

## CareSource to Acquire Community Choice Michigan: Purchase Agreement Reached

DAYTON, Ohio, October 3, 2007 – CareSource, a leading nonprofit public-sector managed care company based here, announced today that it has entered into a definitive agreement to acquire Community Choice Michigan, a non-profit Medicaid managed care plan that has served consumers in Michigan for 11 years. Currently, through a state contract, the plan serves more than 49,000 Medicaid members. In January 2008, the plan will begin serving dual eligibles in Michigan with its new Medicare Advantage Special Needs Health Plan.

The two companies have had a successful partnership since August of 2003 when a management contract was put into place between CareSource and Community Choice Michigan.

“Given our parallel missions, we’ve had a strong connection with the members and providers of the plan since the beginning of our relationship,” said Pamela B. Morris, president and CEO, CareSource. “This transition will be completely seamless for members and providers, and we look forward to expanding our service reach in Michigan.”

Community Choice Michigan was formed in 1995 by 17 Federally Qualified Health Centers.

“Providing access to comprehensive quality care for everyone, especially those who are medically underserved, was the motivation that drove the formation of the plan,” said Christine Baumgardner, chairman of the board, Community Choice Michigan. “We are pleased that CareSource is committed to continuing to provide the highest level of care for those most in need.”

Before the sale can be finalized, the Office of Financial and Insurance Services (OFIS) and the Michigan Department of Health (MDCH) must review and approve the details of the acquisition. The transaction is expected to be completed by the end of this year.

### **About CareSource**

CareSource is a nonprofit health plan founded on the principles of quality and service, delivered with compassion and a thorough understanding of the Medicaid consumer. By staying true to its mission of making a difference in the lives of underserved people by improving their health care, CareSource has become one of the largest and fastest growing Medicaid managed care plans in the nation.

In Ohio, CareSource currently serves more than 544,000 Medicaid consumers. With a strong focus on preventative care, CareSource utilizes a continuum of care model that provides case management services to members at all stages of health and illness. For more information about CareSource, visit [www.csmg-online.com](http://www.csmg-online.com).

### **About Community Choice Michigan**

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