseph L. Wright, MD, MPH, Senior Vice President, Child Health Advocacy Institute, Children's National Medical Center. Within just one year of the program's start in 2011, Centene noted that the number of hydroxyurea prescriptions filled increased 11.4% and emergency room visits decreased by 16%. The Centene Mississippi Health Plan led the way with 32.8% of their sickle cell members on hydroxyurea and 70.9% in care management.

The planned implementation of these programs by quarter in 2016 can be found in Attachment L.

In addition, the following changes to the Health Net Access operations will be made (as described in more detail in Section 1b):

- Claims System Migration
- Claims Administration Location
- Call Center Location
- Pre-Authorization Location

e. Health Net Access's plan for communicating change to members including a draft notification to be distributed to affected members and providers

Health Net Access will provide a notification via letter to all members and providers regarding the potential transaction. In addition, a message to members and providers will be placed on the Health Net Access website at that time. Additionally Health Net Access membership will be notified via an article in the member newsletter at or around the time of closing. The planned member and provider communication is included as Attachments M and N to this document.

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

Since the current name/logo/brand 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 all AHCCCS requirements.

g. Any anticipated network changes

We do not expect any changes to the network other than those in the ordinary course of business.

Health Net Access 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 Health Net Access'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.

Health Net Access is prepared to comply with these obligations. In addition, upon AHCCCS's approval of the Transaction, Health Net Access 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 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. Please do not hesitate to contact Gay Ann Williams at Gay.Ann.Williams@HealthNet.com or (602)794-1464.