



A spirit of innovation, a legacy of care.

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Catholic Health Initiatives Reaches Agreement On Acquisition of QualChoice Holdings

LITTLE ROCK, Ark. – April 2, 2014 – Collab Health, a wholly owned subsidiary of Catholic Health Initiatives, has executed a stock-purchase agreement to acquire QualChoice Holdings, Inc.. Catholic Health Initiatives (CHI), one of the nation’s largest nonprofit health systems, operates St. Vincent Health System in Little Rock.

QualChoice Holdings, headquartered in Little Rock, is the parent company of QCA Health Plan, Inc., and QualChoice Life and Health Insurance Company, Inc. The transaction will provide Catholic Health Initiatives with ownership and control of QualChoice Holdings. The pending acquisition for an undisclosed amount is subject to final regulatory approval from the Arkansas Insurance Department

“CHI, through St. Vincent Health System, has been a partner with QualChoice since our inception and we are excited to now be a part of a national organization of such high quality,” said Mike Stock, CEO of QualChoice Holdings. “We have always had an excellent relationship with St. Vincent and look forward to working as part of Catholic Health Initiatives in the future.”

QualChoice Holdings, Inc., was organized in 2010 as a parent holding company following the acquisition of Community Bank Life and Health Insurance Company in 2009 and its restructuring as QualChoice Life and Health Insurance Company, Inc. QCA Health Plan is a health-maintenance organization created in 1996 and is licensed in all 75 Arkansas counties.

"Making an investment in a quality health plan such as QualChoice is integral to CHI's population health strategies, which we believe will help improve the future of affordable access to health and wellbeing for the people of Arkansas and many other communities we serve," said Juan Serrano, CHI's senior vice president, payer strategy and operations. "We regard Arkansas as a fantastic place to develop our health insurance capabilities as we strive to better serve communities here and across the nation."

St. Vincent has been a participant in the provider network of QCA Health Plan since its inception and an investor since 1999. Other key investors in QualChoice include TriZetto Corporation; the University of Arkansas for Medical Sciences; Tenet HealthSystem Medical, Inc.; Arkansas Children's Hospital; and QualChoice of Arkansas, Inc.

Mark Bjornson, CHI's vice president, commercial and government health programs, praised the work of Arkansas Insurance Commissioner Jay Bradford, whose involvement was integral to a transaction that "CHI believes will provide significant benefits and help to further our mission of building healthier communities."

No immediate changes in QualChoice operations are anticipated by the change in ownership and there will be no changes in provider network participation by any QualChoice provider investors.

About QualChoice: QualChoice is an Arkansas-based health services company offering a comprehensive line of health benefit and ancillary products on both a fully insured and self-insured basis. The company is a market innovator in providing competitively priced managed care products and excellent customer support. Headquartered in Little Rock, Arkansas, the company is the second largest managed care company in the state. It also operates an office in Springdale, Arkansas. For more information visit www.qualchoice.com.

About St. Vincent Health System: St. Vincent Health System, founded in 1888, is one of Arkansas' leading health systems. St. Vincent Infirmiry Medical Center, an acute care facility, located in Little Rock, serves as the hub of the health system. Other St. Vincent hospitals include St. Vincent North in Sherwood and St. Vincent Morrilton in Morrilton. The system also includes a network of primary care clinics, a home health agency and affiliations with more than 650 physicians. St. Vincent is part of Catholic Health Initiatives (CHI), a national nonprofit health system with headquarters in Englewood, Colorado.

About Catholic Health Initiatives: Catholic Health Initiatives, a nonprofit, faith-based health system formed in 1996 through the consolidation of four Catholic health systems, expresses its mission each day by creating and nurturing healthy communities in the hundreds of sites across the nation where it provides care. One of the nation's largest health systems, Englewood, Colo.-based CHI operates in 18 states and comprises 87 hospitals, including four academic medical centers and teaching hospitals and 23 critical-access facilities; community health-services organizations; accredited nursing colleges; home-health agencies; and other facilities that span the inpatient and outpatient continuum of care. In fiscal year 2013, CHI provided \$762 million in charity care and community benefit, including services for the poor, free clinics, education and research. Learn more at www.catholichealthinitiatives.com.