

Attachment B.11.j
Payformance

Payformance Subcontractor Questionnaire

1. Indicate your organization's legal name, trade name, dba, acronym, and any other name under which you do business; the physical address, mailing address, and telephone number of your headquarters office. Provide the legal name for your organization's ultimate parent (e.g. publicly traded corporation).

RESPONSE: Payformance Corporation, 7751 Belfort Parkway, Suite 200, Jacksonville, FL 32256; telephone (904) 997-6777

Parent corporation is Payformance Holding Corporation (a privately-held Delaware for-profit corporation).

2. Describe your organization's form of business (i.e., individual, sole proprietor, corporation, non-profit corporation, partnership, limited liability company) and detail the names, mailing address, and telephone numbers of its officers and directors and any partners (if applicable).

RESPONSE: For-profit Delaware corporation. Dwayne L. McAfee is President and CEO. Lynn Carroll is Executive Vice President and COO. Phillip Ulsch is CFO. Phillip Clough is Chairman.

3. Provide the name and address of any health professional that has at least a five percent (5%) financial interest in your organization, and the type of financial interest.

RESPONSE: None

4. Provide your federal taxpayer identification number and Louisiana taxpayer identification number.

RESPONSE: FEID 59-3259342. No LA TID (no operations within LA)

5. Provide the name of the state in which you are incorporated and the state in which you are commercially domiciled. If out-of-state, provide the name and address of the local representative; if none, so state.

RESPONSE: Incorporated in DE. Company HQ and operations center is located and company is registered as a foreign corporation in FL. No LA-resident representative.

6. If you have been engaged by DHH within the past twenty-four (24) months, indicate the contract number and/or any other information available to identify the engagement; if not, so state.

RESPONSE: No contracts with DHH.

7. Provide a statement of whether there have been any mergers, acquisitions, or sales of your organization within the last ten years, and if so, an explanation providing relevant details. If any change of ownership is anticipated during the 12 months following the Proposal Due Date of 6/24/2011, describe the circumstances of such change and indicate when the change is likely to occur. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Company was recapitalized in 2009. A holding corporation, Payformance Holding Corporation was formed and owns 100 per cent of Payformance Corporation. The majority owner of Payformance Corporation at that time (ABS Capital Partners, a private equity investment firm) now owns 99 per cent of Payformance Holding Corporation.

8. Provide a statement of whether you or any of your employees, agents, independent contractors, or subcontractors have ever been convicted of, pled guilty to, or pled nolo contendere to any felony and/or any Medicaid or health care related offense or have ever been debarred or suspended by any federal or state governmental body. Include an explanation providing relevant details and the corrective action plan implemented to prevent such future offenses. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Payformance Corporation, its employees, agents, independent contractors, or subcontractors have never been convicted of, pled guilty to, or pled nolo contendere to any felony and/or any Medicaid or health care related offense or have ever been debarred or suspended by any federal or state governmental body.

9. Provide a statement of whether there is any pending or recent (within the past five years) litigation against your organization. This shall include but not be limited to litigation involving failure to provide timely, adequate or quality physical or behavioral health services. You do not need to report workers' compensation cases. If there is pending or recent litigation against you, describe the damages being sought or awarded and the extent to which adverse judgment is/would be covered by insurance or reserves set aside for this purpose. Include a name and contact number of legal counsel to discuss pending litigation or recent litigation. Also include any SEC filings discussing any pending or recent litigation. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: No litigation is pending. Two matters have been filed against Payformance Corporation in the last five (5) years (Payformance v. White, Case # 3:09-cv-72-J-32MCR and Payformance v. Welborn Case # 3:08-cv-00289-HLA-TEM) both of which were settled and all claims dismissed with prejudice with no admission of any wrongdoing on the part of Payformance Corporation.

10. Provide a statement of whether, in the last ten years, you or a predecessor company has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. If so, provide an explanation providing relevant details including the date in which the company emerged from bankruptcy or expects to emerge. If still in bankruptcy, provide a summary of the court-approved reorganization plan. Include your organization's parent organization, affiliates, and subsidiaries.\

RESPONSE: Payformance Corporation has neither filed (nor had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors.

11. If your organization is a publicly-traded (stock-exchange-listed) corporation, submit the most recent United States Securities and Exchange Commission (SEC) Form 10K Annual Report, and the most-recent 10-Q Quarterly report.

RESPONSE: Payformance Corporation is privately-held, therefore this question is not applicable.

12. Provide a statement whether there have been any Securities Exchange Commission (SEC) investigations, civil or criminal, involving your organization in the last ten (10) years. If there have been any such investigations, provide an explanation with relevant details and outcome. If the outcome is against the organization, provide the corrective action plan

implemented to prevent such future offenses. Also provide a statement of whether there are any current or pending Securities Exchange Commission investigations, civil or criminal, involving the Organization, and, if such investigations are pending or in progress, provide an explanation providing relevant details and provide an opinion of counsel as to whether the pending investigation(s) will impair the Organization's performance in a contract/Agreement under this RFP. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: There have been no Securities Exchange Commission (SEC) investigations, civil or criminal, involving Payformance Corporation in the last ten (10) years.

13. If another corporation or entity either substantially or wholly owns your organization, submit the most recent detailed financial reports for the parent organization. If there are one (1) or more intermediate owners between your organization and the ultimate owner, this additional requirement is applicable only to the ultimate owner.

RESPONSE: Payformance Holding Corporation wholly owns Payformance Corporation and no other assets. The financial statements of the company's are consolidated for the purposes of reporting.

- a. Include a statement signed by the authorized representative of the parent organization that the parent organization will unconditionally guarantee performance by the proposing organization of each and every obligation, warranty, covenant, term and condition of the Contract.

RESPONSE: A parent guarantee by Payformance Holding Corporation has no purpose since it owns no other assets than 100 per cent of the equity of Payformance Corporation.

14. Attach a personnel roster and resumes of key people who shall be assigned to perform duties or services under the Contract, highlighting the key people who shall be assigned to accomplish the work required by this RFP and illustrate the lines of authority.

- a. Submit current resumes of key personnel documenting their educational and career history up to the current time. Include information on how long the personnel have been in these positions and whether the position included Medicaid managed care experience.

RESPONSE: A Payformance Relationship Manager is assigned when a contract for services is entered into and this person is the primary point of contact for Payformance on this proposed business.

Additionally, the Payformance Support Center communicates frequently with WellCare staff regarding processing of payment files and any issues that may arise.

- b. If any of your personnel named is a current or former Louisiana state employee, indicate the Agency where employed, position, title, termination date, and last four digits of the Social Security Number.

RESPONSE: No current or former LA state employees are named or employed by Payformance Corporation.

- c. For key positions/employees which are not full time provide justification as to why the position is not full time. Include a description of their other duties and the amount of time allocated to each.

RESPONSE: None

15. Identify (IN THE ATTACHED EXCEL DOCUMENT), all of your organization's publicly-funded managed care contracts for Medicaid/CHIP and/or other low-income individuals within the last five (5) years. In addition, identify, in Excel format your organization's ten largest (as measured by number of enrollees) managed care contracts for populations other than Medicaid/CHIP and/or other low-income individuals within the last five (5) years. For each prior experience identified, provide the trade name, a brief description of the scope of work, the duration of the contract, the contact name and phone number, the number of members and the population types (e.g., TANF, ABD, duals, CHIP), the annual contract payments, whether payment was capitated or other, and the role of subcontractors, if any. If your organization has not had any publicly-funded managed care contracts for Medicaid/SCHIP individuals within the last five (5) years, identify the Organization's ten largest (as measured by number of enrollees) managed care contracts for populations other than Medicaid/CHIP individuals within the last five (5) years and provide the information requested in the previous sentence. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Payformance Corporation does not provide managed care services.

The following list of clients have been submitted:

Crystal Hoopes

RelayHealth

(913) 217-4452

10895 Grandview, Ste 300

Overland park, KS 66210

Gavin Galimi

Executive Vice President & General Counsel

March Vision Care

(310) 216-2303

6701 Center Drive West, Suite 790

Los Angeles, CA 90045

Keith Renaldi

VP Blue Cross and Blue Shield of Massachusetts

Landmark Center, MS 01-06

401 Park Drive

Boston, MA 02215-3326

(617) 246-5906

Debbie Vistocco

Corporate VP

(585) 238-4666

Excellus Health Plan Inc. (New York BCBS affiliate)

165 Court Street

Rochester, NY 14647

Christopher Leardini

VP

HealthNow New York Inc. (New York BCBS affiliate)

(716) 887-7081

P.O. Box 80

1901 Main St.

Buffalo, NY 14240-0080

PLEASE COMPLETE THIS QUESTION IN THE ATTACHED EXCEL DOCUMENT.

Identify whether your organization has had any contract terminated or not renewed within the past five (5) years. If so, describe the reason(s) for the termination/non-renewal, the parties involved, and provide the address and telephone number of the client. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: None, although several customers that had previously contracted through a banking partner of Payformance Corporation now contract directly with the company.

- a. If the contract was terminated/non-renewed, based on your organization's performance, describe any corrective action taken to prevent any future occurrence of the problem leading to the termination/non-renewal. Include your organization's parent organization, affiliates, and subsidiaries.

16. As applicable, provide (in table format) the Organization's current ratings as well as ratings for each of the past three years from each of the following:

- a. AM Best Company (financial strengths ratings);
- b. TheStreet.com, Inc. (safety ratings); and
- c. Standard & Poor's (long-term insurer financial strength).

RESPONSE: Not applicable. Payformance Corporation is not an insurer.

17. For any of your organization's contracts to provide physical health services within the past five years, has the other contracting party notified the Proposer that it has found your organization to be in breach of the contract? If yes:

- a. Provide a description of the events concerning the breach, specifically addressing the issue of whether or not the breach was due to factors beyond the Proposer's control.
- b. Was a corrective action plan (CAP) imposed? If so, describe the steps and timeframes in the CAP and whether the CAP was completed.
- c. Was a sanction imposed? If so, describe the sanction, including the amount of any monetary sanction (e.g., penalty or liquidated damage).
- d. Was the breach the subject of an administrative proceeding or litigation? If so, what was the result of the proceeding/litigation?

Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Payformance Corporation does not provide physical health services.

18. Indicate whether your organization has ever sought, or is currently seeking, National Committee for Quality Assurance (NCQA) or American Accreditation HealthCare Commission (URAC) accreditation status. If it has or is, indicate current NCQA or URAC accreditation status and accreditation term effective dates if applicable.

RESPONSE: Not applicable.

19. Have you ever had your accreditation status (e.g., NCQA, URAC,) in any state for any product line adjusted down, suspended, or revoked? If so, identify the state and product line and provide an explanation. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Not applicable.

20. If you are NCQA accredited in any state for any product line, include a copy of the applicable NCQA health plan report cards for your organization. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Not applicable.

21. Provide (as an attachment) a copy of the most recent external quality review report (pursuant to Section 1932(c)(2) of the Social Security Act) for the Medicaid contract identified in response to item #15 above that had the largest number of enrollees as of January 1, 2011. Provide the entire report. In addition, provide a copy of any corrective action plan(s) requested of your organization (including your organization's parent organization, affiliates, and subsidiaries) in response to the report.

RESPONSE: Not applicable.

22. Identify and describe any regulatory action, or sanction, including both monetary and non-monetary sanctions imposed by any federal or state regulatory entity against your organization within the last five (5) years. In addition, identify and describe any letter of deficiency issued by as well as any corrective actions requested or required by any federal or state regulatory entity within the last five (5) years that relate to Medicaid or CHIP contracts. Include your organization's parent organization, affiliates, and subsidiaries.

RESPONSE: Not applicable.

23. Provide a statement of whether your organization is currently the subject or has recently (within the past five (5) years) been the subject of a criminal or civil investigation by a state or federal agency other than investigations described in response to item #12 above. If your organization has recently been the subject of such an investigation, provide an explanation with relevant details and the outcome. If the outcome is against your organization, provide the corrective action plan implemented to prevent such future offenses. Include your organization's parent company, affiliates and subsidiaries.

RESPONSE: Payformance Corporation is neither currently the subject nor has it recently (within the past five (5) years) been the subject of a criminal or civil investigation by a state or federal agency.



June 14, 2011

Wade Davenport
Director, Strategic Sourcing
WellCare Health Plans, Inc.
8735 Henderson Road
Renaissance Two
Tampa, FL 33634

Dear Mr. Davenport:

We understand that the Louisiana Department of Health and Hospitals ("DHH") is soliciting competitive proposals for managed care services through Medicaid Coordinated Care Network Request for Proposals (RFP # 305PUR-DHHRFP-CCN-P-MVA) (the "RFP"), and that WellCare Health Plans, Inc., through certain affiliates ("WellCare"), intends to respond to the RFP.

We also understand that, pursuant to the RFP Proposal Submission and Evaluation Requirements, Part II, Item B.7, WellCare is required to submit from each major subcontractor a statement that the organization will guarantee performance of the contract.

Please accept this correspondence as the required statement that Payformance Corporation, a proposed subcontractor for WellCare's Medicaid managed care business in the State of Louisiana, will unconditionally guarantee performance of each and every obligation, warranty, covenant, term and condition of the contract. Notwithstanding the foregoing, nothing in this guarantee is intended to alter or revise the terms and conditions of the Services Agreement dated November 30, 2006, as amended.

Sincerely,

A handwritten signature in black ink that reads "Phillip M. Ulsch".

Phillip M. Ulsch
Chief Financial Officer
Payformance Corporation

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