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Molina acquires NextLevel Health Partners

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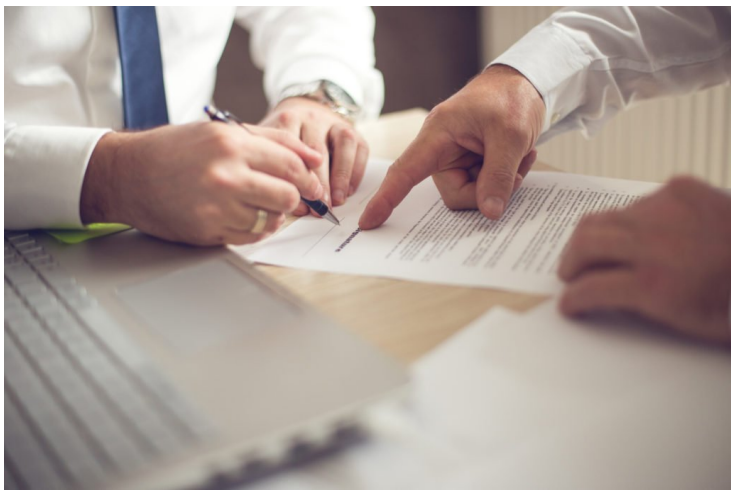

Molina Healthcare has entered into a definitive agreement to acquire all of the capital stock of NextLevel Health Partners, Inc., a Medicaid managed care organization. As part of the transaction, Molina will assume the right to serve approximately 50,000 Medicaid and Managed Long-Term Services and Supports (MLTSS) members in Illinois' Cook County.

The purchase price of approximately $50 million, net of certain tax benefits, will be funded through Molina's available cash. Subject to regulatory approvals and the satisfaction of other customary conditions, the closing of the transaction is expected to occur in early 2020. NextLevel Health's estimated premium revenue for the full year 2019 is approximately $270 million.

"We are delighted to expand our presence in Illinois as the state's higher acuity populations skew toward Molina's strengths," said Pam Sanborn, president of Molina Healthcare of Illinois. "Acquiring NextLevel Health increases our footprint in the state of Illinois, enables us to scale our existing business platform, and provides additional operating cost leverage. The existing base of acquired assets also provides Molina with expansion opportunities for our Medicare-Medicaid Plan (MMP) and Marketplace offerings."

"NextLevel Health's community-based approach combines a culturally sensitive lens and the recognition of social determinants of health to provide Medicaid members access to quality care," said Dr. Cheryl Whitaker, CEO of NextLevel Health Partners, Inc. "We are proud to join Molina and continue to positively impact our communities."

Centerview Partners LLC acted as financial advisor for Molina and Sheppard Mullin acted as legal advisor.