

**BEFORE THE STATE OF CONNECTICUT
INSURANCE DEPARTMENT**

IN THE MATTER OF:) **DOCKET NO.**
)
THE ACQUISITION OF) **EX 19-48**
WELLCARE HEALTH INSURANCE OF CONNECTICUT,)
INC. AND WELLCARE OF CONNECTICUT, INC.)
)
BY CENTENE CORPORATION

AFFIDAVIT OF LISA WRIGHT ON BEHALF OF THE DOMESTIC INSURERS

I, Lisa Wright, hereby declare under penalty of perjury as follows:

I am the Regional President, Medicare North Division of WellCare Health Plans, Inc. (“WellCare”), a Delaware corporation. I present this Affidavit on behalf of WellCare to show the evidence supporting the approval of the above-entitled action under Conn. Gen. Stat. § 38a-132(a). I am authorized to give this Affidavit by the powers vested in me under my duties on behalf of WellCare.

I. Witness Identification

1. Please state, for the record, your full name, business address and by whom you are employed.

A: My name is Lisa Wright. I am an officer of WellCare, a publicly traded Delaware corporation. My business address is 4888 Loop Central, Suite 300, Houston, Texas 77081.

2. What is your position at WellCare?

A: I am the Regional President, Medicare North Division of WellCare.

3. Please identify your responsibilities as Regional President, Medicare North Division.

A: My responsibilities have included, among other things, oversight of WellCare’s Medicare Advantage line of business including operations, sales and marketing, network, and quality organizations for the states of North Carolina, Kentucky, New Jersey, New York, Connecticut, and Maine.

4. Please describe your career and educational background.

A: I have been with WellCare since December 2018. From 2008 to 2018 I worked for UnitedHealthcare and held various positions including President of Dual Special Needs and Medicare Medicaid Programs, Executive Director of Medicare Programs, Health Plan Executive for Community and State, and Director of Marketing and Retention. Prior to joining UnitedHealthcare, I worked for Anthem as the Manager of Marketing Programs supporting all government business.

I received a Bachelor of Arts in Communication from the University of Kentucky in 1996, a Masters of Business Administration from University of Maryland in 2010, and an executive certificate from Wharton School of Business 2009.

5. Please explain for the record your purpose for providing this testimony here today.

A: I am here today on behalf of WellCare and the Domestic Insurers to testify in support of the proposed acquisition of control of WellCare Health Insurance of Connecticut, Inc., a life and health insurance company domiciled in Connecticut, and WellCare of Connecticut, Inc., a health care center domiciled in Connecticut (which I will collectively refer to as the “Domestic Insurers”), by Centene Corporation (which I will refer to as “Centene” or the “Applicant”). WellCare Health Insurance of Connecticut, Inc. is recently licensed in the State of Connecticut and has not yet commenced business operations.

Each of the Domestic Insurers is currently an indirect, wholly-owned subsidiary of WellCare. Following the consummation of the proposed Merger Transaction, Centene will directly own 100% of the issued and outstanding shares of capital stock of Post-Closing WellCare (as that term is defined in the Form A Statement), and will thereby indirectly own 100% of the issued and outstanding shares of capital stock of each of the Domestic Insurers.

6. Have you been authorized by WellCare to speak on its behalf at this hearing?

A: Yes, I am authorized to testify on behalf of WellCare at this hearing.

II. Procedural Matters

7. Did the Domestic Insurers receive a copy of the Form A Statement?

A: Yes. The Applicant sent a copy of the Form A Statement to the Domestic Insurers, through our outside counsel, on May 6, 2019 via overnight courier.

8. Did the Domestic Insurers receive at least seven days’ notice of the public hearing?

A: Yes. Outside counsel to the Applicant provided notice of the public hearing to the Domestic Insurers, through our outside counsel, on September 3, 2019.

9. Does WellCare support the Form A Statement and the Merger Transaction?

A: Yes. The proposed Merger Transaction is consensual and the related Merger Agreement (as that term is defined in the Form A Statement) was freely entered into by the parties through arms' length negotiations. WellCare believes that the Merger Transaction is mutually beneficial and also advantageous to our policyholders and members, including the current and future members of the Domestic Insurers.

Centene is a seasoned, financially strong and well-managed insurer, with well-qualified directors and executive officers and an excellent reputation in the marketplace. WellCare supports the Form A Statement and believes that it merits the Commissioner's approval.

Once consummated, the Merger Transaction will create a premier healthcare enterprise focused on government-sponsored healthcare programs and a leader in Medicaid, Medicare and the Health Insurance Marketplace.

Centene and WellCare are two high-performing companies with decades of experience serving a broad range of states and large government programs. Together, the combined company will have meaningful product diversification and the opportunity to better serve members, help them achieve better health outcomes and drive growth. WellCare brings to Centene a high-quality Medicare platform and further extends Centene's robust Medicaid offerings. The combination will enable the combined company to provide access to more comprehensive and differentiated solutions across more markets with a continued focus on affordable, high-quality, culturally-sensitive healthcare services. The enterprise would have approximately 22 million members across all 50 states in the U.S.

Additionally, the Merger Transaction will deliver significant benefits to members and government partners through increased scale and more diversified services. The combined company would be the leader in government-sponsored healthcare with increased scale and diversification both geographically and in its managed care service offerings, and enhance access to high-quality services for members, including those in the State of Connecticut.

10. Please briefly describe how the basis and terms of the Merger Agreement were determined?

A: The basis and terms of the Merger Agreement, including the nature and amount of consideration, were determined through arms' length negotiations among the representatives of Centene and the representatives of WellCare and their respective legal and other advisors.

In addition, WellCare's board of directors received an opinion, dated March 26, 2019, of Goldman Sachs & Co. LLC that, as of such date and based on and subject to various assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken, the Merger Consideration to be paid by Centene to the holders (other than Centene and its affiliates) of the outstanding shares of common stock of WellCare pursuant to the Merger Agreement was fair from a financial point of view to such holders.

11. Has the Merger Transaction been approved by the board of directors of WellCare?

A: Yes. WellCare's board unanimously approved the proposed Merger Transaction and unanimously recommended that WellCare's stockholders vote "FOR" the adoption of the Merger Agreement.

12. Have the stockholders of WellCare approved the Merger Transaction?

A: Yes. On June 24, 2019, WellCare's stockholders voted in favor of the adoption of the Merger Agreement, with over 99% of the shares voted at the special meeting voting in favor.

III. WellCare and the Domestic Insurers

13. Please briefly describe the current operations of WellCare and the Domestic Insurers.

A: WellCare is a leading managed care company, headquartered in Tampa, Florida, and focuses primarily on providing government-sponsored managed care services to families, children, seniors and individuals with complex medical needs primarily through Medicaid, Medicare Advantage and Medicare Prescription Drug Plans, as well as individuals in the Health Insurance Marketplace. As of December 31, 2018, WellCare served approximately 5.5 million members nationwide. WellCare's broad range of experience and government focus allows it to effectively serve its members, partner with its providers, government clients and the communities it serves, and efficiently manage its ongoing operations.

WellCare Health Insurance of Connecticut, Inc. is a life and health insurance company domiciled in Connecticut. WellCare of Connecticut, Inc. is a health care center domiciled in Connecticut. Each of the Domestic Insurers is a direct, wholly-owned subsidiary of The WellCare Management Group, Inc., a New York corporation, which is, in turn, a direct, wholly-owned subsidiary of WCG Health Management, Inc., a Delaware corporation, which is, in turn, a direct, wholly-owned subsidiary of WellCare.

WellCare Health Insurance of Connecticut, Inc. is recently licensed in the State of Connecticut and has not yet commenced business operations. WellCare Health Insurance of Connecticut, Inc. has also recently been approved by the Centers for Medicare & Medicaid Services ("CMS") to provide Medicaid Advantage plans for the 2020 plan year. WellCare of Connecticut, Inc. provides Medicare Advantage and dual-eligible special needs (or "D-SNP") plans in Connecticut pursuant to contracts with the State of Connecticut and the federal government.

14. What will the Domestic Insurers' business consist of after completion of the proposed Merger Transaction?

A: It is our understanding that the Applicant has no present plans or proposals to make any material change the Domestic Insurers' business operations, corporate structure or management. We further understand that, immediately following the closing of the proposed Merger Transaction, the Domestic Insurers will continue to maintain their separate corporate existence. WellCare of Connecticut, Inc. will continue its operations as currently conducted, and WellCare Health Insurance of Connecticut, Inc. will conduct operations as described in its plan of operation filed as part of its licensing application recently approved by the Department with no expected adverse effects to members or policyholders.

WellCare, including the Domestic Insurers, plans to remain a successful, well-capitalized and profitable participant in the insurance market, focusing on providing government-sponsored managed care services to families, children, seniors and individuals with complex medical needs.

IV. Merits of the Proposed Merger Transaction and Form A Statutory Criteria

15. Are you familiar with the transaction by which the Applicant proposes to acquire control of the Domestic Insurers?

A: Yes, I am familiar with the proposed Merger Transaction.

16. Do you have any reason to believe that the Merger Transaction will result in any of the six adverse consequences set forth in Conn. Gen. Stat. § 38a-132(a)(1)-(6)?

A: No, I do not have any reason to believe that any of the adverse consequences set forth in Conn. Gen. Stat. § 38a-132(a)(1)-(6) would exist as a result of the consummation of the proposed Merger Transaction.

17. First, following the consummation of the Merger Transaction, will each of the Domestic Insurers be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed?

A: Yes. The Domestic Insurers have no plans to effect any change in their respective business, corporate structure, management, or general plan of operations that would inhibit the Domestic Insurers' ability to satisfy the requirements for licensure as a life and health insurance company and a health care center, respectively, under Connecticut insurance law.

18. Second, will the Merger Transaction substantially lessen competition in insurance in Connecticut or create a monopoly in Connecticut?

A: I understand that Centene will address this statutory standard through the testimony of Christopher Koster who is Senior Vice President of Corporate Services at Centene. I further understand that Centene filed a pre-acquisition notification letter requesting exemption from the pre-acquisition notification filing on May 7, 2019 and that the Department granted such exemption on May 31, 2019.

19. Third, is the financial condition of the Applicant such that it might jeopardize the financial stability of the Domestic Insurers or prejudice the interests of their respective policyholders?

A: No. It is our expectation that Centene will strengthen the financial stability of WellCare's subsidiaries, including the Domestic Insurers, and will enhance the interests of the Domestic Insurers' policyholders.

20. Fourth, does the Applicant have any plans or proposals to liquidate the Domestic Insurers, to sell their assets or to consolidate or merge them with any person or to make any other material change in their respective business or corporate structure or management that would be unfair and unreasonable to policyholders of each of the Domestic Insurers and not in the public interest?

A: I understand that Centene will more fully address this statutory standard through the testimony of Christopher Koster. I also understand that Centene has no current plans or proposals to liquidate the Domestic Insurers, to sell their assets or to consolidate or merge them with any person or to make any other material change in their respective business operations, corporate structure or management.

21. Fifth, please discuss whether the competence, experience and integrity of the persons who will control the operations of the Domestic Insurers after closing will in any way not be in the interest of policyholders of the Domestic Insurers or the public.

A: The three directors of each of the Domestic Insurers are (1) Andrew Lynn Asher, (2) Andrew W. Clifton and (3) Michael Troy Meyer. The six executive officers of each of the Domestic Insurers are (1) Andrew W. Clifton, (2) Richard Charles Fisher, (3) Michael Warren Haber, (4) Goran Jankovic, (5) Michael Troy Meyer and (6) Tammy Lynn Meyer.

I know these individuals personally and/or I have reviewed their biographical affidavits. Based on my personal knowledge and my review, I can confirm that all of these directors and executive officers are highly competent individuals with extensive experience and the utmost integrity.

I understand that Centene does not have any present plans to change the existing directors and executive officers of the Domestic Insurers. I understand that, if Centene proposes to make any changes, they would be communicated to the Department as appropriate and as required by law and would be effected in compliance with all applicable statutory and regulatory requirements.

22. Sixth, will the Merger Transaction likely be hazardous or prejudicial to those buying insurance?

A: No. WellCare and the Domestic Insurers believe that the Merger Transaction will not be hazardous or prejudicial to those buying insurance, but will instead have a positive effect on those buying insurance. The Domestic Insurers will be managed by a financially strong organization, as evidenced by the historical financial statements of the Applicant submitted with the Form A Statement. Further, we understand that the Applicant has no plans to cause the Domestic Insurers to undergo any material changes to their organization or operations that could be harmful to the interests of their members or the public. In sum, there is no evidence that the Merger Transaction is likely to be hazardous or prejudicial to those buying insurance.

V. Closing Remarks

23. Is there anything else that you would like to add at this time?

A: Yes. I would like to thank Commissioner Mais, Deputy Commissioner Hershman, Ms. Belfi, Mr. Kosky, Ms. Reed and the other Department Staff for their prompt attention to this matter and for their diligence in reviewing the Form A Statement. I would also respectfully request at this time that the Commissioner approve the proposed acquisition of the Domestic Insurers as described here today and in the Form A Statement.

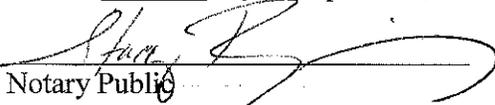
I state under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

FURTHER THE AFFIANT SAYETH NOT



Lisa Wright
Regional President, Medicare North Division of
WellCare Health Plans, Inc.

SUBSCRIBED and SWORN to before
me this 6th day of September, 2019.


Notary Public

My Commission expires:

