Health Net of California Receives Regional Medi-Cal Contract

Release Date: Tuesday, April 27, 2010 7:00 am PDT

Terms:
Dateline City: LOS ANGELES

More Than 100,000 To Be Served by CalViva Health in Fresno, Kings and Madera Counties

LOS ANGELES--(BUSINESS WIRE)--Health Net of California, Inc. has been selected by the Fresno-Kings-Madera Regional Health Authority to administer CalViva Health, the local initiative Medi-Cal plan for residents of the tri-county area.

For More Information
Health Net State Health Programs
Health Net Online Newsroom
twitter.com/healthnet

“We’re delighted the regional health authority saw the value of our exceptional partnerships with local doctors and hospitals and our recognized strengths as one of California’s largest providers of Medi-Cal benefits and services,” said Dave Meadows, vice president of State Health Programs for Health Net.

The CalViva Health award cements Health Net’s stature as one of the largest providers of Medi-Cal benefits in California. When the CalViva Health program is in place, Health Net Medi-Cal programs will be serving contiguous counties from Madera in the north to San Diego in the south. In all, Health Net currently serves more than 702,000 residents in 10 California counties.

Health Net will retain its existing downtown Fresno office, and it expects to open new offices in Kings and Madera counties to efficiently serve its CalViva Health customers and contracting providers in the three-county region, said Meadows.

Health Net and the health authority expect the CalViva Health contract will take effect in the fourth quarter of 2010.

Community Celebration

On May 19, 2010, Health Net will host a grand-opening celebration of its downtown Fresno Community Solutions Center, including the presentation of three Health Net Community SolutionMakers Awards honoring three Fresno County organizations making a difference in the health and well-being of the communities they serve.

Medi-Cal Quality Awards

Earlier this month, the California Department of Health Care Services (DHCS) presented a bronze award to Health Net of California for its outstanding performance for its 2009 Fresno County HEDIS (Healthcare Effectiveness Data and Information Set) outcomes, which measure the quality of care and services provided by Health Net. Over the past two years, DHCS has awarded Health Net of California a total of five quality awards and four associate citations, the most of any Medi-Cal health plan during that time period.

Additionally, the National Committee for Quality Assurance recently elevated Health Net of California’s Medi-Cal plan to “Excellent” accreditation status for Health Plan Accreditation.

About Health Net of California

Health Net of California, Inc., a subsidiary of Health Net, Inc. (NYSE:HNT), is one of the largest health plans in the state. Together with Health Net Life Insurance Company, it serves more than 2.2 million members statewide and contracts with more than 56,000 physicians, 300-plus hospitals and nearly 5,000 pharmacies, giving its members greater choice and more convenient access to care. Its commercial HMO and POS, Medicare and Medicaid lines of business have received the “Excellent” Accreditation status from the National Committee for Quality Assurance. For more information about Health Net, visit its website at http://www.healthnet.com/.

Cautionary Statements

All statements in this press release, other than statements of historical information provided herein, may be deemed to be
forward-looking statements and as such are subject to a number of risks and uncertainties. These statements are based on management’s analysis, judgment, belief and expectation only as of the date hereof, and are subject to uncertainty and changes in circumstances.

Without limiting the foregoing, statements including the words “believes,” “anticipates,” “plans,” “expects,” “may,” “should,” “could,” “estimate,” “intend” and other similar expressions are intended to identify forward-looking statements. Actual results could differ materially due to, among other things, costs, fees and expenses related to the post-closing administrative services to be provided under the administrative services agreements entered into in connection with the sale of our Northeast business; potential termination of the administrative services agreements by the service recipients should we breach such agreements or fail to perform all or a material part of the services required thereunder; any liabilities of the Northeast business that were incurred prior to the closing of its sale as well as those liabilities incurred through the winding-up and running-out period of the Northeast business; potential termination of our TRICARE North operations; health care reform; rising health care costs; continued recessionary economic conditions or a further decline in the economy; negative prior period claims reserve developments; trends in medical care ratios; unexpected utilization patterns or unexpectedly severe or widespread illnesses; membership declines; rate cuts affecting our Medicare or Medicaid businesses; litigation costs; regulatory issues; operational issues; investment portfolio impairment charges; volatility in the financial markets; and general business and market conditions. Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the “Risk Factors” section included within the company’s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”), and the risks discussed in the company’s other filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements. The company undertakes no obligation to publicly revise any of its forward-looking statements to reflect events or circumstances that arise after the date of this release.