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healthcare financial management association



# THE HERTEL REPORT

## **PHOENIX HEALTH PLAN SELLS ASSETS TO WELLCARE**

*Tampa, FL-based WellCare Health Plans announces a second acquisition in the state of Arizona this year*

Phoenix Health Plan (PHP), is a wholly owned managed care subsidiary of Tenet Healthcare. PHP provides health benefits to more than 50,000 Medicaid beneficiaries in Maricopa County. The acquisition includes Medicaid membership and certain provider contracts.

“This transaction will complement our pending acquisition of Care1st Health Plan Arizona and further strengthen our presence in the state,” said Ken Burdick, WellCare’s chief executive officer. “We look forward to partnering with the state and local providers to deliver high-quality, cost-effective health care solutions to help Arizona’s Medicaid beneficiaries live better, healthier lives.” The deal is expected to close by the second quarter of 2017, pending regulatory approvals. The transaction is expected to be funded with available cash on hand, and terms were not disclosed.

WellCare will work with PHP and Arizona Health Care Cost Containment System (AHCCCS) to ensure the transition to the new plan is easy for all members. WellCare Health Plans focuses solely on providing government-sponsored managed care services through plans such as Medicaid, Medicare Advantage and Medicare Prescription Drug Plans. WellCare serves approximately 3.8 million members nationwide.