
On July 31, 2015, Centene Corporation, Chopin Merger Sub I, Inc., and Chopin Merger Sub II, Inc. ("Petitioner") submitted an application for the acquisition of control of Health Net of Arizona, Inc. ("Insurer") to the Arizona Department of Insurance (the "Department") for approval of Petitioner as the controlling person of the Insurer pursuant to the provisions of A.R.S. §20-1070.

Based upon reliable evidence provided to the Director of Insurance ("Director") by the Assistant Director of the Financial Affairs Division of the Department, the Director finds as follows:

FINDINGS OF FACT

1. The Insurer is a domestic health care services organization as referred to in A.R.S. §20-1051.

2. The Petitioner filed a statement as referred to in A.R.S. §20-1070.
3. The Petitioner has demonstrated that Insurer will continue to maintain the requirements for a certificate of authority as required by A.R.S. §20-1070(D) subsequent to the change in control.

4. The Petitioner's officers and directors made representations material to the issuance of the Order in this matter that none of its officers or directors have been charged with or convicted of a felony or misdemeanor other than minor traffic violations.

CONCLUSIONS OF LAW

1. The application established that none of the enumerated grounds set forth in A.R.S. §20-1070(D) exist so as to provide a basis for disapproval or rejection of Petitioner's acquisition of control of the Insurer.

2. Petitioner presented credible evidence for approval of its acquisition of control of the Insurer and the Petitioner to be a controlling person pursuant to the provisions of A.R.S. §20-1070.

ORDER

THEREFORE, I, ANDREW M. TOBIN, Director of Insurance of the State of Arizona, for the purpose of protecting and preserving the public health, safety and welfare, and by virtue of the authority vested in me by A.R.S. §§20-142 and 20-1070 hereby order that:

1. The acquisition of control of the Insurer by the Petitioner is approved.

2. Subject to A.R.S. §20-481.21(A), all documents, materials and other information that is in the possession or control of the Department and that was obtained by or disclosed to the Director or any other person in the course of filing the application is confidential and privileged, is not subject to Title 39, Chapter 1, Article 2 and is not subject to subpoena.
3. The Petitioner shall advise the Director in writing of the effective date of the change of control.

4. The failure to adhere to one or more of the above terms and conditions shall result without further proceedings in the suspension or revocation of the Insurer's Certificate of Authority.

   Effective this ___ day of ___, 2015.

   ANDREW M. TOBIN
   Director of Insurance

COPY of the foregoing mailed/delivered this ___ day of ___, 2015, to:

J. Michael Low
Lewis Brisbois Bisgaard & Smith LLP
Phoenix Plaza Tower II
2929 North Central Avenue, Suite 1700
Phoenix, Arizona 85012-2761

Darren Ellingson, Deputy Director of Insurance
Mary Kosinski, Executive Assistant for Regulatory Affairs
Consumer Affairs Division, Assistant Director
Kurt A. Regner, CFE, Assistant Director
Catherine O'Neil, Consumer Legal Affairs Officer
Arizona Department of Insurance
2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018