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NEWS RELEASE

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Rocky Mountain Health Plans Partners with CNIC Health Solutions to offer Self-Funded Benefit Plans

(GRAND JUNCTION, Colo.) – Rocky Mountain Health Plans (RMHP) today announced a significant expansion to its portfolio of health care benefit products through a partnership with CNIC Health Solutions (CNIC), Colorado’s largest independent third-party administrator.

RMHP’s affiliation with CNIC stems from the expansion of an already-existing relationship between the two organizations. RMHP, an original minority investor in CNIC, has become the majority shareholder after purchasing stock owned by Mountain Medical Affiliates, Inc.

“We set a high standard when we considered looking for a best-in-class partner to complement our product expansion strategy and CNIC was an ideal fit,” said John Hopkins, president and CEO, Rocky Mountain Health Plans. “Not only is CNIC aligned with our vision, it is a successful and highly regarded provider of self-funded plans. I am especially pleased with this arrangement because, like Rocky Mountain Health Plans, CNIC is recognized for its service excellence, and for its commitment to meeting the needs of employers, enrollees, physicians, and other key stakeholders.”

“This strengthening of our strategic alliance combines RMHP’s strong fully-insured health plans and rich Colorado history with CNIC’s innovative service delivery model, new consumer driven products, and leadership position as a third-party administrator,” said Kathy Major, president and CEO, CNIC Health Solutions.

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Offering self-funded products to Colorado employers is a natural progression for RMHP. In recent years, the organization has expanded its product portfolio to include PPO plans, alternate funding products, health plans for individuals, and other unique products and services that meet the needs of today's health care consumers. "The face of health care continues to change and evolve and self-funded plans offer employers additional funding options and flexibility to meet the health care needs of their employees," Hopkins said.

While the two organizations will collaborate on product development and sales and John Hopkins will serve as the Chairman of CNIC's Board of Directors, Front-Range-based CNIC's day-to-day operations will remain largely independent and under the direction of Kathy Major. "We are excited about the expanded partnership with RMHP. The combined product portfolio of each company will allow us to serve our collective customers by offering meaningful health benefit solutions" said Major.

About Rocky Mountain Health Plans

Rocky Mountain Health Plans (RMHP) provides medical benefit plans and services to more than 110,000 members. The organization offers a wide range of medical benefit options, including PPO, HMO, and indemnity-based medical plans. Through its family of health plans, Rocky Mountain Health Plans serves a broad cross-section of Coloradans, including commercial groups, individuals, Medicare and Medicaid eligible persons, and children who receive care under the state's Child Health Plan Plus program.

In the 2003 *Health Matters Quality Report*, produced by the Colorado Business Group on Health, Rocky Mountain Health Plans was the only health plan in Colorado to receive a ***Significantly Higher Than Average*** score for overall quality of health care.

About CNIC Health Solutions

CNIC Health Solutions (CNIC), headquartered in Denver with offices in Colorado Springs and Elko, Nevada, is Colorado's largest third-party administrator. CNIC provides highly customized benefit plans for self-funded PPO products to more than 200 employers and 100,000 members nationally and internationally. CNIC's competitive advantage is its technology-focused approach to offering competitively priced products and services, unparalleled system efficiencies, and delivering consistently high quality customer service.

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