



News Release

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Molina Healthcare to Acquire Cigna's Texas Medicaid Contracts

Transaction to Continue to Bring Superior Benefits to Members in Texas

Synergistic Business to be Immediately Accretive to Molina's Adjusted Earnings Per Share

Long Beach, Calif., and Bloomfield, Conn., April 22, 2021 – Molina Healthcare, Inc. (NYSE: MOH) and Cigna Corporation (NYSE: CI) today announced that they have entered into a definitive agreement pursuant to which Molina will acquire Cigna's Texas Medicaid and Medicare-Medicaid Plan (MMP) contracts and certain operating assets. As of December 31, 2020, Cigna's Texas Medicaid and MMP business served approximately 48,000 Medicaid members in the STAR+PLUS program in the Hidalgo, Tarrant, and Northeast service areas, and approximately 2,000 MMP members in the Hidalgo service area, with full year 2020 premium revenue of approximately \$1.0 billion.

Molina said in a statement: "Acquiring Cigna's Texas Medicaid business provides us with a stable base of membership and revenue that will deepen Molina's service offerings in Texas, allowing us to meet the needs of thousands of additional Medicaid and MMP members. The transaction demonstrates continued execution and is nicely representative of our growth strategy."

Cigna said in a statement: "We are proud of the positive impact we have made on customer lives through our Texas Medicaid business, and are confident that Molina will build on our work to improve their health, well-being, and peace of mind. We remain fully committed to the state of Texas, and look forward to continuing to bring affordable, predictable, and simple health care solutions to the millions of Texans we serve through our Medicare, Commercial, and Health Services businesses."

The purchase price for the transaction is approximately \$60 million and Molina intends to fund the purchase with cash on hand. The transaction is expected to be immediately accretive to Molina's adjusted earnings per share. The transaction is subject to receipt of applicable federal and state regulatory approvals and the satisfaction of other customary closing conditions. It is expected to close in the second half of 2021.

About Molina Healthcare

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed healthcare services under the Medicaid and Medicare programs and through the state insurance marketplaces. Through its locally operated health plans, Molina Healthcare served approximately 4.0 million members as of December 31, 2020. For more information about Molina Healthcare, please visit molinahealthcare.com.

About Cigna

Cigna Corporation is a global health service company dedicated to improving the health, well-being and peace of mind of those we serve. Cigna delivers choice, predictability, affordability and access to quality care through integrated capabilities and connected, personalized solutions that advance whole person health. All products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company, Connecticut General Life Insurance Company, Evernorth companies or their affiliates, and Express Scripts companies or their affiliates. Such products and services include an integrated suite of health services, such as medical, dental, behavioral health, pharmacy, vision, supplemental benefits, and other related products. Cigna maintains sales capability in over 30 countries and jurisdictions, and has more than 175 million customer relationships throughout the world. To learn more about Cigna®, including links to follow us on Facebook or Twitter, visit www.cigna.com.

Safe Harbor Statement of Molina under the Private Securities Litigation Reform Act of 1995

This press release contains “forward-looking statements” regarding the proposed acquisition by Molina of certain assets relating to Cigna’s Texas Medicaid and MMP business. All forward-looking statements are based on current expectations that are subject to numerous risk factors that could cause actual results to differ materially. Such risk factors include, without limitation, risks related to the following:

- (i) the possibility that the proposed transaction will not be completed on a timely basis or at all;
- (ii) the risk that regulatory or other approvals required for the proposed transaction may be delayed or not obtained, or are obtained subject to conditions that are not anticipated;
- (iii) potential business changes required in connection with complying with any undertakings in connection with regulatory, governmental, or third-party consents or approvals for the proposed transaction;
- (iv) the disruption from the announcement, pendency, and/or completion of the proposed transaction, including potential adverse reactions or changes to business relationships with customers, suppliers, or regulators, making it more difficult to maintain business and operational relationships;
- (v) the possible attrition in Cigna’s Medicaid and MMP membership pending the completion of and following the closing of the proposed transaction;
- (vi) the risk that Molina is unable to successfully retain or integrate the employees and operations of Cigna Medicaid and MMP;
- (vii) the possibility that the expected synergies and value creation from the proposed transaction will not be realized, or will not be realized to the extent expected or within the expected time period;
- (viii) the risk that unexpected costs will be incurred in connection with the completion and/or integration of the proposed transaction or that the integration of the acquired assets will be more difficult or time consuming than expected;
- (ix) the difficulty of maintaining provider relations and managing potential medical cost increases resulting from unfavorable changes in contracting or re-contracting with providers; and
- (x) the uncertainty around the duration of the COVID-19 pandemic and the ultimate impact thereof on the benefits Molina expects to realize from the proposed transaction.

Additional information regarding the risk factors to which Molina is subject is provided in greater detail in its periodic reports and filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K. These reports can be accessed under the investor relations tab of Molina’s website or on the SEC’s website at sec.gov. Given these risks and uncertainties, Molina cannot give assurances that its forward-looking statements will prove to be accurate, or that any other results or events projected or contemplated by its forward-looking statements will in fact occur, and Molina cautions investors not to place undue reliance on these statements. All forward-looking statements in this release represent Molina’s judgment as of the date hereof, and it disclaims any obligation to update any forward-looking statements to conform the statement to actual results or changes in its expectations that occur after the date of this release. Given these risks and uncertainties, Molina can give no assurances that its forward-looking statements will prove to be accurate, or that any other results or events projected or contemplated by its forward-looking statements will in fact occur, and it cautions investors not to place undue reliance on these statements. All forward-looking statements in this release represent Molina’s judgment as of the date of this press release, and, except as otherwise required by law, Molina disclaims any obligation to update any forward-looking statements to conform the statement to actual results or changes in its expectations.

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