



Molina Healthcare Announces Acquisition of Better Health Network in Cook County

November 30, 2015

LONG BEACH, Calif.--(BUSINESS WIRE)--Nov. 30, 2015-- Molina Healthcare, Inc. (NYSE: MOH) and Better Health Network, LLC jointly announced today that Molina Healthcare of Illinois, Inc., a wholly owned subsidiary of Molina Healthcare, Inc., has entered into a definitive agreement to acquire certain assets relating to Better Health's Medicaid business in the State of Illinois. As a part of the transaction, Molina Healthcare of Illinois will receive the right to transition Better Health's Medicaid members in Cook County and assume certain assets related to the operation of the Medicaid business. Molina Healthcare of Illinois will fund the transaction with available cash. Subject to regulatory approvals and the satisfaction of other conditions, the closing of the transaction is expected to occur in the second quarter of 2016.

Better Health is an Accountable Care Entity owned and operated by several local Chicago providers. The Company serves nearly 40,000 members in the Medicaid Family Health program in Cook County.

"Agreements such as this are positive not only from a spending point of view but also to promote quality care," said Felicia Norwood, Director of the Illinois Department of Healthcare and Family Services. "The department strongly supports fiscally sustainable approaches to provide care for our state's vulnerable citizens."

"We are pleased to announce our third acquisition in the Chicago area this year, and we look forward to serving Better Health Network's members once this transaction is closed," said Cathy Harvey, president of Molina Healthcare of Illinois. "This agreement further demonstrates our deep commitment to the Illinois Medicaid program and individuals receiving government-sponsored health care, and we welcome the opportunity to work closely with the provider community so that we could provide the highest quality of care to our members."

"The Board of Managers of Better Health Network is pleased to enter into this agreement with Molina Healthcare. Given Molina's experience with community programs and history of ensuring access to quality, cost-effective health care, we think this transaction will provide long-term benefits to our members," said Charles Holland, President of the Board of Managers of Better Health Network.

About Molina Healthcare of Illinois, Inc.

Molina Healthcare of Illinois currently operates Medicaid and Medicare health plans with total membership of approximately 101,000 as of September 2015. Additionally, Molina Healthcare of Illinois participates in the Medicare-Medicaid Alignment Initiative (MMAI) in the central part of the state. MMAI is designed for those eligible for both Medicare and Medicaid and is a joint effort between the Illinois Department of Healthcare and Family Services and the federal Centers for Medicare and Medicaid Services.

About Molina Healthcare, Inc.

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed health care services under the Medicaid and Medicare programs and through the state insurance marketplaces. Through our locally operated health plans in 11 states across the nation and in the Commonwealth of Puerto Rico, Molina serves approximately 3.5 million members. Dr. C. David Molina founded our company in 1980 as a provider organization serving low-income families in Southern California. Today, we continue his mission of providing high quality and cost-effective health care to those who need it most. For more information about Molina Healthcare, please visit our website at molinahealthcare.com.

About Better Health Network, LLC

Launched in December 2013, Better Health Network is an Accountable Care Entity serving Medicaid recipients in the south and west communities of Chicago and Cook County. Through clinical integration of its network, person-centered care coordination and preventive health education, Better Health Network helped members to achieve their health care goals. Owners of Better Health Network include the following community based hospitals, health centers and physician organization:

- St. Bernard Hospital and Health Center
- Loretto Hospital
- Roseland Community Hospital
- South Shore Hospital
- Aunt Martha's Youth Centers & Health Centers
- Beloved Community Family Wellness Center
- Partners in Health

More information about Better Health is available at betterhealthchicago.org.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This press release contains "forward-looking statements" regarding the proposed transaction between Better Health Network, LLC and Molina Healthcare of Illinois, Inc. All forward-looking statements are based on current expectations that are subject to numerous risk factors that could cause actual results to differ materially. Such risk factors include, without limitation, risks related to: the satisfaction or waiver of closing conditions for the transaction, successfully transitioning and integrating Better

Health's members into Molina's Illinois health plan, attrition in membership pending the completion of and following the transition, maintaining provider relations, accurately estimating incurred but not reported medical costs with respect to this new population, and the possibility that the transaction will not be completed on a timely basis or at all. Additional information regarding the risk factors to which Molina Healthcare is subject is provided in greater detail in its periodic reports and filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K. These reports can be accessed under the investor relations tab of Molina Healthcare's website or on the SEC's website at sec.gov. Given these risks and uncertainties, Molina Healthcare can give no assurances that its forward-looking statements will prove to be accurate, or that any other results or events projected or contemplated by its forward-looking statements will in fact occur, and Molina Healthcare cautions investors not to place undue reliance on these statements. All forward-looking statements in this release represent Molina Healthcare's judgment as of the date hereof, and Molina Healthcare disclaims any obligation to update any forward-looking statements to conform the statement to actual results or changes in its expectations that occur after the date of this release.



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