



A spirit of innovation, a legacy of care.

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Catholic Health Initiatives, QualChoice Agreement Finalized

LITTLE ROCK, Ark. – May 1, 2014 – CollabHealth, a wholly owned subsidiary of Catholic Health Initiatives, has closed on a series of stock-purchase agreements to acquire QualChoice Holdings, Inc. The Arkansas Insurance Department (AID) approved the acquisition during a hearing earlier this week.

Catholic Health Initiatives (CHI), one of the nation's largest nonprofit health systems, operates St. Vincent Health System, which is based 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 control of QualChoice Holdings.

“This new ownership creates significant opportunities for QualChoice and is also very good for Arkansas,” said Mike Stock, CEO of QualChoice. “We are excited to now be an important part of Catholic Health Initiatives – it is a high-quality organization with a strong national presence.”

The transaction continues a longstanding partnership between CHI, St. Vincent Health System and QualChoice. St. Vincent has been a participant in the provider network of QCA Health Plan since its inception and an investor since 1999.

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.

“We believe this is an important investment in the future of affordable health care options for the people of Arkansas,” said Juan Serrano, CHI’s senior vice president of payer strategy and operations. “CHI is committed to improving the health of communities, which is well-aligned with the objectives of QualChoice and the health-insurance operations we are developing across the country.”

No substantial changes in QualChoice operations or in provider network participation are anticipated by the change in ownership. “We are grateful to Commissioner Jay Bradford and his staff for all of their work in helping to make this transaction a reality,” said Mark Bjornson, CHI’s vice president, commercial and government health programs.

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 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 89 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.