



November 7, 2016

Ryan Shirley
Operations and Compliance Officer, Arizona Health Care Cost Containment System
701 E. Jefferson St.
Phoenix, AZ. 85034

Subject: Response to October 31 correspondence

Dear Mr. Shirley,

Care1st Health Plan Arizona received the letter dated October 31, 2016 from Virginia Rountree and is happy to respond to the items that were raised.

Automatic Clearing House (ACH) Vendor Authorization Form

We have no plans to change our banking information at the time of the acquisition. If we should do so at some point after closing, we would follow AHCCCS procedures.

Disclosure of Ownership and Control and Disclosure of Information on Persons Convicted of a Crime:

This information will change with the proposed acquisition. We have gathered the information and I have attached the required attestation.

The Articles of Incorporation

The corporate entity, Care1st Health Plan Arizona, is staying intact, so we don't see any need to revise the Articles of Incorporation.

The Employee Identification Number / Tax Identification Number (EIN/TIN)

Our EIN/TIN will not change with the proposed acquisition.

Disclosure of the \$15M restricted cash in support of the performance bond currently recorded on the Care1st CA financial statements

Prior to the close of the transaction, Care1st Arizona will pay Care1st CA \$15M to replace the Care1st CA share of the \$30M deposit at the Department of Insurance. At some point following the close, Care1st Arizona and WellCare may look at other methods to satisfy the required performance bond and will follow AHCCCS procedure when doing so.

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If you have any questions, please do not hesitate to contact me at scummings@care1st.com or 602.778.1860.

Sincerely,



Scott Cummings
Chief Administrative Officer

cc: Virginia Rountree, Assistant Director Operations & Clinical, AHCCCS