

CareSource Management Group to build headquarters in Downtown Dayton

DAYTON , Ohio, November 27, 2006 – Officials from CareSource Management Group (CSMG), a leading Medicaid managed care services company based in Dayton, today confirmed that CareSource Management Group will move forward with plans to build a \$55 million corporate headquarters at the corner of Main Street and Monument Avenue in downtown Dayton.

“CareSource has been part of the downtown business community since its inception in 1989, and our downtown location has served us well,” said CSMG President and Chief Executive Officer Pamela B. Morris. “In addition to providing easy access for our employees who use the public transportation system, our downtown location has allowed us to stay connected to our consumers, many of whom live in close proximity to the downtown area. We are very excited about remaining in downtown Dayton and contributing to the economic well-being of the city.”

The City of Dayton and the Downtown Dayton Partnership, in conjunction with the Dayton-Montgomery County Port Authority, have been working with CareSource Management Group for nearly two years to resolve the company’s long-term space needs. After reviewing all available options, both existing space and new construction, CSMG decided that new construction is the best option to accommodate the company’s future business needs. The company has seen significant growth over the past two years, adding nearly 200 employees in the past year alone. Today, CareSource Management Group employs nearly 700 people in a three-state region, with 600 of those employees located in Dayton. The new building will support the company’s anticipated growth to as many as 1,100 employees over the next few years.

“We are thrilled that CareSource Management Group has decided to grow and invest in our downtown,” said City of Dayton Mayor Rhine McLin. “The new CareSource Management Group headquarters will bring more than 500 new jobs into our city over the next several years and help support many of our small downtown businesses who depend on downtown employees for their livelihood.”

Michael Greitzer, co-chair of the Downtown Dayton Partnership, thanked the company for its commitment to downtown Dayton and commended all the community partners in working together to make this project possible for downtown Dayton. “This collaborative effort is a big win for our community. It will create new jobs, represents a combined \$75 million investment and solidifies a long-term commitment to our downtown,” said Greitzer.

The new building will provide the company with more than 300,000 square feet of office space, with floor plates designed to accommodate its specific growth needs. Workplace efficiencies enabled by the 10-story structure will include:

- Employee-centric design
- Expanded CareSource University
- Connecting stairways between selected floors
- Flexible floor designs to accommodate ongoing growth needs
- Larger floor plates
- “Best in Class” data center

According to Ron Parker, executive director of the Dayton-Montgomery County Port Authority, the new CareSource Management Group headquarters will be financed through the Port Authority. “Although the project is being financed through the Port Authority, the headquarters building will be predominantly funded through private funding sources,” said Parker. “Additionally, the Port Authority and the city of Dayton will build a much needed parking garage to accommodate all of the company’s employees in one location, making parking spaces currently being used by CareSource employees in numerous downtown garages available to other downtown workers,” Parker said.

Numerous business leaders and elected officials were on hand for the CareSource Management Group announcement and applauded the company’s decision to build its new corporate headquarters in downtown Dayton. Steve Reeves, president of P&R Communications and Board Chair of the Dayton Area Chamber of Commerce, congratulated CareSource for its decision to stay in downtown Dayton. “CareSource is a home-grown company, and we are thrilled that it has decided to invest and grow in our center city,” said Reeves. J P Nauseef, president and CEO of the Dayton Development coalition echoed that sentiment. “This is a big day for downtown, the City of Dayton and our entire region.

CareSource Management Group is experiencing rapid growth. Over the next few years, the company will add hundreds of high-value jobs to our regional economy, and that’s good news for everyone.”

The construction project will involve two phases: the demolition of existing structures and preparation of the building site, and the construction of the new office building. Groundbreaking for the new building is projected for first quarter 2007. The company hopes to have occupancy in the fourth quarter of 2008.

The new building was designed by BHDP Architects, Cincinnati.

About CareSource Management Group

CareSource Management Group offers a full spectrum of services for the administration of public-sector health care programs. Among these services are general administration, including claims processing, case and medical management, provider relations, decision support informatics, quality improvement, and regulatory compliance; member services, including a member call center and 24-hour nurse advice line; and financial consultation and turnaround.

CareSource Management Group also provides services to nonprofit managed care plans that serve more than 500,000 Medicaid consumers in Ohio and more than 80,000 Hoosier Healthwise consumers in Indiana. The company also administers Community Choice Michigan, a nonprofit managed care plan serving nearly 49,000 Medicaid consumers in Michigan. For more information about CareSource Management Group, visit www.csmg-online.com.